



Raising a toast to a
Journey of 25
years!

Driving *premiumisation*
Ensuring *sustainability*
Promoting *wine tourism*



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Notice to Annual General Meeting



To know more about
the company, log on to
<https://sulavineyards.com>



Scan the QR Code to
view the report online



25 years ago, Rajeev Samant established the first vineyard in Nashik in 1996, playing a pivotal role in revolutionizing India's wine industry. Over the years, we have evolved from a humble vineyard with a modest portfolio to an extensive range of award-winning wines and a thriving wine tourism destination, growing vine by vine, stone by stone. Sula Vineyards stands as a testament to the transformative journey of Indian wine culture, marking a quarter-century of excellence and visionary growth. With each passing season, our roots have grown deeper and our passion has soared.

From manufacturing the first bottle of Sula wine to establishing India on the global wine map, we have indeed built a culture of wine drinking in India.

In addition to curating premium wines that cater to discerning consumers, we have pioneered the Wine Tourism business in India. We opened the country's first wine tasting room in 2005 and India's first vineyard resort in 2010. From hosting a modest number of wine enthusiasts to now welcoming 435,000+ visitors through our gates each year, we have come a long way.

Our story over the last 25 years has been nothing short of extraordinary—what began with a handful of grape varietals has now evolved into an award-winning collection of wines, that brings people together.

However, what stands out for us during this journey are the memories that we have created in our tasting rooms, vineyard tours and at SulaFest. In doing so, we believe we have not just achieved growth but have also created a thriving community of wine enthusiasts.

As we look ahead to the future, we envision the upcoming years of Sula to be as fruitful and inspiring as the last. Expanding our horizons, we seek to reach more consumers and spread the enigma of Sula wines.



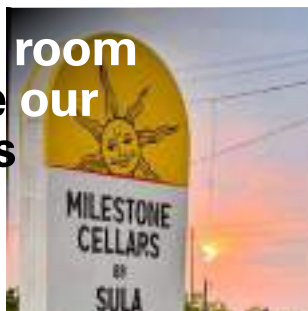
Pioneers in the *Indian Wine Industry*

Over the past two decades, at Sula, we have grown manifold. We have consolidated our position as a leader in the Indian wine industry. Throughout this glorious journey, our passion for creating premium wines has remained steadfast.

We operate wineries in Maharashtra and Karnataka, which are India's premier grape-growing regions. Our shelves feature a diverse array of wines, ranging from rich reds to crisp whites, delightful rosés and sparkling wonders. On the strength of this award-winning portfolio, we have achieved significant growth in the domestic wine industry. Besides, our wines have garnered international acclaim and are widely recognised for their premium quality.

This dedication to excellence extends beyond the grape varieties we cultivate. Every step of the winemaking process, from meticulous harvesting to controlled fermentation and aging, is carefully monitored by our experienced winemakers. This ensures that each bottle captures the essence of our vineyards, resulting in wines boasting exceptional depth of flavour and a richness that will tantalise any palate.

Tasting room
outside our
campus



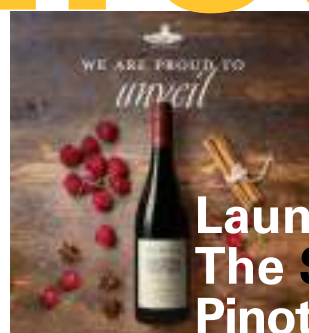
Winery tour
and tastings



First



Vineyard
resort



Launched
The Source
Pinot Noir

60%+
market share

in India in Grape wine under Elite
and Premium category
(Source: 'Industry Report on Indian wine
Retail', Technopak)

Only

Indian wine company currently
listed on stock exchanges

11th

Most followed wine
company in the world

**IWCA Gold
Certificate**

Asia's first to receive

16.7

Million litres tank capacity

2,50,000+

Total Tastings Conducted all over
India with 42% growth over last year

4,35,000+

Visitors to our vineyards

Performance Highlights

616.4 Cr.

Highest ever Net Revenue

183.6 Cr.

Highest ever EBITDA

30.2%

Highest Ever EBITDA Margin

93.32 Cr.

PAT

15.3 %

Highest ever PAT Margin

24,000+

Points of sale across India



Our Journey of 25 years

1996

Rajeev set up the first vineyard in Nashik



2005

Built India's first wine tasting room at our Nashik winery



2009

Became the **market leader** in the Indian wine industry in terms of sales volume as well as value



2016

Sula's **Shiraz Cabernet** became India's **best-selling** domestic 100% grape wine



2019



Crossed **60% market share** by value in Elite and Premium wines category



2021

Acquired **York Winery** (based in Maharashtra)



2024

Opened **Milestone Cellars** Our 1st Tasting Room outside our premises & **acquired ND Wines**



2008

Organised **SulaFest** - India's first wine themed music festival and opened the country's **first vineyard resort**



2012

Crossed **50% market share** in domestic 100% grape wine market



2017

Acquired **Heritage Winery** (based in Karnataka)



2020

Launched **Dia**, India's first wine-in-a-can



2022

Got listed on **NSE and BSE**, only Indian wine company currently listed on stock exchanges



2000

Produced Sula's **first bottle of wine**





“ I would like to extend my sincere gratitude to all our stakeholders for having faith in our capabilities and vision. ”

Message from the Founder and CEO

Dear Shareholders,

FY24 has been momentous for us as we mark the completion of 25 years of Sula. I am pleased to reflect on our journey and the significant strides we have made along the way. Revisiting our humble beginnings, it's incredible to see how far we've come. What started as a passionate endeavour to bring high-quality wine to India has transformed into a pioneering force in the Indian wine industry.

From the setup of our first vineyard in 1996 to becoming India's leading wine producer, our journey has been marked by a relentless pursuit of quality and a deep understanding of consumer preferences.

We persisted in our commitment to driving premiumisation and enhancing the quality of our wines—firmly positioning Sula as a leading name not just in India but on the global stage. We have consistently prioritised enriching our portfolio by curating authentic wines that cater to discerning consumers. Our commitment to innovation has seen as we introduce new varietals and blends, pushing the boundaries of Indian winemaking.

Spotlight on our financial highlights

We achieved an all-time high Net Revenue of 616.4 Cr. growing at 10.7% YoY. We recorded our highest ever EBITDA at 183.6 Cr. growing 14.0% YoY and highest ever PAT at 93.3 Cr. growing at 11% YoY.

FY24 has been a record year, especially in terms of improvements in our margins. We achieved our highest ever EBITDA margin at 30.2% from 29.1% last year. Our PAT margins stood at 15.3% this year.

Prudent financial management, as evidenced by our healthy debt-to-equity and net debt-to-EBITDA ratios, has fuelled this strong performance. Our Return on Capital Employed (ROCE) stood at a robust 25.2% this year, growth of 221 bps over the last year; and I am glad to share that it is

among the highest in the Alcoholic Beverages industry. This demonstrates our commitment to consistently improve our financial metrics in tandem with our growth.

Spotlight on our business highlights

Our Own Brands have been the stars of the show, now accounting for over 87.8% of our revenue. Revenue from Own Brands was at INR 534.2 Cr. growing at 11.1% YoY. Our premiumization efforts have succeeded in raising our Elite and Premium wine share to an all-time high of 75.2%. Our Elite and Premium wines achieved a revenue growth of 15.5%, at INR 401.5 Cr. and we posted a volume growth of 13.4% for this category. Apart from our traditional markets of Maharashtra and Karnataka, we are particularly encouraged by high double-digit growth in non-traditional wine markets, such as Telangana, Rajasthan and CSD, placing us in a sweet spot for sustained success in the years to come.

To support the growth of our premium wines, we have expanded The Source range by adding a new wine, bringing the portfolio to six. We have launched The Source Pinot Noir, an elegant and refined wine, it is the finest expression of an Indian Pinot Noir and is sure to delight consumers. In the realm of new product development, we recently unveiled Sula in a Can, making our most popular wines more accessible. These cans are perfect for getting new audiences to try our wines and cater to the increasing demand for convenience and individual portions.

Our Wine Tourism business recorded a revenue of 54.7 Cr. a 21.7% growth YoY and continues to be one of the most visited vineyards in the world, and indubitably the place where most consumers taste their first glass of wine. This strong performance can be attributed to the growing number of visitors we host, which is second to none in the world today.

“ We have conducted over 2.5 Lac+ tastings this year, an impressive 42% growth over last year. ”

I recall how, when we opened the first winery tasting room in India in 2005, we started with a humble beginning of a small set of wine enthusiasts. Today, I marvel at just how far we've come, now hosting over 4.3Lac + visitors to our vineyards. Looking ahead, we remain extremely bullish about the future of our Wine Tourism business.

In other developments, we have successfully acquired N D Wines within record time, showcasing our team's exceptional operational efficiency. This move presented us with an opportunity to strengthen our Wine Tourism business as well. The prime location of N D wines, just 45 kms from the Maharashtra-Gujarat border, makes it an ideal Wine Tourism destination. We also opened our 1st standalone tasting room outside our campus - Milestone Cellars by Sula. This marks beginning of many more to come.

Sustainability is a conscious choice at Sula

At Sula, sustainability is not a value, it is a commitment that we have been living every day since our inception. We are one of the most sustainable wine businesses worldwide. We're proud to be the only Asian winery to become a Gold member of the International Wineries for Climate Action (IWCA), a prestigious group of like-minded wineries globally.

Our efforts can be seen across our facilities as we generate ~4 million kWh of solar energy, conserve water through rainwater harvesting, reduce waste by using recyclable packaging, and cut down emissions by moving towards electric transportation. 59% of our energy needs are met by our solar PV installations. We are committed to achieving 75% renewable energy usage in the future. We have already begun laying the groundwork to make this vision a reality.

An exciting future beckons!

Looking ahead, we remain confident in our long-term prospects. Our focus remains to onboard more wine consumers, increase our reach, and expand our market penetration- bringing lakhs of Indian consumers into the wine-fold. Having already secured the No. 11 spot on the Top Wineries on Instagram list, we're just getting started. We were also recognised as a Great Place To Work® for the third consecutive year in a row, a strong testament to the people first culture of Sula.

This year's great harvest promises ample supply, especially for our Elite and Premium wines. Additionally, our recent product launches have garnered a positive consumer response.

“The growing demand for our wines, booming wine tourism, and consumer preferences for our premium Indian wines point to a bright future for Sula!”

Sula's journey is not just about wine; it's about building a legacy of passion, perseverance, and progress. The upcoming years promise even greater achievements as we continue to innovate, grow, and inspire.

Here's to raising a toast to our journey of 25 years and to many more fruitful vintages ahead!

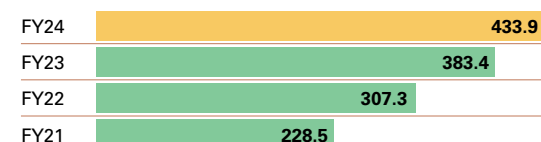
Best regards,

Rajeev Samant
Founder and CEO

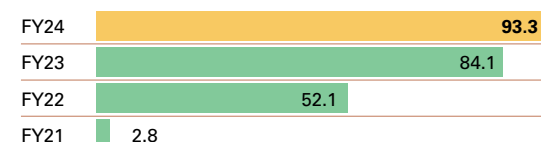


A Track Record of Robust *Performance*

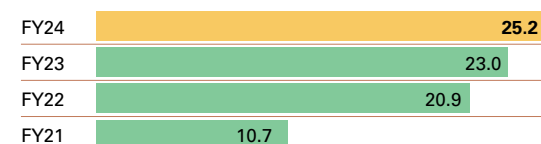
Gross Profit (INR Cr.)



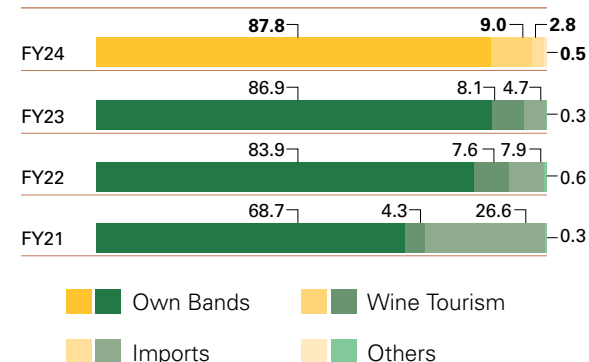
PAT (INR Cr.)



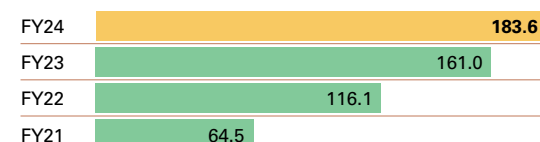
ROCE (%)



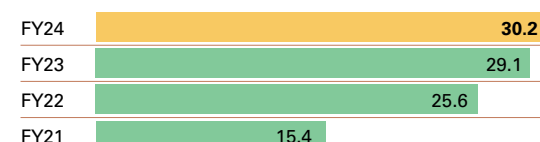
Share of Revenue (%)



EBITDA (INR Cr.)



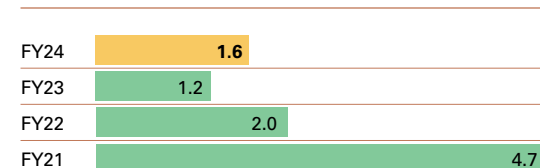
EBITDA Margin (%)



ROE (%)



Debt to EBITDA (in times)



Premiumization Trajectory

Sula's premiumization strategy is founded on a commitment to quality and customer-centricity. The revenue generated from our Elite and Premium wine categories experienced significant growth from FY20 to FY24.

We recognize the evolving tastes and preferences of our consumers, who increasingly seek high-quality wines that offer unique experiences and exceptional value. In response to this demand, we have strategically positioned our Elite and Premium wine portfolio to cater to discerning wine enthusiasts.

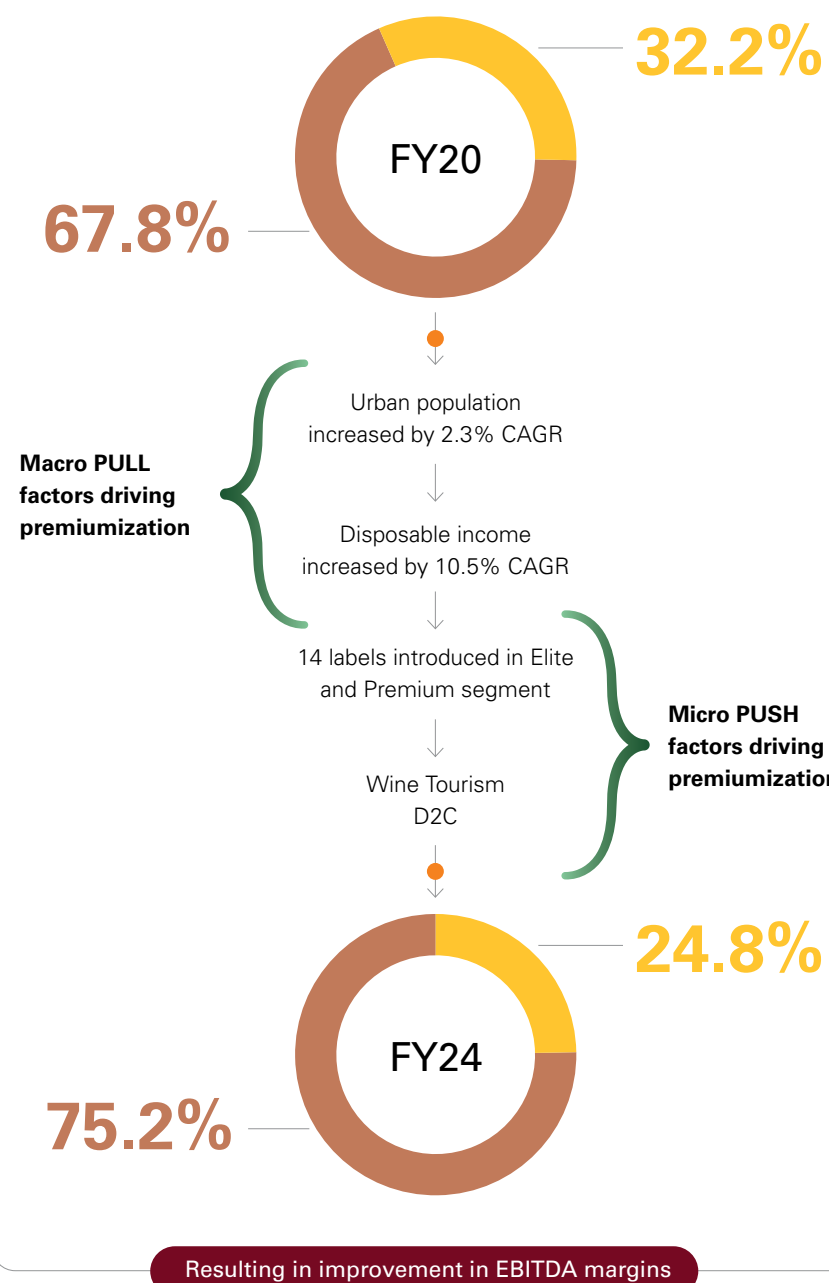
Our strategy is to enhance the visibility and accessibility of our Elite and Premium wines through partnerships with restaurants, luxury hotels, and retailers. We have expanded our horizons to reach the affluent consumers. From vineyard to bottle, we ensure meticulous attention to detail at every stage of production, resulting in wines that consistently exceed expectations.

Revenue Breakup

(%)

● Elite & Premium

● Economy & Popular



Elite

INR > 950



Premium

INR 760-950



Elite and Premium Volume Contribution (%)

FY24	55.0
FY23	51.9
FY22	49.6
FY21	46.1

Elite and Premium Revenue Contribution (%)

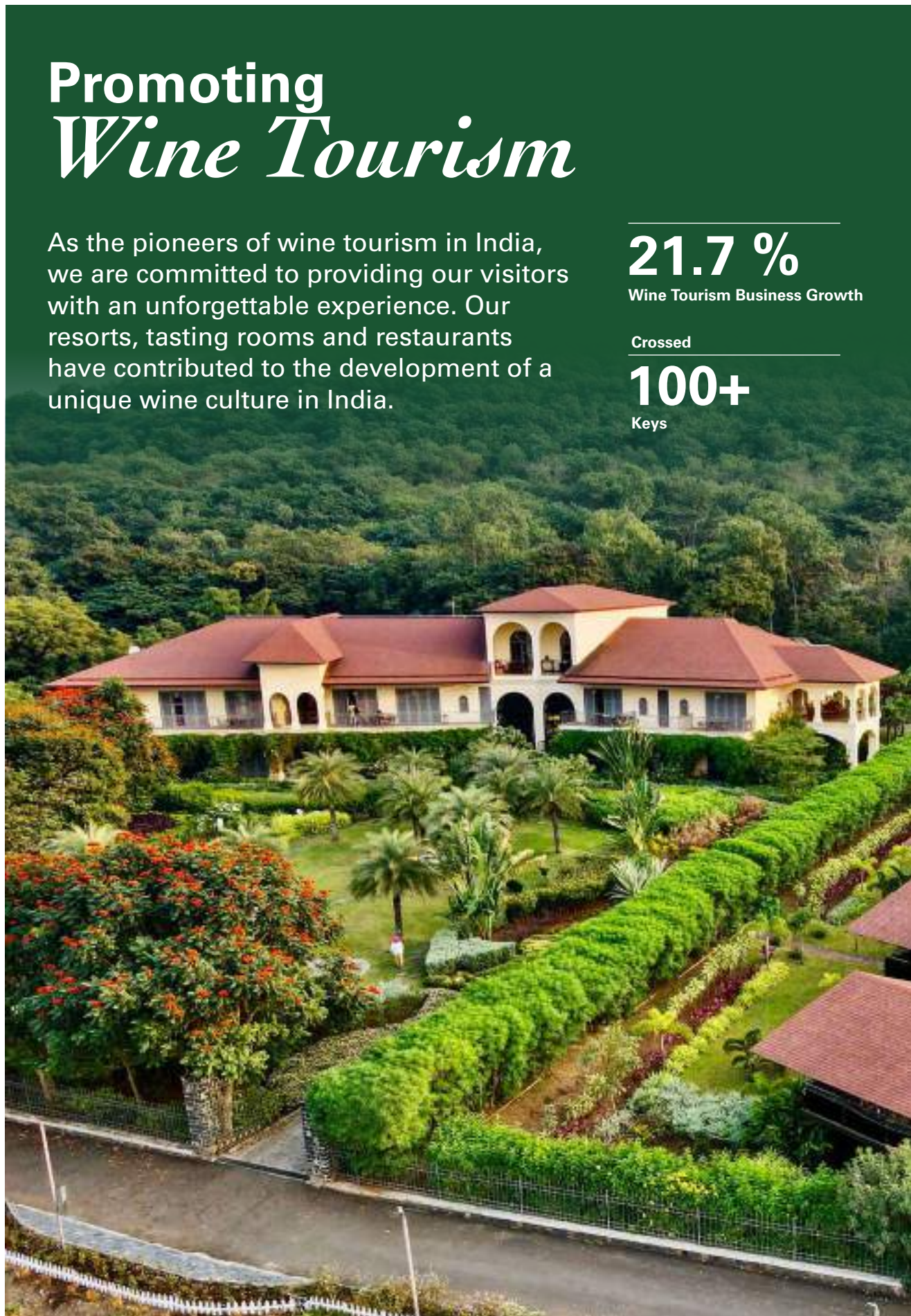
FY24	75.2
FY23	72.3
FY22	70.6
FY21	68.6

Promoting Wine Tourism

As the pioneers of wine tourism in India, we are committed to providing our visitors with an unforgettable experience. Our resorts, tasting rooms and restaurants have contributed to the development of a unique wine culture in India.

21.7 %
Wine Tourism Business Growth

Crossed
100+
Keys



Our Wine Tourism business recorded a revenue of 54.7cr, a 21.7% growth YoY and continues to be one of the most visited vineyards in the world. Guests can explore the world of Indian winemaking through winery tours, tasting sessions and other immersive experiences offered at our on-site resorts, The Source at Sula and Beyond by Sula. These luxurious resorts provide world-class amenities and the perfect setting to unwind amid the beauty of the vineyards.

The Source

Located in Sula's first vineyard, the Source at Sula offers a unique experience to our guests. Visitors at the Source can delight in the beauty of the vineyards, the Gangapur Lake and the Deccan Hills. The resort also offers varied stay options and is equipped with world-class amenities.

Beyond

Beyond by Sula offers a luxurious retreat away from the hustle and bustle of the city, situated amid the hills of Gangapur. We have added three stylish new villas - Earth Villa, Water Villa and Air Villa overlooking the picturesque Gangapur lake in Nashik, modelled on our iconic Sky Villa which is always over-booked. With the addition of new villas, we hope that more guests can experience the joy of a vineyard retreat. Besides offering diverse stay options, the resort also features top-notch amenities.

Domaine Sula

Domaine Sula is Sula Vineyard's flagship winery in Karnataka. It is India's second-largest grape-producing region. This vineyard offers an escape to visitors, showcasing the beauty of sustainable winemaking.

At Domaine Sula, visitors can explore the nuances of different varieties and flavours, discovering their perfect match with expert guidance. Domaine

Sula elevates the culinary experience of guests by continuously introducing dishes from diverse cuisines across its restaurants. Equipped with the Bottle Shop, the resort offers a unique wine retail experience, showcasing the entire Sula range alongside Elite selections like RĀSĀ and The Source.

The Milestone Cellar by Sula

In 2005, we launched our first winery tasting room in Nashik, followed by the addition of a second location at Domaine Sula in 2017. Both locations offer immersive experiences, allowing visitors to explore the world of Sula wines.

Thriving on this success, we are excited to unveil a brand-new chapter – The Milestone Cellar by Sula! Located at the Renaissance Winery, this exciting project marks our first tasting room outside our own wineries. The Milestone Cellar will be a multi-faceted destination, featuring a restaurant, a well-stocked Bottle Shop perfect for airport travellers, and, of course, captivating tours and wine tastings. This expansion allows us to cater to a wider audience, particularly those in the eastern Nashik district seeking a convenient Sula experience.



In person tastings over the years

FY24	1,72,000+
FY23	1,30,000+
FY22	85,000+
FY21	43,000+

Total visitors to our Vineyards

FY24	4,35,000+
FY23	3,40,000+
FY22	2,50,000+
FY21	1,53,000+

Record Breaking Visitors

11,600+

Visitors during
Independence Day Weekend

12,000+

Visitors during Christmas weekend



Stay with us *The Source at Sula*



- **Hermitage Suite:** Unwind in opulent comfort with curated furniture, a grand balcony overlooking the vineyard, and a dazzling white marble bathroom offering a true escape.

Capacity - 2 person

Size - 1150 Sqft.



- **Vineyard Suite:** Unwind in unmatched luxury with this expansive suite featuring a spacious living room, a king-sized bedroom, and a balcony perfect for sunset wine tastings.

Capacity - 2 person

Size - 1000 Sqft.



- **Tower Suite:** Regal elegance meets vineyard majesty in this chic duplex boasting panoramic views and a luxurious bathroom.

Capacity - 2 person

Size - 578 Sqft.



- **Vintage Grand Room:** Luxurious living meets verdant views in this spacious room featuring a separate living area and a garden-facing bedroom.

Capacity - 2 person

Size - 400 Sqft.



- **Grand Cru:** Handpicked furnishings and a private balcony create a haven of relaxation with delightful nature views.

Capacity - 2 person

Size - 400 Sqft.



- **Courtyard Room:** Transport yourself to Europe with cobblestone floors, a vintage fountain, and rustic-chic rooms featuring individual wicker swings.

Capacity - 2 person

Size - 400 Sqft.



- **Vintage Room:** Channel your inner Italian in these exquisitely designed rooms offering garden or hill views, ideal for families.

Capacity - 2 person

Size - 330 Sqft.



- **Tree House No. 1:** Crafted from acacia wood, this luxurious treehouse offers an exclusive experience with a private deck overlooking the wilderness.

Capacity - 2 person

Size - 270 Sqft.



- **Tree House Vineyard View:** Wake up to uninterrupted vineyard vistas and the sounds of nature in this cozy couple's retreat with a private balcony.

Capacity - 2 person

Size - 270 Sqft.

Beyond by Sula



- **Earth Villa:** Escape the ordinary in this elegant villa offering four bedrooms, a spacious living room, a temperature-controlled pool, a rooftop seating area with gorgeous views, and an upper living room with a snooker table.

Capacity - 8 Person

Size - 3,060 Sqft



- **Air Villa:** Immerse yourself in the serene beauty of this stunning retreat. Featuring a temperature-controlled infinity swimming pool, this villa has everything you need to unwind and de-stress. It offers breathtaking views of lush greenery and the nearby lake.

Capacity - 8 Person

Size - 3,060 Sqft



- **Water Villa:** Indulge in comfort and space with this 3-bedroom villa boasting an infinity pool and elegant surroundings.

Capacity - 6 Person

Size - 2,111 Sqft.



- **Sky Villa:** Create unforgettable memories with family or enjoy romantic seclusion in this luxurious 3-bedroom villa with a private pool, spacious living areas, and stunning lake views.

Capacity - 6 Person

Size - 3,040 Sqft.



- **Lake View Room:** This modern room with stunning lake views offers ample natural light and a modern bathroom, making it a picture-perfect retreat.

Capacity - 2 person

Size - 280 Sqft.



- **Lakeview Suite:** Feel right at home in this luxurious two-bedroom suite featuring a private terrace, a spacious living room, and a dining area perfect for memorable evenings.

Capacity - 4 Person

Size - 1,543 Sqft.



- **Garden View Room:** Modern luxury meets nature in this spacious room boasting floor-to-ceiling glass walls and a modern bathroom with a touch of greenery.

Capacity - 2 Person

Size - 390 Sqft.

Strengthening our *Digital Leadership*

Building a vibrant and engaged online community is paramount to our digital leadership strategy. We climbed to No. 11 on Top Wineries on Instagram list. The digital landscape is ever-evolving, and we remain agile and innovative in our approach. Embracing emerging technologies, trends, and platforms enables us to stay ahead of the curve and maintain our position as digital leaders in the wine industry.

Collaborating with influencers, industry partners, and digital platforms amplifies our digital presence and extends our reach to new audiences. By leveraging strategic partnerships, we enhance brand awareness, credibility, and relevance in the digital landscape. We foster a sense of belonging and advocacy among our followers, turning them into brand ambassadors and advocates.

Strategic differentiation for market leadership

We have leveraged events as a pivotal part of our marketing strategy, boasting a calendar brimming with vibrant and successful events. We participated in over 25 events, spanning from open gatherings to exclusive affairs such as Prowine, the Nagpur Wine Festival, Sunday Soul Sante in Hyderabad, Sorbet Soiree, UpperCrust, ET Conclave, Tres in Delhi, Wine Carnival in Mangalore, and many more. These events help us achieve significant mileage.

We conducted ~80K tastings in 66 cities Pan India, a 80% growth over last year. Furthermore we hosted our annual Monsoon Tasting and our first Harvest Tasting at Nashik, where we welcomed a diverse range of guests, including wine enthusiasts, connoisseurs, industry professionals, promising sommeliers, head mixologists, and F&B Managers.

These events serve as platforms for engagement and education, where guests can learn about our winemaking process, indulge in delectable food pairings, and connect with fellow wine lovers.

124k+

Facebook followers

150k+

Instagram followers



Strong digital footprint

We have a prominent social media presence. Our social media channels serve as a community hub for wine lovers, providing us with a platform to share our latest news, showcase our passion for winemaking and build lasting relationships with our consumers.

11th

Most followed winery on Instagram

95 million+

Digital brand reach

2.17M

YouTube brand reach

Catering to Wine *Aficionados Worldwide*

World

25+

Countries

India

22

States

6

Union
Territories

Countries

Austria
Angola
Belgium
Canada
Czech Republic
France
Germany
Holland
Italy
Japan
Korea
Luxembourg
Malaysia
Maldives
Nepal
Norway
Oman
Portugal
Poland
Russia
Spain
Sweden
Singapore
Switzerland
United Arab Emirates
United States of America
United Kingdom

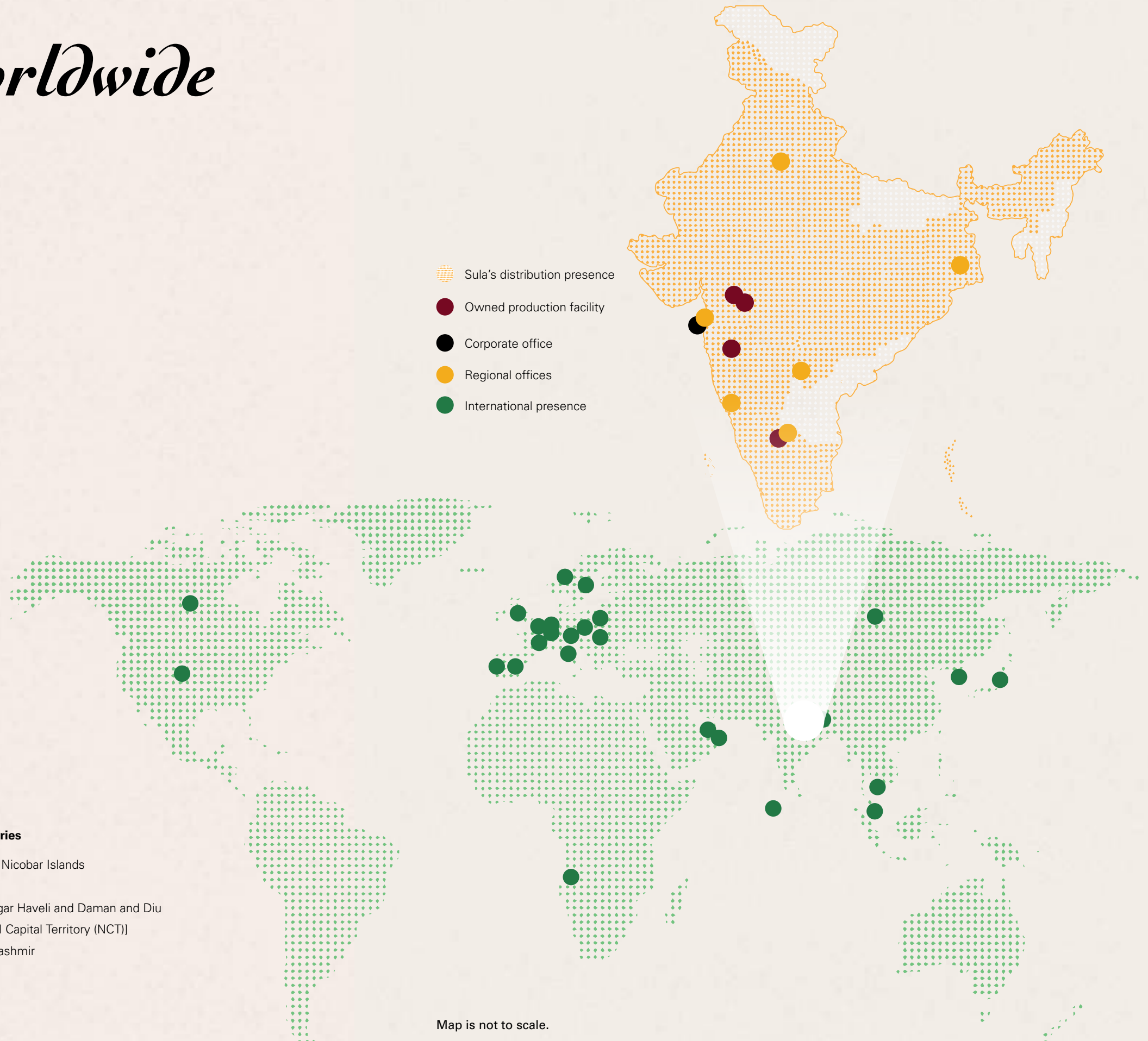
States

Arunachal Pradesh
Assam
Chhattisgarh
Goa
Gujarat
Haryana
Himachal Pradesh
Jharkhand
Karnataka
Kerala
Maharashtra
Madhya Pradesh
Meghalaya
Odisha
Punjab
Rajasthan
Sikkim
Tamil Nadu
Telangana
Uttar Pradesh
Uttarakhand
West Bengal

Union Territories

Andaman and Nicobar Islands
Chandigarh
Dadra and Nagar Haveli and Daman and Diu
Delhi [National Capital Territory (NCT)]
Jammu and Kashmir
Puducherry

- Sula's distribution presence
- Owned production facility
- Corporate office
- Regional offices
- International presence



Map is not to scale.

Our Brands



RĀSĀ

The pinnacle of Indian red wines, the RĀSĀ range is made from the very best vineyards with artisan winemaking and is a showcase for the potential of our terroir.



RĀSĀ Cabernet Sauvignon

RĀSĀ Cabernet Sauvignon, from our prime vineyards, is a powerful, elegant and full-bodied reserve Cabernet.



RĀSĀ Syrah

Crafted from Sula's Nashik vineyards, RĀSĀ Syrah is rich and peppery with a touch of Viognier for added smoothness.



RĀSĀ Zinfandel

Made with grapes from Nashik, RĀSĀ Zinfandel is a rich and smooth wine with lively plum flavours.

The Source

The Source range aims to introduce consumers to new types of wines. Launched in FY18 with the Grenache Rosé, it now comprises 6 beautiful wines. The most recent addition is The Source Pinot Noir, following the successful launch of The Source Moscato.



The Source Sauvignon Blanc Reserve

The Source Sauvignon Blanc Reserve is an oak-aged white wine bursting with tropical flavours for a deeply satisfying experience.



The Source Cabernet Sauvignon

The Source Cabernet Sauvignon offers a smooth and refreshing taste, with aromas of cherry, blackberry, plum and hints of chocolate, balanced by crisp acidity.

Latest release



The Source Pinot Noir

The Source Pinot Noir is a light-bodied red wine with aromas of red fruit; it is perfect for those who enjoy a more delicate style.



The Source Moscato

The Source Moscato is a light and bubbly wine bursting with citrus, lychee and peach flavours; it is perfectly balanced for a refreshing taste.



The Source Grenache Rosé

Made for fun and sunshine, the Source Grenache Rosé is a lively and fruity rosé bursting with flavours of peach.



The Source Chenin Blanc Reserve

The Source Chenin Blanc Reserve offers a sophisticated blend of pear, pineapple and citrus aromas, complemented by rich, oaked flavours of vanilla.

Dindori

Our Reserve tier, the iconic Dindori range features some of India's most loved wines. Our Dindori Reserve Shiraz is the highest selling Indian wine. The Dindori Chardonnay is India's best and highest selling Chardonnay.



Dindori Reserve Viognier

Showcasing a captivating bouquet of lychee, apricot and peach, Sula's Dindori Reserve Viognier is a delicately crafted white wine perfect for Viognier enthusiasts.



Dindori Reserve Chardonnay

Dindori Reserve Chardonnay by Sula offers a delightful interplay of lemon citrus and buttery richness. This exquisitely crafted white wine takes the palate on a captivating journey, culminating with hints of luscious stone fruits.



Dindori Reserve Shiraz

Made with grapes from Nashik, RĀSĀ Zinfandel is a rich and smooth wine with lively plum flavours.

Sula Classics

Sula Classics offers approachable, fruit-forward wines, which are at the core of our portfolio and serve as the starting point in the wine journey for most Indian consumers.



Sula Tropicale Rosé

Sula Tropicale Rosé is an elegant sparkling rosé wine, full of tropical notes including charming passion fruit aromas.



Sula Brut

Sparkling with crisp pear and apple aromas, Sula Brut is a fruit-forward and refreshing wine offering a delightful balance of complexity and easy drinking.



Sula Sparkling Shiraz

Dazzling with a ruby hue, Sula's Sparkling Shiraz offers a captivating blend of pomegranate aromas and dark berry notes, creating a uniquely charming and spicy experience.



Sula Seco

Crafted from Chenin Blanc grapes, Sula Seco is a delightful sparkling wine bursting with citrus aromas and flavours, offering a versatile choice for any occasion.



Sula Late Harvest Chenin Blanc

Offering a delightful blend of sweetness and acidity, Sula Chenin Blanc is a refreshing, easy-drinking white wine with a touch of residual sugar.



Sula Zinfandel Red

Bursting with delightful plum and dark berry notes, Sula Zinfandel is a fruit-forward and playful red wine, offering a balanced flavour.



Sula Shiraz Cabernet

Offering a smooth, silky texture with earthy notes, Sula's Shiraz Cabernet bursts with flavours of dark cherry, pepper and hints of mocha.



Sula Zinfandel Rosé

Crafted from Zinfandel grapes, Sula Zinfandel Rosé offers a vibrant dance of citrus, cranberries and ripe fruit aromas, balanced by refreshing acidity for a delightful burst of summer freshness.



Sula Riesling

Sula Riesling offers a delightful balance of sweetness and acidity, resulting in a light-bodied, refreshingly citrusy and aromatic white wine.



Sula Chennin Blanc

Offering a delightful blend of sweetness and acidity, Sula Chenin Blanc is a refreshing, easy-drinking white wine with a touch of residual sugar.



Sula Sauvignon Blanc

Embracing both classic green pepper notes and delightful tropical flavours, Sula Sauvignon Blanc is an internationally-acclaimed white wine boasting crisp and refreshing aroma.



Sula Seco Rosé

This sparkling Rosé wine is light and refreshing, fruity and aromatic, for a satisfying day.

Sula in a Can

Latest release

"INDIA'S #1
SELLING ROSÉ"

Fruity, Fresh, Light



Fresh

"INDIA'S
MOST LOVED
WHITE WINE"

Refreshing. Easy, Crisp



Easy

"INDIA'S
FAVOURITE
RED WINE"

Vibrant, Smooth, Fruity



Smooth

York



York
Arros



York
Shiraz



York Rosé
Zinfandel

Dia



Dia Red
Wine

Madera



Madera Red
Wine



Madera White
Wine

Samara



Samara Red
Wine



Samara White
Wine

Mosaic



Mosaic
Red Wine



Mosaic
White Wine

Port



Port
Gold



Port
1000



York
Chardonnay



York Chenin
Blanc



York Late Harvest
Chenin Blanc



Dia White
Wine

Our Winemaking Process



Harvesting

Harvest period is December to March. All the wines for the subsequent FY are made in this period.

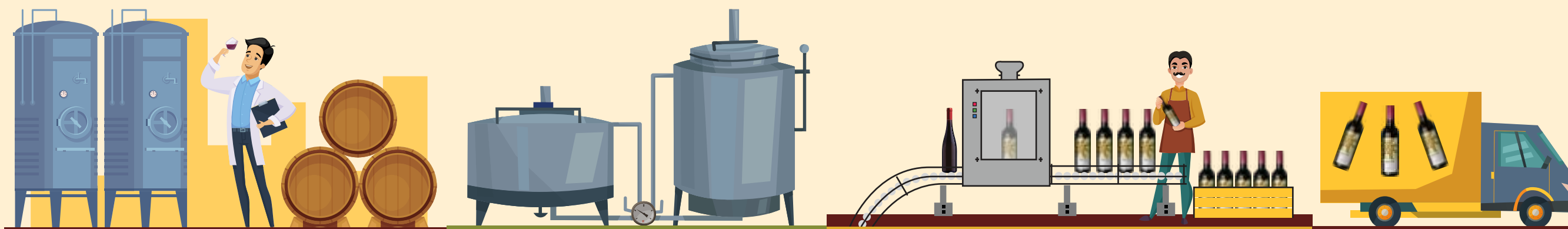
Processing and Fermentation

Harvest occurs at 4 owned and 2 leased facilities. Processing varies as per wine type.

- ▶ Red wine: Grapes fermented with skins.
- ▶ White wine: Juice fermented, no skin contact.
- ▶ Rosé wine: Juice fermented after limited skin contact initially.

Blending

Blends are finalized in Q1/Q2 and are bottled throughout the year.



Ageing

Over 90% of wines are aged in stainless steel tanks. Only few elite wines aged in barrels.

Stabilization and Filtration

Wines are heat and cold stabilized as well as filtered prior to bottling.

Bottling and Labelling

Bottling occurs at 3 owned facilities: 2 in Maharashtra (DD and York) and 1 in Karnataka (DS). It occurs throughout the year as per sales requirements.

Dispatch and Distribution

We have 24,000+ points of sale across India.

Enhancing our Operational Efficiencies

At Sula, we make consistent efforts aimed at improving our operational efficiencies. We strive to optimise resource utilisation and continuously enhance efficiency throughout our entire value chain, from grape to glass. This relentless focus ensures we consistently deliver high-quality wines while maximising our potential for long-term growth.

Pre-production stage

Engaging with farmers

- Secure supply contracts and a reliable source of grapes, demonstrating our commitment to empowering farmers.
- Focusing on responsible water management and minimising chemical use, ensuring the highest quality grapes while protecting the environment.

2,800+

Acres of vineyards

500+

Contact farmers



Production stage

Wine production process

White Wine- Ready for bottling within two months of fermentation

Red wine- Ready for bottling after three to four months of harvesting

4

Wineries in Maharashtra

1

Winery in Karnataka

11,400 tonnes

wine grape harvest

Post-production stage

Extensive Network

Our expansive distribution network across India and over 20 countries ensures that our wines reach a diverse range of consumers.

Strong Partnerships

We collaborate with distributors, corporations and retailers to make our wines available in stores, restaurants, hotels and online platforms.

Modern Trade Channels

We leverage e-commerce and supermarkets to increase accessibility and streamline distribution for consumers.

D2C Sales

Our direct-to-consumer channels at wineries offer a personalised wine-tasting experience and additional revenue stream.

Impressive Sales Performance

Our dedication to distribution excellence has resulted in consistent sales growth across both retail and on-premises channels.

Manufacturing Capacity

Plant	Capacity (million litres)
Domaine Dindori	8.74
Nashik facility	4.64
York	0.48
Domaine Sula	1.14
N D Wines	0.99

22

State presence

50

Distributors

10

Corporations

3

Defence units

6

Company Depots

6

Union Territories

14

Licensed resellers

~3,50,000

Bottles sold via D2C channel

11,35,000+

Cases produced and sold of our Own Brands

Cost optimisation

- Sourcing of packaging materials locally reducing transportation costs and our environmental footprint.
- Implementing measures to minimise waste throughout the packaging process.
- Package optimisation by using lightweight bottles, further reducing material use and cost.

100%

Locally sourced packaging materials



Ensuring quality throughout the winemaking process

We understand that good-quality wines are essential for ensuring customer satisfaction and loyalty. This is why we implement a comprehensive quality control system throughout the entire winemaking process. This commitment is reflected in the certifications our wineries have received, including the ones from BRC and FSSAI.

Quality control and assurance

We conduct rigorous technical analysis to ensure that our wines meet established specifications and are bottled according to strict Standard Operating Procedures (SOPs). All packaging materials undergo equally stringent checks to guarantee they meet the required quality standards.

Vineyard management

Our viticulture team maintains close oversight of the vineyards, ensuring grapes grow in accordance with our guidelines. Winemakers meticulously monitor grape maturity to determine the ideal harvest time. Once harvested, the grapes undergo high-standard winemaking practices with regular analytical and sensory evaluations at each stage to guarantee the wine's quality meets our prescribed standards.



All India Wine Producers Association (AIWPA)



Confederation of Indian Industry (CII)



The Association of Bars, Hotels and Restaurants (ABHAR)



BRC (AA and A grades) ISO 9001:2015



Confederation of Indian Alcoholic Beverage Companies (CIABC)



Food Safety and Standards Authority of India



The Federation of Hotel & Restaurant Associations of India (FH&RA)

BRC (AA and A grades) ISO 9001:2015 FSSAI

Certifications

Efficiently Navigating Risks

We have a robust Enterprise Risk Management framework in place that helps us define processes that effectively mitigate potential threats, enhance operational efficiency, and bolster business resilience.

Governance framework



Responsibilities

Board of Directors- At Sula, our risk management framework is overseen by the Board. Several board-approved policies are also implemented to manage risks. The Board at Sula-

- ▶ Reviews and approves of the overall risk management policy and/or enterprise risk management (ERM) framework
- ▶ Approves the enterprise-level risk appetite statement
- ▶ Regularly evaluates regular risk management reports

Risk Management Committee- The Risk Management Committee, as constituted by the Board, is responsible for implementing and coordinating the risk function as outlined in this policy on an ongoing basis.

Head - Risk and Assurance- The Head of Risk and Assurance facilitates the execution of risk management processes and infrastructure as a key enabler to achieving the business objectives of the organisation.

Risk Owner- The risk owner is accountable and responsible for managing risks and ensuring the implementation of risk mitigation measures.

Risk Champion- The risk champion is responsible for supporting the [please specify the department name] department in developing and reporting on risks; and for ensuring comprehensive and timely identification, assessment, mitigation, controlling, monitoring and reporting of risks.

Enterprise Risk management

Phase 1	Phase 2	Phase 3	Phase 4
Development of ERM Framework and Policy	Risk Identification, Assessment and Prioritisation	Risk Response, Mitigation and Reporting	Training and Knowledge Transfer
Activities Risk Governance Structure Risk Assessment Scales ERM Policy and Framework	Meeting with Senior Management and Risk Owners Draft risk registers and risk scoring Risk Assessment and Prioritisation Discussion	Facilitate the identification of mitigation strategies for key risks	Workshops for training and awareness

Risk Management Process

Risk Identification

We identify areas that may have a negative impact on the Company's ability to implement its strategies and meet its objectives and performance goals. The identification process encompasses operations and support functions, resulting in comprehensive risk identification and management.

Risk assessment

It is the process of establishing a score to help determine the severity of the risk. The process involves evaluating risks based on the likelihood and impact of risk occurrence, where likelihood is defined as 'the probability that a given event will occur' and impact as 'the result, effect, or consequences of an event.' Risk events can be evaluated quantitatively as well as qualitatively.

Risk Treatment

Risk treatment involves selecting one or more options for addressing the risks and implementing those options.

Risk treatment involves-

- ▶ Assessing the risks
- ▶ Deciding whether residual risk levels are within the defined tolerance levels
- ▶ If not tolerable, generating a new risk treatment
- ▶ Assessing the effectiveness of that treatment.

Risk Reporting

The Risk assessment is presented to the Risk Committee at least once every six months. The Risk owners shall review the risks every quarter.

Risk Scoring

Each risk is described and is prioritised based on the risk score.

Risk Mitigation Plan

Management develops appropriate responsive action on review of various alternatives, costs and benefits to manage identified risks and limit the impact to the tolerance level.

The risk mitigation plan covers-

- ▶ Action Plan
- ▶ Responsibility
- ▶ Target Date
- ▶ Required resources

Executing Targeted Strategies

We at Sula Vineyards remain committed to building a wine culture in India, with a focus on premiumisation, market expansion and digital outreach.



Driving premiumisation of the product portfolio

- ▶ We remain committed to driving premiumisation, further strengthening our 'Elite' and 'Premium' wine segments.
- ▶ This will necessitate the development of innovative offerings and the establishment of strategic partnerships to cater to the growing demand for high-quality wines in India.



Pursuing acquisitions in the Indian Wine Industry

- ▶ We have acquired N D Wines Private Limited, a winery in Nashik district that has a lot of tourism scope.



Leveraging social media to enhance brand awareness

- ▶ We strive to leverage the power of social media and digital marketing to amplify brand recall and introduce more consumers to Indian wines.
- ▶ Through collaborations with influencers, we aim to expand our reach and foster an online community of wine lovers.



Focus on wine tourism to attract new consumers

- ▶ We aim to promote wine tourism by attracting new customers and introducing Indian wines to more consumers.
- ▶ By creating unique and educational experiences, we seek to convert visitors into lifelong Sula enthusiasts.
- ▶ We have opened Milestone Cellars by Sula, our first Tasting room/ Wine Bar outside our own winery premises, thus catering to the fast growing demand from the regions north and east of Nashik.




Expanding reach in Indian Tier I and II cities

- ▶ We aim to increase wine consumption across India, with a focus on under-penetrated Tier I and Tier II cities.
- ▶ By expanding our distribution network and introducing our premium offerings in these new markets, we look forward to enhancing brand visibility and gaining additional market share.



Prioritising sustainability

- ▶ By undertaking the 'Green Sula' initiative, we aim to make our vineyards not only eco-friendly but also more cost-effective.
- ▶ This will include promoting renewable energy sources, implementing efficient water harvesting systems as well as recycling packaging and solid waste.

A sunset over a vineyard with a stylized yellow flower graphic.

Caring for the Planet and our People

We also believe that conducting business sustainably is not only the right thing to do, but also essential for long-term success. We are committed to growing sustainably and having a positive impact on the environment and communities of the regions in which we operate. We recognize that our business activities have an impact on the environment and society, and we are taking steps to minimize that impact while maximizing our positive contributions.

At Sula, we aim to build competent teams and enable inclusive growth for our communities. Besides offering them comprehensive perks and benefits, we provide our people with dedicated training programmes to accelerate their career trajectory.

Championing Environmental Stewardship



59%
Of energy consumed comes from our own solar installations

8% per case
water consumption reduced

3,300 kWh
Solar PV capacity

Emission Management

By enrolling in IWCA, Sula has committed to the following obligations:

- ▶ Becoming Net Zero by 2050 across Scope 1 to 3.
- ▶ Third party verified GHG inventory of Scope 1 to 3
- ▶ Operations to be powered by at least 20% renewable energy.
- ▶ Show reduction in CO2 emissions from baseline inventory.
- ▶ We became the first winery in Asia to achieve the IWCA (International Wineries for Climate Action) Gold membership.

Target

Net Zero
Emission by 2050

IWCA
Gold Membership



Key initiatives for reducing our GHG emissions

Heat Pumps:

Installed heat pumps are used for heating pool water, sanitation water, and barrel cleaning, while the byproduct cool air is used for office spaces, reducing reliance on traditional AC systems.

966kW

Heat pump capacity

Lees Filtration System:

This system improves wine production and wastewater quality by filtering lees before treatment, resulting in lower Biological Oxygen Demand (BOD) and Chemical Oxygen Demand (COD) in wastewater.

Battery Backup System:

Installed battery storage (442 kWh) fulfils energy needs during power outages and provides reference power for solar systems, reducing reliance on polluting diesel generators.

Solar Powered Pumps:

Increased irrigation capacity by 130 HP using solar-powered pumps, bringing the total solar pump capacity to 253 HP.

Methane Gas Capture System:

We have initiated installation a results will show in coming years.

Sustainable Construction Practices:

Utilized Pre-Engineered Metal Buildings for winery expansion at Domaine Dindori, reducing on-site construction emissions.

400 tons
of CO₂ emissions saved

Energy management

- ▶ **Solar Energy:** 1381 kW capacity solar panels installed in FY24.
- ▶ Generated around 4 million kWh from solar energy at Sula's owned and leased facilities in Maharashtra and Karnataka.

Solar Contribution in (%)



442kW

Battery Energy Storage System

Energy efficiency practices

- ▶ Chilling operations only during solar hours
- ▶ Converting fluorescent lighting to LED lighting
- ▶ Utilising Variable Frequency Drives (VFDs) to reduce energy consumption of equipment, such as pumps.
- ▶ Insulated wine storage tanks to prevent heat loss.
- ▶ Reducing energy use during cold stabilization by using ion exchange and electro-dialysis for wine stabilization
- ▶ Replacing old air conditioner units with inverter-based AC.
- ▶ Insulating barrel rooms to prevent heat loss during wine ageing.



	FY23	FY24
EV share	28%	33%

- ▶ We have installed 30 AC type electric vehicle charging stations across all facilities, offering free charging to employees and guests.
- ▶ We offer a subsidised E-bike loan program for employees at an 8% interest rate, encouraging eco-friendly commuting options.

EVs

6

New EVs purchased

Total EVs



Water management

Metric	Unit of Measurement	FY23	FY24
Water Efficiency	Litres per 9 Litre Case	57.5	52.8

- ▶ We harvest rainwater in reservoirs with a combined storage capacity of 36.8 million litres. This substantially reduces our dependence on municipal water supplies
- ▶ We have adopted water-saving practices and recycled treated wastewater at our Nashik facility. This approach enabled us to reuse treated water for various operations and further minimise our water footprint.

Key initiatives

- ▶ We reused around 50 million litres of treated water for irrigation, landscaping, and restrooms.
- ▶ Over 96% of our cooling tower water needs (more than 4 million litres) and rejected water from RO treatment were recycled for various uses.



Waste management

Committed to minimising waste, we use recyclable packaging for our wine bottles, screw caps and cartons, promoting sustainability throughout the product life cycle.

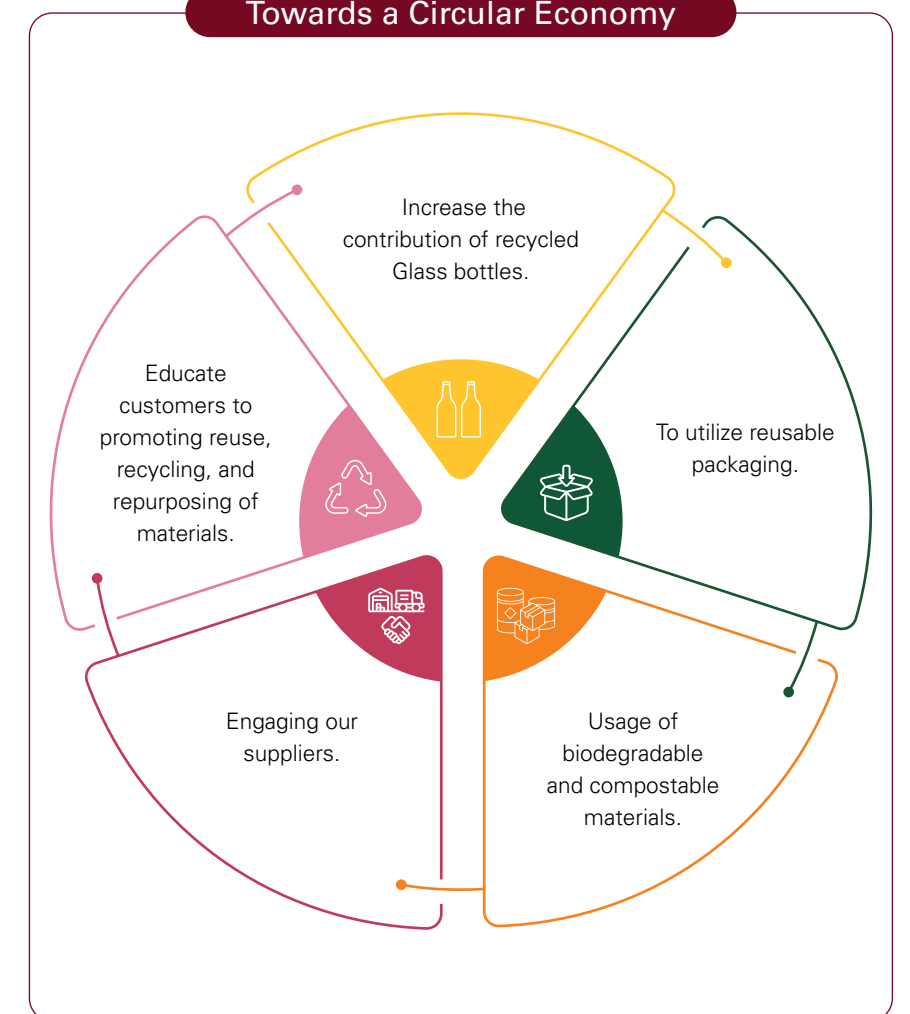
Compost (Tons)



Key initiatives undertaken

- ▶ Clean-up drives and anti-mosquito fogging
- ▶ 99% of our 366 MT of solid waste was recyclable packaging material.
- ▶ To further reduce our environmental footprint, we've implemented organic waste conversion through biogas plants. Our Nashik winery restaurant has a 200 Kg biogas plant, and our Domaine Dindori canteen utilises a 35 Kg plant.

Towards a Circular Economy



Empowering *our People*

We at Sula nurture a high-performance team by building a workplace that hinges on open communication, mutual respect and physical as well as emotional well-being. We believe this approach leads to a happier, more productive workforce. We are proud to be recognized as a **Great Place to Work for the third consecutive year** in the mid-sized organizations category. This award holds special significance as it reflects our unwavering commitment to employee well-being.

Employee retention

To retain our team members, we provide them with a range of programmes that help create a workplace where people feel valued and engaged.

Skill enhancement opportunities

We offer a variety of training programmes, workshops and resources to help employees continuously learn and develop new skills.

9,749

WSET training hours

Employee ownership

We empower our people by involving them in decision-making processes and inculcating a sense of ownership over their work

Rewards for high performers

We offer competitive compensation packages, performance-based bonuses, and Employee Stock Option Plans to recognise and reward high performers

Recognition programmes

We celebrate achievements through programmes, including Employee of the Quarter and CEO's Choice Awards. We launched an online Reward & Recognition module to further strengthen our culture of employee appreciation.

Work-life balance and wellness Initiatives

We provide flexible work arrangements, wellness programmes and Employee Assistance Programmes to our people, ensuring they have a healthy work-life balance.

Employee well-being

We prioritise employee well-being, considering it essential for a conducive workplace. This holistic approach empowers our people to reach their full potential and deliver their best. We launched a successful 360-degree wellness program with a 96% satisfaction rate, offering interactive sessions on emotional, physical, and social well-being.

Five pillars of our comprehensive well-being strategy



Physical

Organising annual health check-up camps, events like walkathons to promote a healthy lifestyle. Offering comprehensive health insurance coverage for our employees and their families.

- ▶ Stepathon challenge
- ▶ CPR training



Financial

Providing customised training programmes designed to enhance skills and career growth



Mental

Providing free and confidential access to psychologists and counsellors through partnership with Practo. We've initiated "Talking Books Club," a pan-India program with 35 employees participating in virtual discussions and reading challenges.



Environmental

Introducing initiatives like solar power and electric vehicles



Social

Conducting employee engagement programmes to promote team building.

- ▶ Sula Cricket League
- ▶ Blood donation camps
- ▶ Canvas painting workshop

Learning and development programmes

SPRINT Programme

to enhance sales capabilities

WSET (all levels)

to develop a deeper understanding of the world of wines

Learning management system

customised learning journeys, assigned to employees

External Certifications

to gain industry best knowledge



Diversity, Equity and Inclusion



Equal opportunity employer

Equal opportunity employer- We are an equal opportunity employer, adhering to anti-discrimination policies across all levels of hiring, performance evaluation and team management

Inclusion awareness training

We provide comprehensive diversity and inclusion training to all our people, emphasising understanding and respecting different perspectives. The training covers topics like unconscious bias, cultural awareness and inclusive communication

POSH and grievance redressal

Committed to creating a safe work environment, at Sula, we strictly adhere to the Sexual Harassment Act of 2013 and the Vishaka Guidelines, with a zero-tolerance policy for harassment. Also, we have open communication channels for reporting grievances.

Diversity and Inclusion

Diverse hiring practices

At Sula, we seek candidates from a wide range of backgrounds through diverse recruitment sources and utilise diverse hiring panels to minimise bias

Parental leave

We offer progressive parental leave policies, enabling new mothers to work from home for two days a week after maternity leave until their child turns one and extended paternity leave of 30 days for new fathers. We also offer additional benefits to our team members to help them navigate parenthood

Corporate Social Responsibility

Committed to fulfilling our social responsibilities, at Sula, we implement a robust CSR strategy focused on empowering our local communities. Our initiatives strive to ignite positive social change by promoting education, health awareness, environmental conservation and sustainable rural development. For our farmer communities across Maharashtra and Karnataka, we seek to ensure fair livelihoods.

INR 1.4 Cr.

spent on CSR



Education

- ▶ We have constructed school classrooms in Savargaon and Jaulke Vani villages, improving access to quality education and providing better learning environments for children
- ▶ By partnering with local schools, we aim to bridge the educational gap and invest in the future of our communities.



2 classrooms

added in each Savargaon and Jaulke schools.

260+ sweaters

distributed to school students



Economic development

- ▶ We have created employment opportunities for local residents and supported local businesses whenever possible.



6,000+

Trees planted



Health and well-being

- ▶ We have installed green gyms as well as organised health awareness sessions and blood donation camps to promote community well-being and facilitate access to healthcare services
- ▶ Our wellness initiatives aim to create a healthier community.
- ▶ Conducted weekly cleanup drives in and around Savargaon, Gangavarhe, and Govardhan villages.
- ▶ Carried out routine anti mosquito fogging in the surrounding villages to prevent the spread of diseases like dengue, malaria and chikungunya.

4

Blood donation camps organised



Safety

- ▶ By installing high mast lights, we have enhanced safety in public areas, particularly during evening hours, helping our local communities.
- ▶ Sessions on Kidney Care, Fire Safety Training, Nutrition, First Aid, precautions on snake bite have been conducted in schools of Gangavarhe and Jaulke.



7

High Masts deployed



Our Leaders

Board of Directors



Chetan Desai

Chairman and Non-Executive Independent Director

Chetan is a Chartered Accountant. He has previously worked with Haribhakti and Co., LLP, Chartered Accountants, for over 39 years. He is also a fellow member of the Institute of Chartered Accountants of India.



Sangeeta Pendurkar

Non-Executive Independent Director

Sangeeta is currently serving as the CEO of Pantaloons. She has previously worked with Kellogg India, HSBC, Coca-Cola India, Hindustan Lever and Hindustan CIBACEIGY. She holds a bachelor's degree from the University of Bombay and an MBA from Savitribai Phule Pune University.



Alok Vajpeyi

Non-Executive Independent Director

Alok has previously worked with Swiss Bank Corporation, Dawnay Day AV Financial Services, Daiwa Capital Markets India, Avendus Capital and the British High Commission in New Delhi. He holds a bachelor's degree in economics from the London School of Economics and Political Sciences.



Nicholas Cator

Non-Executive Director

Nicholas is the Founder and Managing Partner of Venturi Partners. He has previously served as an MD at Verlinvest and as CEO of Armonea. He holds a master's degree in economics from the University of Louvain La Neuve in Belgium and has completed executive courses at Insead and Stanford.



Deepak Shahdadpuri

Additional Director

Deepak is the Founder of DSG Consumer Partners. He has previously co-founded and managed the Beacon India Private Equity Fund and held roles at GEM India, Reuters Venture Capital, Bain & Company and Ernst & Young. He has completed LLB from King's College, London University followed by MBA (Hons) from INSEAD. He is a fellow member of the Institute of Chartered Accountants in England & Wales.



Rajeev Samant

Founder, MD and CEO (Promoter)

Rajeev is the founder of Sula and has extensive experience in the Indian wine industry. He studied at California's Stanford University for an undergraduate degree in Economics and a master's degree in science (industrial engineering).

Key Management Personnel and Senior Leadership



Rajeev Samant

Founder, MD and CEO
(Promoter)

Rajeev is the founder of Sula and has extensive experience in the Indian wine industry. He studied at California's Stanford University for an undergraduate degree in Economics and a master's degree in science (industrial engineering).



Karan Vasani

Chief Operating Officer

Karan has been with Sula since October 2013 in various capacities. He has previously worked with CRISIL and Cuvaison Estate wines. He holds a graduate diploma in viticulture and oenology from Lincoln University, New Zealand. He has been awarded the WSET Level 3 Advance Certificate.



Abhishek Kapoor

Chief Financial Officer

Abhishek has recently joined Sula in Aug 2023. He previously served as CFO at Wagh Bakri Tea Group and also held positions at Godrej Consumer Products, Pepsi Co., JK Tyres, and HT Media. He is a Chartered Accountant. He holds a degree in Strategy Management from IIM, Kozhikode and a postgraduate degree in Financial Management from Symbiosis Institute of Management Studies.



Gorakh Gaikwad

Chief Winemaker

Gorakh has been with Sula since September 2008 in various capacities. He holds a bachelor's degree in chemistry from University of Pune and a post graduate diploma in Industrial Fermentation and Alcohol technology from VSI. He has previously worked with different wineries in various capacities. He played a key role in establishing our winery in Karnataka from scratch.



Monit Dhavale

Senior Vice President –
Hospitality Business

Monit has been with Sula since April 2009 in various capacities. He holds a master's degree in personnel management from Savitribhai Phule, Pune University and a bachelor's degree of technology in home science from Nagpur University.



Neeraj Sharma

Senior Vice President –
Sales

Neeraj has been with Sula since April 2019 in various capacities. He has previously worked with Jagatjit Industries, William Grant and Sons India, Diageo India and the Times of India Group. He holds a post-graduate diploma in management (agriculture) from IIM, Ahmedabad.



Ruchi Sathe

Company Secretary and
Compliance Officer

Ruchi has been with Sula since April 2021. She holds a bachelor's degree in commerce from University of Mumbai. She is a member of the Institute of Company Secretaries of India.



Sanjeev Paithankar

Senior Vice President -
Public Affairs

Sanjeev has been with Sula since October 2013. He has over 30 years of strong experience in procurement, production and public affairs. He holds a B.Sc. and a postgraduate diploma in production from Pune University.

Awards and *Accolades*



Directors' Report

Dear Members,

Your Board of Directors ("Board") present the Twenty First (21st) Annual Report of Sula Vineyards Limited ("the Company") together with the Audited Financial Statements of the Company for the Financial Year ended March 31, 2024.

1. Key Financial Highlights (Standalone and Consolidated)

The Company's financial performance, for the year ended March 31, 2024 is summarized below:

(₹ crores)

Particulars	Consolidated		Standalone	
	2023-24	2022-23	2023-24	2022-23
Gross Income	616.37	556.96	598.93	535.43
Earnings Before Interest, Depreciation, Tax and Amortization (EBITDA)	183.57	160.96	177.56	161.54
Finance Charges	26.16	21.08	23.59	19.44
Depreciation and amortisation expense	31.63	25.89	26.81	23.84
Net profit before tax	125.78	113.99	127.16	118.26
Tax expense	32.47	29.94	32.47	29.94
Other comprehensive gain / (loss) (net of tax)	(0.66)	0.81	(0.64)	0.72
Total comprehensive income	92.65	84.86	94.05	89.04
Balance of Profit brought forward	192.40	152.94	216.26	172.63
Balance available for appropriation	92.65	84.86	94.05	89.04
Amount transferred to retained earnings	0.01	-	-	-
Dividend paid on Equity Shares	(78.01)	(45.41)	(78.01)	(45.41)
Surplus carried to Balance Sheet	207.03	192.40	232.30	216.26

2. Business Performance & State of Company Affairs

Key Highlights

FY24 was a landmark year for Sula, achieving record Revenue, EBITDA and Profits. Sula also expanded its wine tourism footprint by acquiring N D Wines, a winery strategically located less than 50kms the Gujarat border, laying the groundwork for long-term growth of Wine Tourism. Customer demand continues to rise, with Sula tastings increasing by 42% compared to the previous year taking total tastings to 2.7 Lakhs. To cater to the growing demand and stay ahead in terms of innovation, we introduced three of our iconic brands in 250ml cans for the first time. We have been certified as a 'Great Place to Work' for the third consecutive year, earning a place among India's Top 100 companies.

As we enter FY25, the demand for our wines continues to soar, reaffirming Sula as the preferred choice for Indian consumers embracing wine as their preferred drink.

Financial Overview

Net Revenues grew by 10.67% to ₹ 616.37 crores in FY24 from ₹ 556.96 crores in FY23, with ₹ 534.21 crores revenue from our Own Brands jumping 11.13%. EBITDA increased by 14.05% to ₹ 183.57 crores from ₹ 160.96 crores last year with the EBITDA margin increasing to 30.16% from 29.08% last year. PAT increased by 11.01% to ₹ 93.31 crores from ₹ 84.5 crores last year with the PAT margin increasing to 15.33% from 15.19% last year.

Sales

In FY24, we crossed 1.1 million cases with a continued focus on premiumization, resulting in 13.44% Elite and Premium volume growth. The share of Elite & Premium volumes grew from 46.09% in FY21 to 54.98% in FY24.

Our commercial agenda of increasing width of distribution in tier 2 markets paid off; as a result, growth in tier 2 markets was higher than that in key markets of Maharashtra and Karnataka. We successfully tapped price increase opportunities across markets; as a result, we initiated price increase in the markets of Maharashtra, Karnataka, CSD and West Bengal.

We have maintained a small Imports portfolio comprising just 3 brands – Le Grand Noir, Torres, and Trapiche which give us good depth of volume and profitability.

Production and Harvest

Harvest 24 was our fourth successive harvest with great quality and quantity. We crushed ~11,400 tons of wine grapes an increase of 11% over Harvest 23. Our total installed capacity grew by 0.5 million litres in FY24, an increase of 4%. This came from a 0.26 million litre increase at ASPL (York), representing a ~50% capacity increase for ASPL and a 0.3 million litre increase at DD and exit from Indian Ambience, one of our leased wineries.

Our Source Pinot Noir is the latest release in this iconic range of The Source, the most successful premium Indian wine brand launched in the past decade. We simplified our

packaging material requirement by introducing common outer cartons for all our premium brands as well as common plain black screwcaps for Madera, Mosaic and Port Gold. In line with our sustainability goals we aim to almost double the use of recycled glass bottles from 0.09 cr bottles in FY24.

Wine Tourism

Our wine tourism holds a pivotal position in fostering awareness and boosting wine consumption in India. In FY24 we achieved a strong 20% growth in Wine Tourism business closing the year at 96 crores. We welcomed 4.34 lakh wine enthusiasts across all our facilities this year – crossing the 4 lakh mark for the first time, a 12% jump from the last year.

During FY24, we conducted 29% more tastings at our premises, amounting to over 1.72 lakh. Our on-site wine sales have all played a role in driving a 20% rise in our revenue for FY24. We have added three stylish new villas at Beyond overlooking the picturesque Gangapur lake in Nashik and 27 new rooms. We now have over 100+ keys at our iconic Nashik resorts, a big jump from 67 keys in March'23. We sold 28% more rooms in FY24 compared to last year indicating the rising demand.

A record 11,670 visitors enjoyed a day at Sula over the three days of Independence Day weekend, a massive jump from the previous record of 8,532 visitors in the year-ago period. Revenues for three days touched ₹ 2.08 crores, 40% higher than the previous three-day record of ₹ 1.47 crores.

This record was once again broken on Christmas day weekend, clocking the highest single-day, two-day, and three-day revenue, reaching ₹ 2.28 crores. Visitor numbers set record with over 12,000 visitors (not including the erstwhile Sula fest music festival) with over 5,300 individual tastings over the 3-day period, a jump from the previous 3-day record of 4,700 tastings over Independence Day 2023.

Marketing

In FY24, our marketing efforts have driven significant achievements. We surpassed our follower target, securing the No. 11 spot on the Top Wineries on Instagram list. Our total digital brand reach exceeded 9.5cr and we are now a strong community of 150K+ wine lovers.

Sula's The Source Chenin Blanc Reserve won the country's first ever wine medal at the prestigious Concours Mondial de Bruxelles 2023, arguably India's finest dry Chenin Blanc, making it a proud day for India. Sula's Rasa Syrah and Dindori Reserve Chardonnay also won two golds at the 2023 Paris Wine Cup.

We conducted 80,000 in-person tastings, explored 66 tier 2 cities, and successfully listed The Source and Rasa at prestigious institutions like Pizza Express Mumbai, PF Changs Mumbai Ritz Carlton Pune, Club Mahindra Goa, Quorum Gurgaon. Additionally, we held our own Sula

events like Monsoon Tasting and for the first-time Harvest Tasting, aiming to strengthen our relationships with institutions and media. We had successful participation in 15 key events like the Sunday Soul Sante – Hyderabad, Upper Crust - Mumbai. The introduction of rice husk glasses was highly successful at such events.

Sustainability

Sustainability continues to be one of the key arrow of our company. We proudly secured the prestigious IWCA (International Wineries for Climate Action) Gold membership, marking a milestone as the first winery in Asia to achieve this recognition.

Aligning with our ambitious 2050 Net-Zero goal, we have installed nearly 700 kW of solar panels across our facilities, augmenting our total solar capacity to over 3300 kW. Currently, 59% of our energy needs are met through solar energy sources. Additionally, in FY24, we introduced BESS (Battery Energy Storage System) with capacity of 422Kwh to efficiently store solar energy. We remain unwavering in our commitment to spearhead sustainability initiatives.

We have developed a sophisticated water management tool that guides us in minimizing freshwater usage and maximizing recycled water utilization. This initiative has led to a strong 8% YoY reduction in water consumption per liter of wine produced. Additionally, in FY24 Q4, we introduced partition-less cartons and reduced bottle weight, resulting in a 2% decrease in emissions from packaging materials, in turn reducing our carbon footprint.

3. Reserves

There is no amount proposed to be transferred to the Reserves.

4. Dividend

The Board of Directors at its meeting held on February 13, 2024, declared an Interim Dividend of ₹ 4/- per equity share of face value of ₹ 2/- each aggregating to ₹ 33,75,98,516/- (Rupees Thirty-Three Crores Seventy-Five Lakhs Ninety-Eight Thousand Five Hundred and Sixteen only). The Interim Dividend was paid to the shareholders holding shares as on Wednesday, February 21, 2024.

The Board recommends to declare a Final Dividend of ₹ 4.50/- per equity share of face value ₹ 2/- each for FY23-24 aggregating to ₹ 37,97,98,330.50 (Rupees Thirty Seven Crores Ninety Seven Lakhs Ninety Eight Thousand Three Hundred Thirty and Fifty paise only) out of the profits of financial year 2023-24 to the equity shareholders of the Company whose names appear in the Registrar of Members of the Company as on Wednesday, May 22, 2024.

5. Management Discussion and Analysis

The Management Discussion and Analysis for the year under review, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Report (**Annexure - V**)

6. Material changes and commitments if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

Other than, as disclosed in the financial statements, the directors are not aware of any other matters or circumstances that have arisen since the end of the financial year, which have significantly affected or may significantly affect the operations of the Company, the results of those operations and the state of affairs of the Company.

The Company acquired N D Wines Private Limited by executing a share purchase agreement ("SPA") dated April 4, 2024 with its existing shareholders. The agreement entails the purchase of the entire shareholding of 32,80,000 equity shares, thereby granting the Company 100% ownership of N D Wines Private Limited and making it a wholly owned subsidiary.

7. Extract of Annual Return

The Annual Return of the Company as on March 31, 2024 in Form MGT-7 in accordance with Section 92(3) and Section 134 (3) (a) of the Companies Act and Rule 12 of the Companies (Management and Administration) Rules, 2014 will be available on the Company's website at: <https://www.sulavineyards.com/investor-relations.php>

8. Directors and Key Managerial Personnel

During the year under review, there was a change in the composition of the Board of Directors and Key Managerial Personnel of the Company.

Retirement by rotation and subsequent re-appointment

In accordance with the provisions of Section 152 of the Companies Act read with provisions contained in the Articles of Association of the Company, Mr. Nicholas Cator is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible has offered his candidature for re-appointment. As per the provisions of the Act, the Independent Directors are not liable to retire by rotation.

Brief resume, nature of expertise, disclosure of relationship between directors inter-se, details of directorships and committee membership held in other companies of the Directors proposed to be appointed/re-appointed, along with their shareholding in the Company, as stipulated under Secretarial Standard-2 and Regulation 36 of the Listing Regulations, is appended as an Annexure to the Notice of the ensuing Annual General Meeting.

Change in Directors

Resignations:

- **Mr. Roberto Italia (DIN: 09228481)** stepped down as a Non-Executive Nominee Director effective from the close of business hours on November 9, 2023.

- **Mr. Arjun Anand (DIN: 07639288)** resigned as a Non-Executive Nominee Director due to the sale of entire shareholding of Verlinvest in the Company, effective as of the close of business hours on April 4, 2024.
- **Mr. Riyaaz Amlani (DIN: 00261209)** stepped down as a Non-Executive Independent Director, effective as of the close of business hours on April 4, 2024.

Appointments:

- **Mr. Riyaaz Amlani (DIN: 00261209)** was appointed as an Independent Director for a three year term starting from April 19, 2023.
- **Mr. Nicholas Cator (DIN: 07068629)** was appointed as a Non-Executive Director effective from November 9, 2023.
- **Mr. Deepak Shahdadpuri (DIN: 00444270)** was appointed as an Additional Non-Executive Director effective from April 4, 2024, subject to shareholder approval.

Key Managerial Personnel

In accordance with the provisions of Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the following are the Key Managerial Personnel of the Company:

1. **Mr. Rajeev Samant**, Managing Director and Chief Executive Officer
2. **Mr. Karan Vasani**, Chief Operating Officer
3. **Mr. Abhishek Kapoor**, Chief Financial Officer
4. **Ms. Ruchi Sathe**, Company Secretary and Compliance Officer

Resignations:

- **Mr. Bittu Varghese** resigned from his position as Chief Financial Officer of the Company and Whole Time Director & Chief Financial Officer of Artisan Spirits Private Limited, a wholly-owned subsidiary, effective from the close of business hours on June 9, 2023.
- **Mr. Chaitanya Rathi** resigned from his position as Chief Operating Officer (COO) of the Company, effective from the close of business hours on September 30, 2023.

Appointments:

- **Mr. Abhishek Kapoor** was appointed as the Chief Financial Officer of the Company and Chief Financial Officer of Artisan Spirits Private Limited, a wholly owned subsidiary of the Company, effective from August 28, 2023.
- **Mr. Karan Vasani** was appointed as the Chief Operating Officer (COO) of the Company, effective from October 1, 2023.

Director(s) Disclosure

Based on the declarations and confirmations received from the Directors, none of the Directors of the Company are disqualified from being appointed/ continuing as Directors of the Company.

Independent Directors' Declaration

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Act and Regulations 16(1) (b) and 25(8) of the SEBI Listing Regulations, that he/she meets the criteria of independence as laid out in Section 149(6) of the Act and Regulations 16(1) (b) of the SEBI Listing Regulations. The Company has also received from them declaration of compliance of Rule 6 (1) & (2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, regarding online registration with the "Indian Institute of Corporate Affairs" at Manesar, for inclusion of name in the data bank of Independent Directors.

Statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the Independent Directors appointed during the year:

With regard to integrity, expertise and experience (including the proficiency) of the Independent Directors

appointed during the Financial year 2023-24, the Board of Directors have taken on record the declarations and confirmations submitted by the Independent Directors and is of the opinion that the Independent Director is a person of integrity and possesses relevant expertise and experience and his continued association as Director will be of immense benefit and in the best interest of the Company.

In the opinion of the Board, all Independent Directors possess requisite qualifications, experience, expertise and hold high standards of integrity required to discharge their duties with an objective independent judgment and without any external influence. List of key skills, expertise and core competencies of the Board, including the Independent Directors, forms a part of the Corporate Governance Report of this Integrated Annual Report.

9. Board of Directors:

a) Composition of the Board

The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015, which, inter alia, stipulates that the Board should have an optimum combination of Executive and Non-Executive directors.

As on March 31, 2024 the Board comprised of seven Directors including four Independent Directors which includes Independent Woman Director and Non-Executive Directors.

Sr. No.	DIN	Name of the Directors	Category	Designation
1.	00020675	Mr. Rajeev Samant	Executive	Managing Director & CEO
2.	03595319	Mr. Chetan Desai	Non – Executive	Chairperson & Independent Director
3.	00019098	Mr. Alok Vajpeyi	Non – Executive	Independent Director
4.	03321646	Mrs. Sangeeta Pendurkar	Non – Executive	Independent Director
5.	00261209	Mr. Riyaaz Amlani	Non – Executive	Independent Director
6.	07639288	Mr. Arjun Anand	Non – Executive	Nominee Director
7.	07068629	Mr. Nicholas Cator	Non – Executive	Director

b) Meetings of the Board

The Board of Directors duly met 6 times during the financial year from April 01, 2023 to March 31, 2024. The dates on which the meetings were held are April 19, 2023; May 3, 2023; May 31, 2023; August 9, 2023; November 9, 2023 and February 13, 2024.

10. Familiarization Programme for Independent Directors

As a practice, all new Directors (including Independent Directors) inducted to the Board are given a formal orientation. The Directors are usually encouraged to visit the manufacturing facility and resorts of the Company and interact with members of Senior Management as part of the induction programme. The Senior Management makes presentations giving an overview of the Company's strategy, operations, products, markets, group structure and subsidiaries, Board constitution and guidelines,

matters reserved for the Board and the major risks and risk management strategy. This enables the Directors to get a deep understanding of the Company, its people, values and culture and facilitates their active participation in overseeing the performance of the Management.

As stated in the Board's Report, the details of orientation given to our existing Independent Directors are available on our website at: <https://sulavineyards.com/files/0524/Familiarisation%20Programme%2for%20Independent%20Directors.pdf>

Further, based on the confirmations/disclosures received from the Non-Executive Independent Director in terms of Regulation 25(9) of the Listing Regulations, the Board of Directors is of the opinion that the Non-Executive Independent Directors fulfil the criteria or conditions specified under the Act and under the Listing Regulations and are independent of the management.

11. Evaluation

The evaluation of all the directors, committees, Chairperson of the Board, and the Board as a whole was conducted based on the criteria and framework adopted by the Committee.

The Board sought the feedback of Directors on various parameters including:

- Degree of fulfillment of key responsibilities towards stakeholders (by way of monitoring corporate governance practices, participation in the long-term strategic planning, etc.);
- Structure, composition and role clarity of the Board and Committees;
- Extent of co-ordination and cohesiveness between the Board and its Committees;
- Effectiveness of the deliberations and process management;
- Board/Committee culture and dynamics; and
- Quality of relationship between Board Members and the Management.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of the IDs, the performance of the Non-Independent Directors, the Board as a whole and Chairman of the Company were evaluated taking into account the views of Executive Directors and other Non-Executive Directors.

The Nomination and Remuneration Committee reviewed the performance of the individual directors and the Board as a whole.

In the Board meeting that followed the meeting of the Independent Directors and the meeting of Nomination and Remuneration Committee, the performance of the Board, its committees, and individual Directors were discussed.

12. Committees of the Board of Directors

(i) Audit Committee:

In terms of Section 177 of the Companies Act, 2013, the Board of Directors has constituted an Audit Committee comprising of 3 Directors as below.

Sr. No.	Name of the Directors
1.	Mr. Chetan Desai, Chairperson
2.	Mr. Alok Vajpeyi, Member
3.	Mr. Arjun Anand, Member

All the recommendations of the Audit Committee were accepted by the Board.

During the year i.e. from April 1, 2023 to March 31, 2024, Audit Committee met 4 times on May 3, 2023; August 9, 2023; November 9, 2023 and February 13, 2024.

(ii) Nomination and Remuneration Committee:

In terms of Section 178 of the Companies Act, 2013, the Board of Directors had constituted Nomination & Remuneration Committee comprising of 3 Directors as below:

Sr. No.	Name of the Directors
1.	Mr. Alok Vajpeyi, Chairperson
2.	Mrs. Sangeeta Pendurkar, Member
3.	Mr. Arjun Anand, Member

The Board of Directors at the meeting held on April 19, 2023 re-constituted Nomination & Remuneration Committee comprising of 5 Directors as below:

Sr. No.	Name of the Directors
1.	Mr. Alok Vajpeyi, Chairperson
2.	Mrs. Sangeeta Pendurkar, Member
3.	Mr. Arjun Anand, Member
4.	Mr. Chetan Desai, Member
5.	Mr. Riyaaz Amlani, Member

The Board of Directors at the meeting held on February 13, 2024 re-constituted Nomination & Remuneration Committee comprising of 5 Directors as below:

Sr. No.	Name of the Directors
1.	Mr. Alok Vajpeyi, Chairperson
2.	Mrs. Sangeeta Pendurkar, Member
3.	Mr. Chetan Desai, Member
4.	Mr. Riyaaz Amlani, Member
5.	Mr. Nicholas Cator, Member

During the year i.e. from 01st April 2023 to March 31, 2024, Nomination and Remuneration committee met 3 times on April 19, 2023, August 9, 2023 and November 9, 2023.

(iii) Stakeholders Relationship Committee:

The Board of Directors had constituted Stakeholders Relationship Committee comprising of 3 Directors as below:

Sr. No.	Name of the Directors
1.	Mr. Alok Vajpeyi, Chairperson
2.	Mr. Rajeev Samant, Member
3.	Mr. Arjun Anand, Member

The Board of Directors at the meeting held on February 13, 2024 re-constituted Stakeholders' Relationship Committee comprising of 3 Directors as below:

Sr. No.	Name of the Directors
1.	Mr. Alok Vajpeyi, Chairperson
2.	Mrs. Sangeeta Pendurkar, Member
3.	Mr. Nicholas Cator, Member

During the year i.e. from April 1, 2023 to March 31, 2024, Stakeholders Relationship Committee met once on February 13, 2024.

(iv) Risk Management Committee:

The Board of Directors had constituted Risk Management Committee comprising of three Directors and one Member as below:

Sr. No.	Name of the Directors
1.	Mrs. Sangeeta Pendurkar, Chairperson
2.	Mr. Arjun Anand, Member
3.	Mr. Rajeev Samant, Member
4.	Mr. Chaitanya Rath, Member*

The Board of Directors at the meeting held on August 9, 2023 re-constituted Risk Management Committee comprising of three Directors and one Member with effect from October 1, 2023 as below:

Sr. No.	Name of the Directors
1.	Mrs. Sangeeta Pendurkar, Chairperson
2.	Mr. Rajeev Samant, Member
3.	Mr. Arjun Anand, Member
4.	Mr. Karan Vasani, Member

The Board of Directors at the meeting held on February 13, 2024 re-constituted Risk Management Committee comprising of three Directors and one Member as below:

Sr. No.	Name of the Directors
1.	Mrs. Sangeeta Pendurkar, Chairperson
2.	Mr. Riyaaz Amlani, Member
3.	Mr. Nicholas Cator, Member
4.	Mr. Karan Vasani, Member

During the year i.e. from April 01, 2023 to March 31, 2024 Risk Management Committee met four times on May 3, 2023; August 9, 2023; November 9, 2023 and February 13, 2024.

(v) Corporate Social Responsibility (CSR)

In terms of Section 135 of the Companies Act, 2013 the Board of Directors had constituted Corporate Social Responsibility Committee comprising of 3 Directors as below:

Sr. No.	Name of the Directors
1.	Mr. Rajeev Samant, Chairperson
2.	Mr. Chetan Desai, Member
3.	Mrs. Sangeeta Pendurkar, Member

The Board of Directors at the meeting held on February 13, 2024 re-constituted Corporate Social Responsibility Committee comprising of 4 Directors as below:

Sr. No.	Name of the Directors
1.	Mr. Rajeev Samant, Chairperson
2.	Mr. Chetan Desai, Member
3.	Mrs. Sangeeta Pendurkar, Member
4.	Mr. Riyaaz Amlani, Member

During the year i.e. from April 01, 2023 to March 2024, Corporate Social Responsibility Committee met once on May 3, 2023.

13. Share Capital

Authorized Share Capital

The Authorized Share Capital of the Company as on March 31, 2024, is ₹ 20,20,60,000 (Rupees Twenty Crores Twenty Lakhs Sixty Thousand Only) divided into ₹ 10,10,30,000 (Rupees Ten Crores Ten Lakhs Thirty Thousand only) equity shares having face value of ₹ 2/- (Rupees Two) each.

Paid up and Subscribed Share Capital

The paid up and subscribed share capital of the Company as on March 31, 2024 is ₹ 16,87,99,258 (Rupees Sixteen Crores Eighty-Seven Lakhs Ninety Nine Thousand and Two Hundred Fifty Eight Only) comprising of 8,43,99,629 (Eight Crores Forty Three Lakhs Ninety Nine Thousand and Six Hundred Twenty Nine only) equity shares having face value of ₹ 2/- (Rupees Two) each.

Issue and Allotment of Equity Shares

I. Sula Vineyards Employees Stock Option Scheme 2020*

The Company has allocated equity shares in multiple tranches, as detailed below:

Date	Number of Equity Shares Allotted
June 22, 2023	16,665
August 9, 2023	16,670

* The entire pool under the said scheme being exhausted, the said scheme is considered extinguished.

II. Sula Vineyards Employees Stock Option Scheme 2021

The Company has allocated equity shares in multiple tranches, as detailed below:

Date	Number of Equity Shares Allotted
April 13, 2023	19,271
April 28, 2023	6,250
May 24, 2023	9,550
June 22, 2023	68,375
August 9, 2023	5,050

III. Sula Vineyards Employees Stock Option Scheme 2023

In December 2023, the Company introduced the Sula Employee Stock Options Scheme 2023, comprising of 6,85,000 options convertible into equity shares with a face value of ₹ 2 each. Each option is priced at ₹ 470. Shareholder approval for this scheme, including the provision to grant stock options to subsidiary

company employees, was obtained via postal ballot on December 18, 2023.

The Company approved the grant of 6,05,000 stock options to eligible employees in accordance with the terms and conditions outlined in the Sula Employee Stock Option Scheme 2023 (ESOS 2023).

14. Remuneration of Directors and Employees

Disclosure comprising particulars with respect to the remuneration of directors and employees, as required to be disclosed in terms of the provisions of Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure - I** to this Report.

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure - I** to this Report.

15. Auditors

Statutory Auditors

M/s Walker Chandio & Co. LLP, Chartered Accountants, (Firm Registration No. 001076N/ N500013), have been appointed as Statutory Auditors of the Company at the 19th Annual General Meeting held on May 27, 2022, for a period of 5 years from conclusion of 19th Annual General Meeting till the conclusion of the Annual 24, General Meeting of the Company to be held in the year 2027 at such remuneration as may be decided by the Board of Directors of the Company. Pursuant to the amendments of Section 139 of the Companies Act, 2013 by the Companies Amendment Act, 2017 notified on May 7, 2018, the requirement of ratification of their appointment by the Members has been withdrawn.

The Report given by the Statutory Auditors on the financial statements of the Company is part of this Integrated Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. During the year under review, the Auditors have not reported any fraud under Section 143(12) of the Act.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Sunil Agarwal & Co., a firm of Company Secretaries in Practice, to undertake the secretarial Audit of the Company for FY24. The Report of the Secretarial Audit is annexed herewith as **Annexure- II**. The Report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013. The Board, at its meeting held on May 8, 2023, has re-appointed M/s.

Sunil Agarwal & Co., as Secretarial Auditor, for conducting Secretarial Audit of the Company for FY25.

Details of adequacy of internal financial controls

The Company has established a robust system of internal controls to ensure that assets are safeguarded, and transactions are appropriately authorised, recorded and reported. The framework within the Company ensures the orderly and efficient conduct of business, which includes adherence to policies, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

The internal financial control framework is commensurate with the size and operations of the Company's business. The controls have been documented, digitized, and embedded in the business process. Assurance on the effectiveness is obtained through management reviews, controls self-assessment and periodic reporting of the in-house team that evaluates and provides assurance of its adequacy and effectiveness. The controls are also tested by the internal and statutory auditors during their audits. The Statutory Auditors of the Company have audited the financial statements included in this Annual Report and issued their report on internal control over financial reporting (as defined under section 143 of the Companies Act, 2013).

Internal Control evaluates adequacy of segregation of duties, transparency in authorization of transactions, adequacy of records and documents, accountability & safeguarding of assets and reliability of the management information system. The systems, SOPs and controls are reviewed and audited by Internal Auditors, M/s. Ernst & Young LLP, periodically for identification of control deficiencies and opportunities, whose findings and recommendations are reviewed by the Audit Committee and tracked through till implementation.

Management team has assessed the effectiveness of the Company's internal control over financial reporting as at March 31, 2024 and believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

16. Directors' Responsibility Statement

Pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, Directors of your Company confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the Directors had selected appropriate accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial

year and out of the profit and loss of the company for that period;

- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts have been prepared on a going concern basis;
- e) the Directors had laid down proper internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

17. Business Responsibility and Sustainability Report

The Securities and Exchange Board of India ('SEBI'), in May 2021, introduced new sustainability related reporting requirements to be reported in the specific format of Business Responsibility and Sustainability Report ('BRSR'). BRSR is a notable departure from the existing Business Responsibility Report ('BRR') and a significant step towards giving platform to the companies to report the initiatives taken by them in areas of environment, social and governance. Further, SEBI has mandated top 1,000 listed companies, based on market capitalization, to transition to BRSR from FY23 onwards.

BRSR report is attached as **Annexure - VI**.

18. Subsidiaries/ Joint Venture/ Associate Companies:

The Company had 1 (one) wholly owned subsidiary as on March 31, 2024. There are no associate companies or joint venture companies within the meaning of section 2(6) of the Companies Act, 2013 ("Act").

A statement in Form AOC-1 as required under Section 129 (3) of the Companies Act, 2013 containing salient features of the financial statements of the subsidiary companies is forming part of this Annual Report in **Annexure - III**.

19. Issue of employee stock options

Your Company regards employee stock options as instruments that would enable the employees to share the value they create for the Company in the years to come. Accordingly, in terms of the provisions of applicable laws and pursuant to the approval of the Board and the members of the Company, the Nomination and Remuneration Committee ("NRC") has duly implemented the:

- a) Sula Vineyards Employees Stock Option Scheme 2020*
- b) Sula Vineyards Employees Stock Option Scheme 2021
- c) Sula Employees Stock Option Scheme 2023

* The entire pool under the said scheme being exhausted, the said scheme is considered extinguished.

Scheme 2021 and Scheme 2023 are governed by the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations") and in terms of the approvals granted by the shareholders of the Company, the NRC inter alia administers, implements and monitors the aforesaid schemes.

In terms of the provisions of Regulation 14 and Part F of Schedule I of the SEBI SBEB & SE Regulations, details of the aforesaid schemes can be accessed at: <https://sulavineyards.com/files/0523/ESOP%20Details.pdf>

A certificate from the Secretarial Auditor of the Company, confirming that the aforesaid schemes have been implemented in accordance with the SEBI SBEB & SE Regulations, will be open for inspection at the 21st Annual General Meeting

20. Vigil Mechanism

Your Company has established Vigil Mechanism (Whistleblower policy) in accordance with the provisions of Section 177(9) & (10) of the Companies Act, 2013 to report instances of unethical behavior, actual or suspected fraud or violation of the code of conduct or any policy of the Company. The Vigil Mechanism Policy has been uploaded on the website of the Company at: <https://sulavineyards.com/files/1123/Vigil%20Mechanism%20and%20Whistleblower%20Policy.pdf>

The mechanism adopted by the Company encourages the Whistle blower to report genuine concerns or grievances and provides for adequate safeguards against victimization of Whistle Blower to those who avail such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases.

21. Risk Management

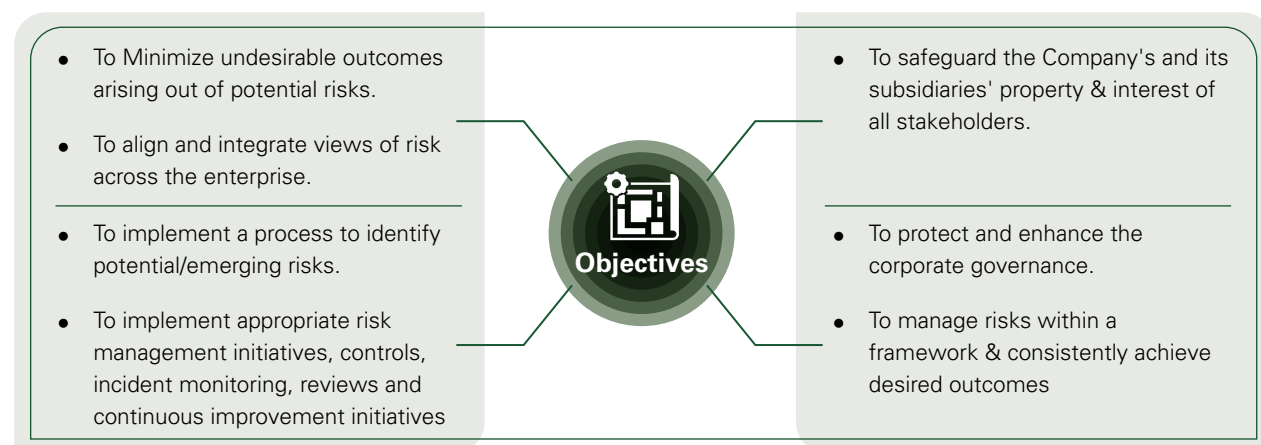
Sula Vineyard's business is exposed to a variety of risks which are inherent to also beverage manufacturing companies in India. We believe that risk management starts with the right conversations to drive better business decisions, protect our assets, supports a growing, resilient, and sustainable business. Our focus is to identify and embed mitigation actions for material risks that could impact our current or future performance, and/or our reputation. Our approach is holistic and integrated, bringing together risk management, internal controls, and business integrity, ensuring that our activities across this agenda focus on the risks that could have the greatest impact.

A robust governance structure has been developed across the organization. The nature of business is such that it is subject to certain risks at different points of time. Some of these include escalation in the cost of raw materials and other inputs, increasing competitive intensity from other players, changes in regulation from central and state governments, cyber security, data management and migration risks, data privacy risk, environmental and climate risk. To enhance this focus, Board of Directors has constituted a Committee of the Board called the

Risk Management Committee to frame, implement and monitor risk management plan.

Focus for the future: The Risk Management Committee and Board shall consider the entity level principal risks and review the Company's risk appetite, setting the level of risk tolerance we have for risks that could impact delivery of our strategic objectives and develop appropriate responsive action and mitigation strategies to limit the impact on risk tolerance.

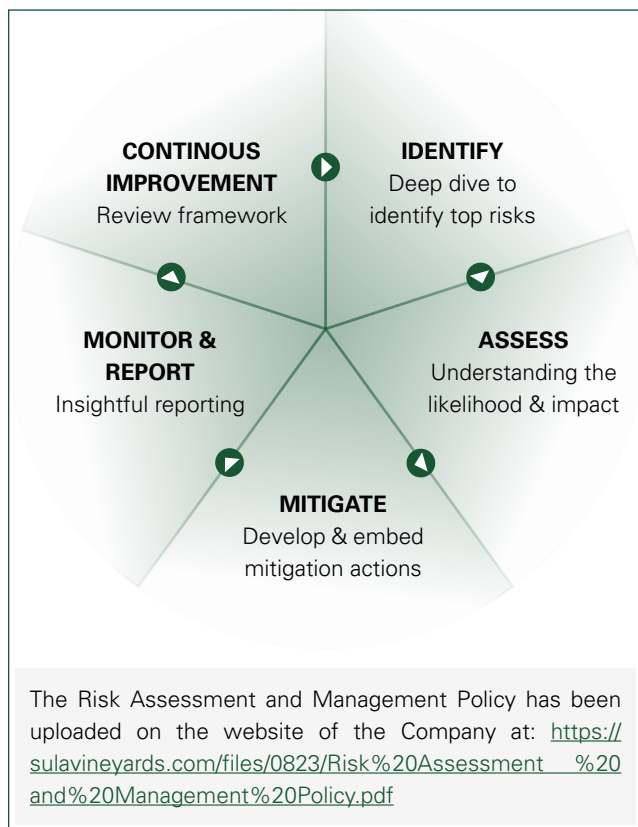
Our risk management objectives are:



Our process:

Conscious that no entrepreneurial activity can be undertaken without assumption of risks and associated profit opportunities, the Company operates on a risk management process /framework aimed at minimization of identifiable risks after evaluation to enable management to take informed decisions.

- **Risk Identification:** Management identifies areas that may positively or negatively affect the Company's ability to implement its strategy and achieve its objectives and performance goals.
- All aspects of internal risk such as Strategic Risk, Business Risk, Finance Risk, Environment Risk, Personnel Risk, Operational Risk, Reputation Risk, Regulatory Risk, Technology Risk and Information and Cyber Security Risk and external risk such as Sectoral Risk, Sustainability Risk and Political Risk are covered as part of the Risk Management Committee meeting.
- **Root Cause Analysis:** Root cause analysis enables tracing the reasons / drivers for existence of a risk element and helps developing appropriate mitigation action.
- **Risk Scoring:** An analysis of all internal processes and support functions is done to determine the likelihood and impact of risk elements.
- **Risk Categorisation:** The identified risks are further grouped in to (a)Controlled; (b)Serious; (c)Disruptive; (d)Severe and (e)Critical.
- **Risk Mitigation:** Management is developing appropriate responsive action on review of various alternatives, costs and benefits, with a view to manage identified risks and limit the impact to tolerance level. Risk mitigation plan drives policy development as regards risk ownership, control environment timelines, standard operating procedure, etc.
- **Risk Monitoring & Reporting:** It is designed to assess on an ongoing basis, the functioning of risk management components and the quality of performance over time. Staff members are encouraged to carry out self-assessments throughout the year. Periodically, key risks are reported to the Board or risk management committee with causes and mitigation actions undertaken/ proposed to be undertaken.



fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

In accordance with the Nomination and Remuneration Policy, the Nomination and Remuneration Committee formulates the criteria for appointment as a Director, Key Managerial Personnel and Senior Management, identifies persons who are qualified to be Directors and nominates candidates for Directorships subject to the approval of Board, evaluates the performance of the individual directors, recommends to the Board, remuneration to Managing Director / Whole-time Directors, ensures that the remuneration to Key Managerial Personnel, Senior Management and other employees is based on Company's overall philosophy and guidelines and is based on industry standards, linked to performance of the self and the Company and is a balance of fixed pay and variable pay and recommends to the Board, sitting fees/ commission to the Non-Executive Directors.

The Company's Nomination and Remuneration Policy for Directors, Key Managerial Personnel and senior management is available on the website of the Company at: <https://sulavineyards.com/files/0423/Nomination%20and%20Remuneration%20Policy.pdf>

22. Nomination and Remuneration Policy

This Nomination and Remuneration Policy (the "Policy") has been formulated by the Company in compliance with Section 178 of the Companies Act, 2013.

The broad objectives of the Nomination and Remuneration policy are:

- to guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management;
- evaluate the performance of Board, its committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance and provide necessary report to the Board for further evaluation of the Board;
- to recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

The guiding principles of the policy are to ensure that:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and senior management of the quality required to run the Company successfully.
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between

23. Particulars of Deposits

The Company has not accepted any deposit (under Rule 2(c) of the Companies [Acceptance of Deposits] Rules, 2014) within the meaning of Sections 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

24. Loans, Guarantees and investments.

Pursuant to Section 186 of the Companies Act, 2013 and Schedule V of the SEBI Listing Regulations, disclosure on particulars relating to Loans, Advances, Guarantees and Investments are provided as part of the financial statements.

25. Explanation to Remarks: In the Statutory Auditors' Report

- The statutory audit report for the year 2023-24 does not contain any qualification, reservation or adverse remark or disclaimer made by Statutory Auditors; and
- The secretarial audit report for the year 2023-24 does not contain any qualification, reservation or adverse remark or disclaimer made by the secretarial auditor appointed by the Company.

26. Maintenance of Cost Records

The provisions pertaining to maintenance of Cost Records as specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013, are not applicable to the Company.

27. Corporate Social Responsibility (CSR)

Your Company believes in being socially accountable to all its stakeholders and enhancing its positive impact on Society. Details of CSR activities undertaken during the year are annexed to this report as **Annexure - IV** in the format as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company at: <https://sulavineyards.com/files/0423/Corporate%20Social%20Responsibility.pdf>

28. Related Party Transactions

In line with the requirements of the Act and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions. During the year under review, the Policy has been amended on August 9, 2023 to incorporate the regulatory amendments in the SEBI Listing Regulations. The Policy can be accessed on the Company's website at: <https://sulavineyards.com/files/0823/Policy%20on%20Related%20Party%20Transactions.pdf>

During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were at arm's length and in the ordinary course of business. Prior omnibus approval is obtained for related party transactions, which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis. During the year under review there were no material related party contracts entered into by the Company requiring shareholders' approval.

Accordingly, the disclosure of related party transactions as required under Section 134 (3) (h) of the Act in Form AOC-2 is not applicable to the Company for FY 24 and hence does not form part of this report. Details of related party transactions entered into by the Company, in terms of Ind AS-24 have been disclosed in the notes to the standalone/ consolidated financial statements forming part of this Integrated Report & Annual Accounts 2023-24.

29. Dematerialization of Shares

The Company encourages its member to hold shares in electronic form and the Company has established connectivity with depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited. 99.64 % of the Company's paid-up Equity Share Capital is in dematerialized form as on March 31, 2024. The Company's Registrars are Kfin Technologies Limited having its office at Selenium, Tower B, Plot No – 31 and 32, Financial District, Nanakramguda, Hyderabad, Rangareedi 500 032 Telangana, India.

30. Details of significant and material orders passed by the regulators or courts

Apart from the one below mentioned order there are no significant and material orders passed by the Regulators, Courts or Tribunals which would impact the going concern status and Company's operations in future.

The Minister of State Excise has passed an order in the Blending Matter, allowing the revision filed by our Company. Consequently, the demand notice dated February 17, 2018, totaling ₹ 115,89,44,793, issued by the Collector (State Excise Duty Department), Nashik, and the order dated August 26, 2019 passed by the Commissioner of State Excise, Maharashtra, have been set aside.

31. Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance towards sexual harassment at the workplace. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

The Company has complied with the provisions relating to the constitution of the Internal Complaints Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, the Company did not receive any sexual harassment complaints.

32. Dividend Distribution Policy

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), your Company has formulated a Dividend Distribution Policy, with an objective to provide the dividend distribution framework to the Stakeholders of the Company. The policy sets out various internal and external factors, which shall be considered by the Board in determining the dividend payout.

The policy is available on the website of the Company at: <https://sulavineyards.com/files/0823/Dividend%20Distribution%20Policy.pdf>

33. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

a) Conservation of energy

(i)	the steps taken or impact on conservation of energy	<p>The company's commitment to reducing its environmental footprint was recognized with a prestigious Gold-level certification from the International Wineries for Climate Action (IWCA). The solar energy accounts to 59% of energy requirements of our wineries and we aim to achieve 70% solar energy contribution in FY25.</p> <p>In FY24 we reduced water usage per case by 8% and power usage by 9%</p> <p>The company is aiming to increase its total electric vehicle fleet from 33% to 40% in FY25, with long-term vision of achieving 100% electric fleet by 2030</p>
(ii)	the steps taken by the company for utilizing alternate sources of energy	<ul style="list-style-type: none"> • Installation of Alternate source to conserve energy as below: • Heat pump for water heating and utilising is by product i.e. cool air in offices. • Electrical vehicle. • Electrical induction instead of LPG burner • Solar Roof top PV System • Solar water Pumping system • Solar Water heating system • Biogas Plant, • Rainwater harvesting,
(iii)	the capital investment on energy conservation equipment's	₹ 5.59 crores

b) Technology absorption

(i)	The efforts made towards technology absorption:	<p>a. Fully integrated counter pressure filler bottling line installed at Karnataka</p> <p>b. Additional solar installations of 1,275 kw</p>
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution:	<p>a. Bottling line: The enhanced automation will ensure smooth and consistent operations.</p> <p>b. Additional solar: CO2 emissions reduced by 1800MT and solar contributes to 59% of our energy requirements.</p>
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	-
	(a) the details of technology imported	-
	(b) the year of import;	-
	(C) I whether the technology been fully absorbed	-
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	-
(iv)	the expenditure incurred on Research and Development	-

c) Foreign exchange earnings and Outgo

(₹ in crores)		
Foreign exchange	Year ended March 31, 2024	Year ended March 31, 2023
(i) Earnings	7.33	8.63
(ii) Outgo	14.70	18.45

34. Secretarial Standards

The Company has generally complied with all the applicable provisions of Secretarial Standard on Meetings of Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2), respectively issued by Institute of Company Secretaries of India.

35. Other Disclosures

- a. There are no proceedings made or pending under the Insolvency and Bankruptcy Code, 2016 and there are no instances of one-time settlement with any Bank or Financial Institution, during the year under review.
- b. Your Company has not issued shares with differential voting rights and sweat equity shares during the year under review.

36. Acknowledgements

The Board places on record its deep appreciation to all employees for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain an industry leader.

The Board places on record its appreciation for the support and co-operation the Company has been receiving from its suppliers, distributors, retailers, business partners and others associated with it as its trading partners. The Company looks upon them as partners in its progress and has shared with them the rewards of growth. It will be our endeavor to build and nurture strong links with the trade based on mutual benefits, respect for and co-operation with each other, consistent with consumer interests.

The Board also take this opportunity to thank all Shareholders, Business Partners, Government and Regulatory Authorities and Stock Exchanges, for their continued support.

For and on behalf of the Board

Place: Mumbai
Date: May 8, 2024

Rajeev Samant
Managing Director and CEO
DIN: 00020675

Chetan Desai
Chairperson and Independent Director
DIN: 03595319

Particulars of Remuneration

Part A: Information pursuant to Section 197(12) of the Companies Act, 2013

[Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

A. Ratio of the remuneration of each Director to the median remuneration of all the employees of the Company for FY 2023-24 and % increase in remuneration of each Director/KMP of the Company for FY 2023-24 are as under:

Name	% increase in remuneration over previous year	Ratio of remuneration to median remuneration of all employees
Executive Director		
Mr. Rajeev Samant	15.00%	8136.6
Independent Directors		
Mr. Chetan Desai*	0.00%	223.7
Mr. Alok Vajpeyi	-	-
Ms. Sangeeta Pendurkar	-	-
Nominee Director		
Mr. Roberto Italia	-	-
Mr. Arjun Anand	-	-
KMP		
Mr. Chaitanya Rathi	0%	-
Mr. Bittu Varghese	0%	-
Mr. Karan Dilip Vasani	NA	-
Mr. Abhishek Kapoor	NA	-
Ms. Ruchi Sathe	27.86%	671.1

Notes: i. *Commission paid

ii. Sitting fees paid to Non-Executive & Independent Directors have been excluded.

B. The percentage increase/(decrease) in the median remuneration of employees in the FY 2023-24:

8.88%

C. The number of permanent employees on the rolls of company:

763 Closing head count as on March 31, 2024

D. Comparison of average percentile increase in salary of employees other than the managerial personnel and the percentile increase in the managerial remuneration:

Other than the Managerial - **11.43%**

Managerial - **15.00%**

E. Affirmation that the remuneration is as per the remuneration policy of the company.

Yes

For and on behalf of the Board

Place: Mumbai
Date: May 8, 2024

Rajeev Samant
Managing Director and CEO
DIN: 00020675

Chetan Desai
Chairperson and Independent Director
DIN: 03595319

Part B: Statement of Disclosure Pursuant to Section 197 of the Companies Act, 2013 [Read with Rules 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

A. Names of top 10 employees in terms of remuneration drawn during the FY 2023-24

Full name	Designation	Gross Salary (₹)*	Permanent Employee or otherwise	Professional Qualification	Age (years)	Years of Experience	Date of commencement of employment	Previous Employment	Any family relationship amongst the directors, key managerial personnel and management of company	Percentage of equity shares held by the employee in the company as on March 31, 2024
Rajeev Samant	CEO	4,54,79,769	Permanent Employee	Master of Science	57	25.6	01-10-1998	Oracle Corporation	No	24.89%
Neeraj Sharma	Senior Vice President - Sales	1,39,38,739	Permanent Employee	PGDBM	50	5.1	15-04-2019	William Grants & Sons	No	0.04%
Karan Dilip Vasani	COO	94,97,807	Permanent Employee	Graduate Diploma in Viticulture & Oenology & WSET 3	38	10.6	01-10-2013	Crisil Ltd	No	0.27%
Sanjeev Shivaji Paithankar	Senior Vice President - Public Affairs	88,40,383	Permanent Employee	Diploma in Production Management	54	10.6	17-10-2013	Cupid Ltd	No	0.02%
Monit Dhavale	Senior Vice President - Hospitality Business	82,39,040	Permanent Employee	Master's in Personnel Management	46	15.1	27-04-2009	Professor at Institute of Hotel Management	No	0.05%
Abhishek Kapoor	CFO	77,11,113	Permanent Employee	Bcom, CA & Master Diploma in Business Administration	45	0.8	28-08-2023	Gujarat Tea Processors and Packers Limited	No	
Sisir Paul	Vice President - Operations	48,31,668	Permanent Employee	Bachelor of Science	47	16.6	01-11-2007	Pernod Ricard India Ltd	No	0.00%
Prashant Marathe	Vice President - Legal and Compliance	47,64,627	Permanent Employee	Master of law	43	4.9	15-07-2019	Lexsolve Consultancy LLP	No	0.00%
Gorakh Kondaji Gaikwad	Senior Vice President and Chief Winemaker	43,15,946	Permanent Employee	DIFAT - Industrial Fermentation and Alcohol Technology	43	15.7	01-09-2008	Mercury Winery Private Limited	No	0.01%

*Gross Salary does not include reimbursements

B. Names of other employees who are in receipt of aggregate remuneration of not less than rupees one crore and two lakh during the FY 2023-24 or not less than rupees eight lakh and fifty-thousand per month (if employed for part of the FY 2023-24): Not Applicable

C. If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company: Not Applicable

Annexures to Director's Report - II

To,
The Members,
Sula Vineyards Limited
901 Solaris One, N.S. Phadke Marg,
Andheri (E) Mumbai – 400069

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on my audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records, we believe that the processes and practices, we followed provide reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company and have relied on the statutory report provided by the Statutory Auditors as well as Internal Auditor of the company for the financial year end March 31, 2024.
4. Wherever required, I 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 procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **SUNIL AGARWAL & CO.**
Company Secretaries

—SD/—

SUNIL AGARWAL

(Proprietor)

Firm Registration No.: S2000MH028300

UDIN number : F008706F000321909

Peer Reviewed unit No.788/2020

FCS No. 8706

C.P. No. 3286

Place: Mumbai
Date: 08/05/2024

Form No. MR-3

Secretarial Audit Report for the Financial year Ended March 31, 2024

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

To,

The Members,

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the **Financial Year ended March 31, 2024**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2024 according to the relevant and applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder,
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment in India; - Not applicable to the extent of Overseas Direct Investment and External Commercial Borrowings as there was no reportable event during the Financial Year under review.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015;

- c. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the Financial Year under review
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- Not Applicable as the Company has not delisted/proposed to delist its equity shares from any Stock Exchanges during the Financial Year under review;
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- Not applicable as the Company has not bought back / has proposed to buy-back any of its securities during the Financial Year under review.
- i. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021- Not Applicable as the Company has not issued and listed debt securities during the Financial Year under review;
- (vi) The Company has identified and confirmed the following laws as being specifically applicable to the Company
 1. Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
 2. Employees' State Insurance Act, 1948;
 3. Minimum Wages Act, 1948;
 4. Payment of Bonus Act, 1965;
 5. Payment of Gratuity Act, 1972;
 6. Payment of Wages Act, 1936;

7. Maternity Benefit Act, 1961;
8. Industrial Disputes Act, 1947;
9. The Employees Deposit Linked Insurance Scheme, 1976
10. The Employees' Pension Scheme, 1995
11. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
12. The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
13. The Industries (Development and Regulation) Act, 1951;
14. Employees' Compensation Act, 1923;
15. The Industrial Employment Standing Orders Act, 1946;
16. The Child Labour (Prohibition and Regulation) Act, 1986;
17. The Equal Remuneration Act, 1976;
18. The Trade Unions Act, 1926 and the Trade Union (Amendment) Act, 2001;
19. Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959;
20. The Code on Wages, 2019;
21. The Industrial Relations Code, 2020; and
22. The Code on Social Security, 2020
23. Contract Labour (Regulation & Abolition Act), 1970
24. Environment Protection Act 1986
25. Factories Act 1948
26. GST Act, 2017
27. Indian Boilers Act, 1923
28. Standard of Weight & Measures Act, 1976
29. Water (Prevention & Control of Pollution) Act, 1974
30. Air (Prevention and Control of Pollution) Act, 1981
31. Food Safety and Standards Act, 2006, and the Rules made thereunder;
 - (a) Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011
 - (b) Food Safety and Standards (Packaging and Labelling) Regulations, 2011;
 - (c) Food Safety and Standards (Import) Regulations, 2017;
 - (d) Food Safety and Standards (Alcoholic Beverages) Regulations, 2018; and
 - (e) Food Safety and Standards (Labelling and Display) Regulations, 2020
32. Legal Metrology Act, 2009, and the Rules made thereunder;
33. Agricultural and Processed Food Products Export Development Authority Act, 1985 ("APEDA Act")
34. Agriculture Produce and Livestock Marketing (Regulation) Act, 2017 (the "Agricultural Produce Act")
35. Maharashtra Prohibition Act, 1949;
36. Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
37. The Occupational Safety, Health and Working Conditions Code, 2020
38. The Arbitration and Conciliation Act, 1996;
39. The Indian Contract Act, 1872;
40. The Foreign Exchange Management Act, 1999, and the rules passed by the Reserve Bank of India from time to time;
41. The Competition Act, 2002
42. Bureau of Indian Standards Act, 2016 ("the BIS Act")
43. Maharashtra's Grape Processing Industry Policy, 2001 (the "Maharashtra Grape Processing Policy" or "Policy")
44. Karnataka Grape Processing and Wine Policy, 2007 (the "Karnataka Grape Processing Policy")
45. The Cable Television Networks (Regulation) Act, 1995 (the "Cable Television Regulation Act")
46. Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022
47. Trade Marks Act, 1999 (the "Trade Marks Act")
48. Copyright Act, 1957
49. Design Act, 2000
50. Consumer Protection Act, 2019
51. Central Goods and Services Tax Act, 2017 (the "CGST Act"); Integrated Goods and Services Tax Act, 2017 (the "IGST Act"); and the various State Goods and Services Acts (collectively, the "SGST Acts")
52. Shop and Commercial Establishments Act, 1964
53. Legal Metrology (Packaged Commodities) Rules, 2011
54. Bombay Prohibition Act, 1949
55. Karnataka Excise Act 1965

We have also examined compliance with the applicable Clauses / Regulations of the following:

- (i) Secretarial Standards with regard to Meetings of Board of Directors ('SS-1') and General Meetings ('SS-2') issued by The Institute of Company Secretaries of India;
- (ii) the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

We further report that –

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors including Women Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule the Board/ Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance in due compliance of the applicable provisions, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation & deliberations at these meetings.
- All decisions of the Board and Committees thereof were carried out unanimously and no dissenting views were observed, while reviewing the minutes.

We further report that based on the review of the compliance mechanism established by the Company and on the basis of Compliance Certificate(s) issued by Whole-time Director - Legal and taken on record by the Board of Directors at their meeting(s), we are of the opinion that Management has adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, acts, rules, regulations, circulars, notifications, directions and guidelines.

We further report that during the audit period the Company has undertaken following event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, acts, rules, regulations, circulars, notifications, directions, guidelines, standards, etc. referred to above:

1. The Company has appointed Mr. Riyaz Amlani (DIN: 00261209) as Non-Executive Independent Director and the same has been approved by the shareholders at the Annual General Meeting held on June 23, 2023.
2. The Company has appointed Mr. Nicholas Peter Y Cator (DIN: 07068629) as Non-Executive Director and the same has been approved by the shareholders through postal ballot on December 18, 2023.

3. During the period under the review Mr. Roberto Italia (DIN: 09228481) Non-Executive Nominee Director ceased to be the Director of the Company with effect from the close of business hours on November 9, 2023.
4. During the period under review Mr. Bittu Varghese has resigned as Chief Financial Officer ("CFO") of the Company and Whole-time director & Chief Financial Officer of Artisan Spirits Private Limited, (Wholly Owned Subsidiary) with effect from the close of business hours on June 9, 2023.
5. During the period under review the company has appointed Mr. Abhishek Kapoor as Chief Financial Officer("CFO") of the Company and Chief Financial Officer of Artisan Spirits Private Limited, (Wholly Owned Subsidiary) with effect August 28, 2023.
6. During the period under review Mr. Chaitanya Rathi has resigned as Chief Operating Officer ("COO") of the company with effect from the close of business hours on September 30, 2023.
7. During the period under review the company has appointed Mr. Karan Vasani as Chief Operating Officer ("COO") of the company with effect from October 1, 2023.
8. The Company implemented the Sula Employee Stock Options Scheme 2023, offering 6,85,000 equity shares valued at ₹ 2 each, with an exercise price of ₹ 470 per option to its employees including employees of the subsidiary Comoany. Shareholder approval was obtained via postal ballot on December 18, 2023. The Company has granted 6,05,000 stock options to eligible employees under the scheme's terms and conditions.
9. The company had granted 10,000 stock options to Mr. Abhishek Kapoor, CFO of the Company and 49,200 stock options to eligible employees of the Company.
10. The company has issued/allotted:-
 - a. 16,665 equity shares and 16,670 equity shares of Rs 2/- each under Sula Vineyards Limited Employee Stock Option Scheme 2020 on June 22, 2023 and August 9, 2023 respectively.
 - b. 19,271 equity shares, 6,250 equity shares, 9,550 equity shares, 68,375 equity shares and 5,050 equity shares of Rs 2/- each under Sula Vineyards Employee Stock Option Scheme 2021 on April 13, 2023, April 28, 2023, May 24, 2023, June 22, 2023 and August 09, 2023 respectively.
11. The company has declared:
 - a. Final dividend at the rate of ₹ 5.25 per Equity share in compliance with the provisions of Section 123 of Companies Act 2013 on June 23, 2023 and paid to its shareholders on June 27, 2023.

- b. Interim dividend at the rate of ₹ 4 per Equity share in compliance with the provisions of Section 123 of Companies act 2013 on February 13, 2024 and paid to its shareholders on March 1, 2024.
12. The company has changed the name of the building of the registered office of the Company pursuant to SRA order and the new address of the Company is 901, Solaris One, N.S. Phadke Marg Andheri (E), Mumbai – 400069
13. The company has:
 - (a) Purchased agriculture land admeasuring 00.53.45 (H:R:P) (i.e 1.32 Acres or 5345 Sq. Mts Situated at Gat no. 36/2, Village Govardhan on Gangapur-Savargaon Road, Taluka & District Nashik, Maharashtra, India, for growth and expansion of the Company wine tourism business.
 - (b) Purchased agriculture land admeasuring area 12.08 Guntas (i.e 0.3 Acres or 1222.15 Sq. Mts) situated at Sy. No. 10/8 (Old Sy. No. 10/1) Kooranagere Village, Malur Hobli, Channapattana Taluk , District/ Ramanagra, Karnataka, India
 - (c) Purchased agriculture land admeasuring 01 acres) situated at Survey . No. 11/1 Kooranagere Village, Malur Hobli, Channapattana Taluk, District Ramanagara Karnataka, India.
14. The Company has entered into IP Agreement 25th day of August, 2023 with Artisan Sprit Private Limited (Wholly owned Subsidiary Company) by providing licenses of intellectual property for the purpose of operating and providing hospitality services at resort in Nashik under the name "BEYOND" and SKY VILLA.
15. The Company during the period under review has reconstituted the following committees on February 13, 2024
 - a. Nomination and Remuneration Committee
 - b. Corporate Social Responsibility Committee
 - c. Risk Management Committee
 - d. Stakeholders Relationship Committee
16. The Company during the period under review has received an order dated March 7, 2024 ("Order"), passed by the Minister for State Excise (Maharashtra) wherein the demand notice issued on February 17, 2018 amounting to ₹ 116 crores for the period 2006-2014 has been set aside, and the matter is now disposed off.

For **SUNIL AGARWAL & CO.**
Company Secretaries

—SD/—

SUNIL AGARWAL

(Proprietor)

Firm Registration No.: S2000MH028300

UDIN number : F008706F000321909

Peer Reviewed unit No.788/2020

Place: Mumbai

Date: 08/05/2024

FCS No. 8706

C.P. No. 3286

Annexures to Director's Report - III

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiary.

(₹ in crores)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Artisan Spirits Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	Same as Holding Company
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign Annual Report on CSR Activities subsidiaries	₹
4.	Share capital (₹)	Authorised 36.00 Paid-up 35.35
5.	Reserves & surplus	(32.79)
6.	Total assets	74.67
7.	Total Liabilities	72.11
8.	Investments	NIL
9.	Turnover	66.87
10.	Loss before taxation	(0.72)
11.	Provision for taxation	NIL
12.	Loss after taxation	(0.72)
13.	Proposed Dividend	NIL
14.	% of shareholding	100%

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

For and on behalf of the Board

Place: Mumbai
Date: May 8, 2024**Rajeev Samant**
Managing Director and CEO
DIN: 00020675**Chetan Desai**
Chairperson and Independent Director
DIN: 03595319

Annual Report on Corporate Social Responsibility (CSR) Activities

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

CSR Policy is stated herein below: CSR Policy (Approved by the Board of Directors on May 27, 2014 and has been last amended on February 23, 2022)

Our aim is to be one of the most respected companies in India delivering superior and sustainable value to all our customers, associates, shareholders, employees, and Society at large.

Since inception, we have focused on achieving the 'triple bottom line' – people, planet, and profit. It has been our constant endeavor to achieve growth in a socially and environmentally sustainable manner.

The CSR initiatives focus on holistic development of host communities and create social, environmental, and economic value to the society.

To pursue these objectives, we will continue to:

- 1) Respect, protect, and make efforts to restore the environment.
- 2) To create livelihoods for people, support rural development, improve the living environment within the vicinity of our winery's operations.
- 3) Acting in a socially responsible way.
- 4) Encouraging our staff to be mindful of the effect of their actions on any natural resource.

(2) Composition of the CSR Committee.

The CSR Committee comprised of the following members:

Sr No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Rajeev Samant	Managing Director and CEO DIN: 00020675	1	1
2.	Mr. Chetan Desai	Non-Executive Independent Director DIN: 03595319	1	1
3.	Mrs. Sangeeta Pendurkar	Non-Executive Independent Director DIN: 03321646	1	1

The CSR Committee was reconstituted on February 13, 2024 consisting of following members:

Sr No.	Name of Director	Designation / Nature of Directorship
1.	Mr. Rajeev Samant	Managing Director and CEO DIN: 00020675
2.	Mr. Chetan Desai	Non-Executive Independent Director DIN: 03595319
3.	Mrs. Sangeeta Pendurkar	Non-Executive Independent Director DIN: 03321646
4.	Mr Riyaz Amlani	Non-Executive Independent Director DIN:00261209

- (3) Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <https://sulavineyards.com/investor-relations.php>.
- (4) Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable - NA

- (5) (a) Average net profit of the Company as per subsection (5) of Section 135: Average net profit: ₹ **70.22 Crores**
 (b) Two percent of average net profit of the company as per section 135(5): **1.40 Crores**
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**
 (d) Amount required to be set off for the financial year, if any: **Nil**
 (e) Total CSR obligation for the financial year [(b)+(c) -(d)]: **1.40 Crores**
- (6) (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) :**1.37 Crores**
 (b) Amounts spend in administrative overheads: **0.07 Crores**
 (c) Amount spent on Impact Assessment, if applicable: **Not Applicable**
 (d) Total amount spent for the Financial Year [(a)+(b) +(c)] :**1.44 Crores**
 (e) CSR amount spent or unspent for the financial year: **NA**

Total Amount Spent for the Financial Year (In ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of fund	Amount	Date of Transfer
1.44 Crores	--	--	--	--	--

Excess amount for set off, if any: NA

- (f) Details of CSR amount spent against ongoing projects for the financial year: **NIL**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to CSR Account for the project as per Section 135 (6) (in ₹)	Mode of Implementation- Direct (Yes/ No)	Mode of Implementation- Through Implementing Agency	
				State	District						Name	CSR Registration number

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local Area (Yes / No)	Location of the Project		Amount spent for the project (in ₹)	Mode of Implementation – Direct (Yes / No)	Mode of Implementation- Through Implementing Agency	
				State	District			Name	CSR Registration
1	Addition of Classrooms - 2 Nos	(iii)	Yes	Maharashtra	Nashik (Savargaon)	0.34 crores	Yes	-	
2	Green Gym	(iv)	Yes	Maharashtra	Nashik	0.07 crores	Yes	-	
3	Road Cleaning/ Maintenance	(i)	Yes	Maharashtra	Nashik	0.02 crores	Yes	-	
4	High mast	(x)	Yes	Maharashtra	Nashik	0.02 crores	Yes	-	
5	High mast	(x)	Yes	Maharashtra	Nashik	0.04 crores	Yes	-	
6	Road Repair	(x)	Yes	Maharashtra	Nashik	0.03 crores	Yes	-	
7	Water Purifier Cooler at School	(i)	Yes	Maharashtra	Nashik	0.00 crores	Yes	-	
8	Addition of 2 Classrooms	(ii)	Yes	Maharashtra	Nashik	0.33 crores	Yes	-	
9	Pest Control	(i)	Yes	Maharashtra	Nashik	0.00 crores	Yes	-	
10	Sweaters to students	(i)	Yes	Maharashtra	Nashik	0.00 crores	Yes	-	
11	Projects Near DS	(iv)	Yes	Karnataka	Channapatna	0.10 crores	Yes	-	
12	Prabodhini Trust	(ii)	Yes	Maharashtra	Nashik	0.05 crores	Yes	-	
13	Social Messaging Hoardings	(ii)	Yes	Maharashtra	Mumbai and Nashik	0.15 crores	Yes	-	
14	Tree Plantation AMC	(iv)	Yes	Maharashtra	Nashik	0.18 crores	Yes	-	
15	Tree Plantation	(iv)	Yes	Maharashtra	Nashik	0.03 crores	Yes	-	
16	Miscellaneous	(i)	Yes	Maharashtra	Nashik	0.00 crores	Yes	-	

(h) Excess amount for set off, if any: **NA**

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

(7) (a) Details of Unspent CSR amount for the preceding three financial years: **NA**

Sr. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
				Name of fund	Amount	Date of Transfer		
1.	FY 1	-	-	-	-	-	-	-
2.	FY 2	-	-	-	-	-	-	-
3.	FY 3	-	-	-	-	-	-	-

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

Sr No.	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing
Not Applicable								

(8) Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **Not Applicable**

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

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board

Place: Mumbai
Date: May 8, 2024

Rajeev Samant
Managing Director and CEO
DIN: 00020675

Chetan Desai
Chairperson and Independent Director
DIN: 03595319

Annexures to Director's Report - V

Management Discussion and Analysis

1. Economic Scenario / Economy Overview

Global economy

The global economy remains remarkably resilient, with growth holding steady as inflation returns to target. The reported year witnessed various headwinds including volatile commodity prices, persistent geopolitical conflicts and calibrated interest rate hikes dampening economic activity and resulting in the decline in global growth from 3.5% in CY22 to 3.2% in CY23. The year has been eventful, starting with supply-chain disruptions in the aftermath of the pandemic, a Russian-initiated war on Ukraine that triggered a global energy and food crisis, and a considerable surge in inflation, followed by a globally synchronized monetary policy tightening.

As global inflation descended from its peak, economic activity grew steadily, defying warnings of stagflation and global recession.

Markets reacted exuberantly to the prospect of central banks exiting from tight monetary policy. Financial conditions eased, equity valuations soared, capital flows to most emerging market economies excluding China have been buoyant, and some low-income countries and frontier economies regained market access.

On the downside, new price spikes stemming from geopolitical tensions, including those from the war in Ukraine and the conflict in Gaza and Israel, could, along with persistent core inflation where labor markets are still tight, raise interest rate expectations and reduce asset prices.

Source: International Monetary Fund, World Economic Forum

Indian Economy

The global economy is expected to witness a synchronous rebound in 2025 as major election uncertainties are out of the way and central banks in the West likely announce a couple of rate cuts later in 2024. India will likely see improved capital flows boosting private investment and a rebound in exports. Inflation concerns remain, which may ease only in the latter half of the next fiscal year barring any surprises from rising oil or food prices.

The Indian economy has maintained its promising trajectory amidst the global headwinds. In FY24, India's GDP touched 7.6% with its Current Account Deficit (CAD) standing at 1.9% of GDP.

Key trends in India's economic growth:

Demographic Dividend –

Demographics are one of India's key assets. Now the world's most populous country, India has a median

age below 30, while in the US and China this metric is closer to 40. Not only does this deliver around 1.5 to 2 cr legal drinking age (LDA) prospects per year (source: UN World Population Prospects), but also means that the working age population is expanding, absolutely vital to sustaining economic growth. Between 2021 and 2031, the country is expected to add 283m more middle-class consumers (source: ICE 360 data).

India's spending share in the luxury and premium goods and services category (such as spending on transport, communication, recreation, etc.) has traditionally been lower than nations such as the United States, China, Japan, and Germany. There is, hence, potential for this ratio to increase further as consumer income grows.

Reinvigorating retail –

Consumer spending in India has been low after the pandemic, and the rebound has been inconsistent as well. One of the biggest reasons has been the prolonged impact of the pandemic across consumer segments, exacerbated by subsequent global uncertainties.

2. Indian Consumer Sector Overview – defining rural and metro growth:

India's consumption landscape is increasingly leaning towards premium products, even as the mass market experiences slower growth. The premium segment in the consumer goods sector has expanded significantly, outpacing the growth of mass-market goods by over two-and-a-half times in recent quarters. This trend is evident across various regions, including rural areas, where one-third of total sales are now attributed to higher-priced products, reflecting a growing preference for premium options among consumers.

Not only has growth in consumer spending post pandemic been fluctuating, but there is also a shift in consumption patterns, with demand for luxury and high-end products and services growing faster than demand for basic goods. As we expect the number of middle- to high-income households with increasing disposable income to rise, this trend will likely get further amplified, driving overall private consumer expenditure growth.

The shift is also observed in the alcoholic beverages (Alcobev) sector, where premium categories have seen a 10% growth, in stark contrast to a 12.4% decline in volume for mass-priced segments. This divergence in consumer behaviour highlights a broader pattern of income disparity influencing purchasing decisions. Urban centres, benefiting from more stable and higher incomes typically

linked to organised sectors, continue to demonstrate strong consumption demand across various categories, showing resilience against broader economic pressures such as inflation. Conversely, rural markets have noted a decline in demand, influenced by economic factors like inflation and irregular monsoons impacting agricultural productivity and, consequently, disposable incomes.

3. AlcoBev Market Overview and Outlook

Global Market

The global alcoholic beverage market is experiencing a period of robust growth, with the market size reaching approximately USD 1.75 trillion in 2023 and projected to expand to around USD 2.34 trillion by 2032, with a 3.20% CAGR from 2024 to 2032. This expansion is driven by several key trends and developments that are shaping the industry.

Key Trends in the Global Alcoholic Beverage Market:

Premiumisation: There is a marked increase in demand for premium spirits and ready-to-drink (RTD) beverages. Consumers are showing a willingness to pay more for alcoholic beverages that are made from high-quality ingredients and offer unique and refined tastes. This trend is expected to see double-digit growth as the appeal for luxury experiences continues to rise.

Innovative Flavours: The market is witnessing a surge in the launch of unique flavours, catering to a consumer base eager for new and diverse taste experiences. This trend includes the introduction of various flavoured spirits and alcoholic beverages that provide novel consumption experiences.

Health-Conscious Choices: With growing health consciousness among consumers, there is an increasing demand for low-alcohol or alcohol-free alternatives. This segment is expanding as more consumers opt for healthier lifestyle choices without foregoing social drinking experiences.

E-commerce Growth: The rise of e-commerce platforms has significantly enhanced the accessibility of alcoholic beverages, making it easier for consumers to explore and purchase a wide range of products from the comfort of their homes.

(Sources: Fortune Business Insights, Statista, World Bank, Trading Economics)

4. India AlcoBev Market Overview and Outlook

Indian Outlook

Globally, India is set to become the fifth-largest contributor to the AlcoBev market's revenues in the near to medium term. This growth is part of a broader trend where emerging markets are increasingly influencing global economic dynamics. The Indian AlcoBev sector not only underscores the country's growing influence in global markets but also highlights the economic opportunities that arise from its internal market dynamics and demographic advantages.

India's AlcoBev industry is projected to experience significant growth, touching a market size of USD 64 billion by 2030, from USD 52.4 billion in 2021, representing an annual increase of 6.54% between 2023 and 2027. The market is set to grow from an estimated size of approximately USD 55 billion in 2024 to around USD 112 billion by 2034, with a 7.2% CAGR. This growth trajectory is underpinned by demographic trends, evolving consumer lifestyles, and a shift in cultural perceptions regarding alcohol consumption.

In India, per capita alcohol consumption is projected to increase gradually, with an estimated rise of 0.1 litres (a 2% increase) between 2024 and 2029. By 2029, the per capita consumption is expected to reach a new peak of 5.06 litres.

Several factors are driving this growth, **including rising incomes, urbanisation, increased access to alcoholic products, and a trend towards premiumisation. Younger consumers are also contributing to the expansion of the market.** The growth is further supported by demographic shifts, an expanding middle class, and government policies that are increasingly favourable to the sector.

The sector, a substantial part of the nation's economy, accounts for about 2% of the country's nominal GDP while playing a crucial role in employment, supporting over 80 lakh jobs both directly and indirectly. These positions are spread across various related sectors, including agriculture, food and beverages, retail, and hospitality. Additionally, the AlcoBev industry contributes significantly to state revenues, with indirect taxes amounting to Rs 2.4 lakh crore in FY 2021, and customs duties on alcoholic beverages alone bringing in Rs 2,400 crore.

Competitive Dynamics

The Indian alcohol market is characterised by intense competition. Companies are continually innovating in product offerings, marketing strategies, and distribution methods to capture and expand their market share. Strategies include diversifying product lines to include low-alcohol and alcohol-free options, enhancing online sales capabilities, and implementing eco-friendly production techniques.

Outlook and Opportunities

The next decade will likely see sustained growth driven by:

Increasing Disposable Income: With rising disposable incomes, more consumers are likely to indulge in premium and luxury alcohol products.

Premiumisation: There is a noticeable consumer pivot towards premium labels. This shift is not only a sign of rising income levels but also of growing sophistication in palate.

Expanding Craft and Boutique Alcohol Sector: Small-scale, boutique alcohol producers and a growing interest in artisanal products are set to shape market trends.

Development in Wine and Beer Tourism: The potential in Vini tourism and craft beer experiences presents new avenues for growth and diversification.

(Source: Future Market Insights, The Economic Times, ISWAI Report)

(Source: News Reports, The Economic Times)

5. Wine Industry Overview

Global Wine Outlook

The global wine industry is poised for significant transformation and growth amidst several challenges and emerging trends. The market size was valued at USD 483.6 billion in 2023 and is projected to expand to USD 762.3 billion by 2032, growing at a CAGR of 5.08% from 2024 to 2032.

Growth Opportunities:

The Asia Pacific region, particularly developing economies such as Thailand, Malaysia, Vietnam, the Philippines, and Indonesia, is becoming increasingly attractive due to expanding consumption and a strong preference for premium imports. These markets are capitalising on the global trend towards premiumisation and the introduction of innovative wine products, positioning themselves as significant growth areas for the industry.

Volume Forecasts:

The global wine market's volume is expected to amount to 25.3 billion litres in 2024, with 19.4 billion litres consumed at home and 5.9 billion litres out-of-home, reflecting a shifting dynamic where home consumption continues to dominate.

(Sources: Statista, Expert Market Research, IWSR, IMARC, Vinetur)

Indian Wine Outlook

The wine market in India is poised for substantial growth, driven by several advantageous factors. In 2024, the market is expected to generate combined revenues

of USD 9.3 billion, with USD 7 billion from at-home purchases (e.g., supermarkets and convenience stores) and around USD 2.2 billion from out-of-home venues (e.g., restaurants and bars).

The key growth drivers of the wine segment remain fairly constant

- Aspirational:**

Propelled by a burgeoning appreciation for wine among urban, middle-class consumers, we're witnessing a significant shift. Wine is no longer just a beverage, it's become a symbol of sophistication and aspiration.

- Favourable demographics:**

India's wine industry enjoys a powerful tailwind thanks to its favorable demographic profile. The nation boasts a expanding middle class that's not only growing in size but also increasingly open to new experiences and experimentation. This isn't just about disposable income; India's young population is a significant factor. Unlike previous generations, they're more receptive to trying new things, including exploring a wider variety of beverages like wine. This presents a highly promising opportunity for wine companies to tap into this dynamic and rapidly growing market segment.

- Women and Alcohol:**

The changing drinking habits of women in India have become a significant factor driving increased alcohol consumption. As societal norms evolve and women gain greater empowerment, they are participating more in social and professional settings where drinking is common. This trend can be attributed to factors like increased social acceptance, portrayal of alcohol in media, and stress management, particularly among working women and those in higher income brackets. Additionally, targeted marketing by alcohol brands has played a role in promoting alcohol consumption among women. This shift indicates a changing social landscape and potential growth in the alcohol market.

- Rise of In-Home Consumption:**

Post COVID-19, saw a sea of change in consumer behaviour around alcohol consumption, with a shift towards drinking at home. Drinking premium alcoholic beverages at home is comparatively more affordable than drinking in restaurants, resulting in a rise in consumption of premium drinks. Wine, a suitable option for consumption in a family setting, contributing to its increased popularity. **The at-home segment is anticipated to grow at a CAGR of 15.76% from 2024 to 2028**, reflecting the increasing integration of wine into everyday Indian lifestyles. By 2024, the total volume of wine consumed is projected to reach 822.2 million litres, with 699.8 million litres consumed at home and 122.4 million litres out-of-home. This growth

trajectory is set to continue into 2025, with a projected volume growth of 15.4% in the at-home sector.

- **Premiumisation:**

Fueled by a desire for "affordable luxury" at home, the pandemic accelerated a trend towards premium wines across all categories. Consumers, especially younger demographics, embraced home-mixology and showed a growing interest in high-quality sparkling wines. This premiumization trend is expected to continue, particularly in the bubbly category. The trend toward premiumisation is evident, with a shift in consumer preferences towards high-quality and unique wine experiences, facilitated by rising disposable incomes and a young, increasingly globalised demographic eager to explore different alcoholic beverages.

- **Wine Industrial Promotion Scheme:**

Several states in India, such as Maharashtra, Karnataka, and Tamil Nadu, have implemented policies to incentivize the production of wine. As a result, the wine industry in these states receives certain benefits, such as a reduction in Excise Duty and simplified licensing procedures. In Maharashtra, for example, the state government introduced the Wine Industry Promotion Subsidy in August 2009 to promote wine production within the state. The subsidy is provided for the sale of wine made from grapes grown within the state, without the addition of alcohol or blending with wine from other vendors. The subsidy takes the form of an 80% refund of the VAT paid on wine sales within the state. Recently, **The Maharashtra state government has taken a significant step by reinstating the Wine Industrial Promotion Scheme (WIPS)**, aimed at revitalizing the wine industry, for a duration of four years till FY28. The decision to revive WIPS aligns to support grape-growing farmers in the state.

The Indian wine market's robust growth is further evidenced by a significant surge in wine imports, emphasising an expanding palate among Indian consumers for finer wines.

This positive outlook is supported by favourable trade agreements, such as those with EFTA and potential agreements with Australia and the UK, which are expected to enhance access to quality wines and stimulate market growth by reducing customs duties.

Moreover, India's evolving regulatory landscape, improving local production capabilities, and enhanced retail availability position it as a flourishing market with immense potential for both domestic and international wine brands. This potential is recognised globally, with numerous international brands actively seeking to capture this emerging market, viewing India as a key growth driver in the global wine industry landscape.

(Sources: Statista, IWSR, IBEF, The Economic Times, Forbes, Business Standard, Future Market Insights)

Wine Tourism Business

The global wine tourism market is experiencing significant growth, with revenue projected to increase from USD 85 billion in 2023 to USD 292 billion by 2033, with a CAGR of 13.1% over the next decade.

Key Dynamics and Trends

Increasing Popularity and Economic Impact: Wine tourism is not just about wine tasting but encompasses a variety of experiences including winery tours, wine festivals, and educational workshops. This segment significantly contributes to job creation and the economic development of local communities.

Investment in Infrastructure: To accommodate the rising interest in wine tourism, regions are investing in enhancing tourism infrastructure which improves the overall visitor experience. This includes better facilities at vineyards, the development of wine trails, and the establishment of educational centres focusing on wine knowledge and sustainability.

Emerging Markets and Premiumisation: Countries like China, India, and those in Eastern Europe are emerging as significant players due to increasing local consumption and a demand for premium wine experiences. Additionally, there is a growing interest in low-alcohol wines and sustainable practices within the wine industry, aligning with global trends towards health and environmental consciousness.

Future Prospects:

The wine tourism market is poised for continued growth, driven by an expanding global interest in wine as a cultural and experiential good. The integration of sustainability practices and the increasing role of technology in enhancing tourist experiences are expected to further boost the market's expansion.

(Source: Future Market Insights)

6. A Challenging Regulatory Scenario in India

The regulatory landscape for alcoholic beverages in India is shaped by a combination of national and state-level policies. Recent reforms aim to enhance retail experiences, optimise taxation, and improve labelling standards, among others.

AlcoBev falls under the purview of Food Safety and Standards Authority of India (FSSAI). Additionally, the sector has strict direct advertising rules which makes the marketing of the product difficult, even though the sector provides a major source of revenue to states, only next to petroleum products.

- **Retail reviving:**

- a. **Evolving Excise Policies:**

India's excise policies are gradually evolving to encourage retail development. Retail outlets, particularly in Haryana, are increasingly adopting modern, well-lit designs and convenient locations, offering extended operational hours and enhanced customer service.

- b. **Enhanced Buying Experience:**

Attractive retail outlets foster a positive consumer experience, attracting a growing customer base and boosting revenue for both license-holders and the state. For instance, Uttar Pradesh has permitted premium alcohol outlets in shopping malls, and Gujarat allows alcohol sales in GIFT City, a signature development. This measured approach helps mitigate potential backlash against abrupt changes.

- **Regulatory Changes:**

- a. **Complex Regulatory Landscape:**

Alcoholic beverage regulations are diverse and complex in India. High tariffs, customs duties, licensing fees, and varying state taxation levels pose significant entry barriers for both local and imported products.

- b. **State Bureaucracy:**

Building a business in India is often slowed by varied state-level bureaucratic challenges, necessitating a consolidated approach within one state before expanding to others. However, potential Free Trade Agreements (FTAs) with the EU and the UK promise to ease these barriers.

Positive Impact of Tax Reforms:

In Maharashtra, recent reductions in excise rates have shown a positive impact on sales volumes, suggesting that lowering taxes can benefit imports, promote domestic premiumisation, and increase state revenue.

The industry needs a regulatory overhaul and an inflation-embedded approach to pricing. This would take into consideration several factors such as differences in operating conditions between states, such as state levies, cost of materials, transportation, etc. Regular consultations with industry stakeholders are essential to forge a predictable and progressive policy framework, incentivizing higher investments in the sector.

(Sources: Digicomply, IWSR)

7. Sustainability at Sula Vineyards

Sustainability is the core of our ethos at Sula; it's not just a practice but a way of life and a foundational principle in our business. Our journey towards sustainability started over a decade ago, setting a precedent long before it became a mainstream pursuit. We strive to enhance our land and enrich the lives of the community dependent on our businesses through our sustainable vineyards.

We are one of the most eco-friendly companies in India, with a significant amount of our resources committed to sustainable winemaking practices, sustainable vineyards and ensuring fair livelihoods for our community of farmers across Maharashtra and Karnataka.

As part of our commitment to delivering the best quality of wines, our food safety system is now certified by the Brand Reputation Compliance (BRC) Global Standards. This certification is an upgrade on our earlier ISO 22000 certification. BRC standards are dynamic and evolve rapidly to reflect global best practices, are industry specific and are also recognized by the Global Food Safety Initiative (GFSI). Our two largest facilities are now BRC certified, and the others will also be adopting BRC standards going forward.

At Sula, our waste management practices follow a scientific approach that prioritizes the principles of Reduce, Reuse, and Recycle. A significant portion of our waste consists of organic matter, which we convert into organic compost to nourish our vineyards. Despite 99% of our packaging materials being recyclable, we are committed to further enhancing our sustainability efforts by implementing a comprehensive packaging program.

We have made significant strides in enhancing our operational efficiencies. Our efforts have resulted in a notable reduction in water usage, decreasing from 71.5 liters per 9-liter case in FY20 to 52.8 liters. Our aim is to further reduce this to 40 liters. Additionally, our reliance on solar energy has seen a commendable improvement, increasing from 49% in FY20 to 59% in FY24. Looking ahead, we aspire to elevate this to 70% in the long term. It's worth noting that energy accounts for a substantial portion of our manufacturing costs. These advancements will enable us to effectively lower this expenditure, thereby contributing positively to our profitability.

We are pleased to announce that we have become the first winery in Asia to be awarded the Gold Membership of the International Wineries for Climate Action (IWCA), recognizing our achievement in meeting the highest carbon emission reduction standards in the wine industry.

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L15549MH2003PLC139352
2.	Name of the Listed Entity	Sula Vineyards Limited
3.	Year of incorporation	February 26, 2003
4.	Registered office address	901, Solaris One, N S Phadke Marg, Andheri East, Mumbai - 400069, Maharashtra
5.	Corporate address	Same as registered office address
6.	E-mail	cs@sulawines.com
7.	Telephone	022-61280606
8.	Website	www.sulavineyards.com
9.	Financial year (FY) for which reporting is being done	April 01, 2023, to March 31, 2024.
10.	Name of the Stock Exchange(s) where shares are listed	(i) BSE Limited (ii) National Stock Exchange of India Limited
11.	Paid-up Capital	₹ 16.88 Crore
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Ruchi Sathe (Company Secretary and Compliance Officer) Tel No: 022-61280606/607 Email: cs@sulawines.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	On standalone basis
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

II. Products/ Services

16. Details of business activities (accounting for 90% of the turnover):

Sr. No	Description of Main Activity	Description of Business Activity	% Of Turnover of the entity
1.	Manufacture and Supply*	Wine	86%
2.	Service	Wine Tourism	7%

*Including wine industry promotion subsidy

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No	Product/Service	NIC Code	% of total Turnover contributed
1.	Wine	11020	86%
2.	Wine Tourism	55101	7%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	3	8	11
International	NIL	NIL	NIL

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	28
International (No. of Countries)	18

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports contributed to 1.33% of total revenue of the entity for the year ended March 31, 2024.

c. A brief on types of customers

Our end consumers are wine drinkers across India and in our export markets. These customers are served through a wide network of distributors. These include traditional retail points such as licensed alcohol and wine shops, hotels, restaurants, cafes, as well as modern trade channels like e-commerce platforms and select supermarkets. We have established partnerships with distributors in key regions such as Maharashtra, Haryana, Delhi, Goa, and Punjab. In addition, we have a strong direct-to-consumer ("D2C") selling channel through our Wine Tourism Business facilities in Maharashtra and Karnataka. Our distribution platform encompasses distributors, corporations, licensed resellers, company depots, defence units, and other points of sale.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	555	475	86%	80	14%
2.	Other than Permanent (E)	NIL	NIL	NIL	NIL	NIL
3.	Total employees (D + E)	555	475	86%	80	14%
WORKERS						
4.	Permanent (F)	207	188	91 %	19	9%
5.	Other than Permanent (G)	156	139	89%	17	11 %
6.	Total workers (F + G)	363	327	90%	36	10%

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	NIL	NIL	NIL	NIL	NIL
2.	Other than Permanent (E)	NIL	NIL	NIL	NIL	NIL
3.	Total differently abled employees (D + E)	NIL	NIL	NIL	NIL	NIL
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	NIL	NIL	NIL	NIL	NIL
5.	Other than permanent (G)	NIL	NIL	NIL	NIL	NIL
6.	Total differently abled workers. (F + G)	NIL	NIL	NIL	NIL	NIL

21. Participation/ Inclusion/ Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	1	14%
Key Management Personnel	4	1	25%

22. Turnover rate for permanent employees and workers

	FY 2023-24 (Turnover rate in Current FY)			FY 2022-23 (Turnover rate in Current FY)			FY 2021-22 (Turnover rate in Current FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	16%	35%	19%	12%	17%	13%	10%	26%	12%
Permanent Workers	3%	0%	3%	5%	17%	6%	2%	9%	2%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

Sr. No	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Artisan Spirits Private Limited	Subsidiary	100%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **Yes**

(ii) Turnover (in ₹): **598.93 Crore.**

(iii) Net worth (in ₹): **575.27 Crore.**

VII. Transparency and Disclosure Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24 (Turnover rate in Current FY)			FY 2022-23 (Turnover rate in Current FY)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	NIL	NIL	NA	NIL	NIL	NA
Investors (other than shareholders)	Yes	1	NIL	NA	NIL	NIL	NA
Shareholders	Yes	NIL	NIL	NA	NIL	NIL	NA
Employees and workers	Yes	NIL	NIL	NA	NIL	NIL	NA
Customers	Yes	17	NIL	Resolved	22	22	Resolved
Value Chain Partners	No	NIL	NIL	NA	NIL	NIL	NA
Other (please specify)	NA	NA	NA	NA	NA	NA	NA

- Grievance redressal for Communities is done through meetings at the manufacturing unit level.
- Grievance redressal for Investors & Shareholders is done through investor relations, details of which are available on the website.
- Grievance redressal for employees & workers is done through vigil mechanism and whistle blower policy available on the website.
- Grievance redressal for customers is done through the customer care number and email id mentioned on the labels.

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

Sr. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate Change	Risk	Our major source of raw material in Winemaking is Grapes from viticulture. Any change or severe climate change can affect our Wine operations.	We have diversified our sourcing of grapes from diverse geographical locations and delayed pruning dates, so that the impact of climate change is minimized.	Risk is controlled.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity’s policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	N	N	Y	N
b. Has the policy been approved by the Board? (Yes/No)	Y	N	Y	Y	N	N	N	Y	N
c. Web Link of the Policies, if available	Policies covering certain stakeholders are available on the Company’s website www.sulavineyards.com . Internal policies are restricted and can be viewed by employees on the Company’s internal portal.								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	N	N	N	N	N	N	N	N	N
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Accredited with various certifications like <ul style="list-style-type: none">BRC CertificationFSSAI CertificationISO:9001:2015								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	To perform better and to meet the requirements of BRSR principles.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Business is in line with the requirements of BRSR Principles, we strive for continuous improvement.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	At Sula Vineyards, Green is as important as Red, White and Rosé ! Sustainability is a guiding principle of life and business for us. We strive to be responsible stewards of our land, because it’s the best way to make authentic, distinctive wines. Our commitment to producing the best wines through sustainable winemaking and viticulture operations goes beyond protecting our natural environment. We strive to enhance our land and enrich the lives of the community dependent on our businesses through our sustainable vineyards. We are committed to ensure preservation of the environment, positively contributing to the sustainable development of society, while ensuring continued compliance with applicable governance requirements.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Managing Director & CEO								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	No. Will be incorporating this in FY25 onwards.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action										Director								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances										Director								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.																		

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of trainings and awareness programmes held	Topics/ principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	4	<ul style="list-style-type: none"> Familiarisation Programme Business Strategy, Operations & Budget. 	100%
Key Managerial Personnel	2	<ul style="list-style-type: none"> Brand Knowledge Assessment Sula Internal Course - Orientation Modules 	100%
Employees other than BoD and KMPs	90	<ul style="list-style-type: none"> Skill Development Team Building Health & Safety 	97%
Workers	12	<ul style="list-style-type: none"> Skill Development Health & Safety 	70%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (₹)	Brief of the case	Has an appeal been preferred (Yes/ No)
Penalty/ Fine	NIL	NIL	NIL	NIL	NIL
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding Fee	P1	RBI Compounding Application	₹ 5,000/-	Compounding of Offences under FEMA 1999.	No
Non-Monetary					
Imprisonment	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NIL	NIL

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, policy implemented and covered as part of Code of Business Conduct program. Also available on the company's internal portal.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest:

Particulars	FY 2023-24 (Turnover rate in Current FY)		FY 2022-23 (Turnover rate in Current FY)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

NIL

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

Particulars	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Number of days of accounts payables	200	208

*Average Accounts Payable = Opening + closing /2

*Cost of Goods sold includes: Stock in trade, Materials consumed & changes in inventory.



9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales*	a. Sales to dealers / distributors as % of total sales	56%	60%
	b. Number of dealers / distributors to whom sales are made	121	128
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	54%	54%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	20%	11%
	b. Sales (Sales to related parties / Total Sales)	3%	1%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	48%	39%
	d. Investments (Investments in related parties / Total Investments made)	100%	100%

* Basis Gross Sales.

* Total Purchases considered as : Raw Materials, Packaging Materials & Stock In Trade.

Leadership Indicators

- Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
NIL	NA	NIL

- Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? **(Yes/No)** If Yes, provide details of the same.

Yes, Directors are covered under the Code of Conduct – Board and Senior Management Policy.

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year	Details of improvements in environmental and social impacts
Research & Development	₹ NIL	₹ NIL	NA
Capex	10.85% ₹ 5.77 Crore	10.12% ₹ 7.31 Crore	NA

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, we have procedures in place for sustainable sourcing. Preference is given to local suppliers by vendor development so that transportation emissions are reduced.

Our main raw material is grapes. Our viticulture team is involved with farmers who grow grapes for us and ensure the grapes meet quality, safety and sustainability standards which includes ethical labour practices.

- b. If yes, what percentage of inputs were sourced sustainably?

Grapes, being our major raw material accounts for 52% of sustainable input with an additional 18% pertaining to bottles that are sustainably sourced.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The mechanism followed at Sula is:

- **Plastics (including Packaging):** We intend to collect the plastic material for recycling, as per the Extended Producer Responsibility.
- **E-waste:** All the E-Waste is sent to MSPCB authorized Recyclers only, for used batteries after their end of the life, we send to the vendor on buy back scheme.
- **Hazardous waste:** We do not generate hazardous waste at our sites.
- **Other Waste:** We have tie up with waste recyclers, who does the recycling by adding value to the waste.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, EPR is applicable for our operations.

The waste collection plan is being developed in line with the EPR rules. We have already initiated steps in our operations for the implementation of EPR framework and the same would be addressed in FY25.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
Life cycle assessment study will be taken up in the coming years.					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Wine making	Life cycle assessment will be taken up in the upcoming years.	

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Glass waste	1.71%	1.31%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Stakeholder group from whom complaint is received	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NIL	8.59	NIL	NIL	19.42	Nil
E-waste	NIL	0.582	NIL	NIL	Nil	Nil
Hazardous waste	NIL	NIL	NIL	NIL	Nil	Nil
Other waste (Glass, Metal, Wood and Paper waste)	111.72	252.16	NIL	NIL	338.84	Nil

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Glass bottles	7% is reclaimed by company and balance is recycled in the market as cullet's (precursor for making glass)

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
		Permanent employees (Staff)									
Male	475	475	100%	475	100%	NA	NA	27	6%	NIL	NA
Female	80	80	100%	80	100%	2	3%	NA	NA	NIL	NA
Total	555	555	100%	555	100%	2	0.4%	27	5%	NIL	NA
		Other than Permanent employees (Contractual)									
Male	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

* Maternity & Paternity figures are based on benefits availed in FY'24.

- b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
		Permanent workers									
Male	188	188	100%	188	100%	NA	NA	9	5%	NIL	NA
Female	19	19	100%	19	100%	NIL	NIL	NA	NA	NIL	NA
Total	207	207	100%	207	100%	NIL	NIL	9	4%	NIL	NA
		Other than Permanent workers									
Male	139	19	14%	139	100%	NIL	NA	NIL	NA	NIL	NA
Female	17	1	6%	17	100%	NIL	NA	NIL	NA	NIL	NA
Total	156	20	1.27%	156	100%	NIL	NA	NIL	NA	NIL	NA

- c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

Cost incurred on well- being measures as a % of total revenue of the company	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Cost incurred on well- being measures as a % of total revenue of the company	0.54%	0.52%

* Total revenue includes: Other Income.

*Staff Welfare expenses includes: Employee benefit expenses schedule from financials.

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	99%	100%	Yes	98%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	4%	17%	Yes	5%	17%	Yes
Others – specify	NIL					

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Currently we do not have any disabled employee on roles.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. Policies are available on the internal portal of the Company.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Particulars	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

Grievance redressal mechanism can be shared on wecare@sulawines.com; posh@sulawines.com; whistleblower@sulawines.com

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total employees/ workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/ workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (C / D)
Total Permanent Employees						
Male	NIL	NIL	NA	NIL	NIL	NA
Female	NIL	NIL	NA	NIL	NIL	NA
Total Permanent Workers						
Male	200	158	79%	180	160	89%
Female	21	13	62%	11	11	100%

8. Details of training given to employees and workers:

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill Upgradation		Total (D)	On Health and safety measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/A)
	Employees									
Male	518	403	78%	514	99%	443	27	6%	443	100%
Female	111	76	68%	103	93%	90	7	8%	89	99%
Total	629	479	76%	617	98%	533	34	6%	532	100%
	Workers									
Male	200	139	70%	3	2%	180	48	27%	170	94%
Female	21	14	67%	0	0%	11	2	18%	9	82%
Total	221	153	69%	3	1%	191	50	26%	179	94%

*Training count includes active & resigned employees and also same person attending training multiple times.

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	475	475	100%	443	443	100%
Female	80	80	100%	90	90	100%
Total	555	555	100%	533	533	100%
Workers						
Male	188	188	100%	180	180	100%
Male	19	19	100%	11	11	100%
Female	207	207	100%	191	191	100%

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? **(Yes/ No)**. If yes, the coverage such system?

Yes, for the entire manufacturing unit staff.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Regular safety audits is in place for dedicated departments.

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. **(Y/N)**

Yes.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? **(Yes/ No)**

Yes.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	NIL	NIL
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	2	6
No. of fatalities	Employees	NIL	NIL
	Workers	NIL	NIL
High consequence work-related injury or ill health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Safety has been the core pillar for us to ensure a safe and healthy workplace. We have mandatory safety induction, Annual Medical Health check-ups and trainings. We have a system for strong safety culture where observations and mock drills are part of our operations. Safety awareness is also done using safety day celebrations, mock drills, road safety drives.

13. Number of Complaints on the following made by employees and workers:

Particulars	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	NIL	NIL	NIL	NIL	NIL	NIL
Health & Safety	NIL	NIL	NIL	NIL	NIL	NIL

14. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	80% of wineries and its offices were assessed
Working Conditions	100% by third party

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Corrective and preventive actions are taken immediately to address the safety risks/ concerns arising from assessment of health and safety practices and working conditions. We have Safety interlocks at place for all the operations. We strive to provide the best facilities to avoid significant risks/concerns.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the deceased worker or employee's family is entitled to receive notice period pay, along with applicable PF (Provident Fund) and gratuity claims.

- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Monthly tracker is maintained by payroll team and forwarded to Legal Head/COO for verification. Further, regular audit conducted by internal auditor and yearly audit by Statutory Auditors of the Company.

- Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Particulars	Total no. affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Employees	NIL	NIL	NIL	NIL
Workers	NIL	NIL	NIL	NIL

- Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes

- Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	NIL
Working Conditions	NIL

- Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Particulars	Total no. of Affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment of whose family members have been placed in suitable employment	
	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Employees	NA	NA	NA	NA
Workers	NA	NA	NA	NA

PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators

- Describe the processes for identifying key stakeholder groups of the entity.

Key stakeholder groups include all the groups of people affected by the company and have an interest in company and its various operations. We make sure to include vendors, suppliers and local community in our stakeholder groups to ensure transparency, accountability and inclusivity in our processes.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors & Shareholders	No	Email, Newspapers, Notice, Website	Quarterly/ Half Yearly/ Annually	Shareholders and investor communities are being informed regarding performance and key material events of the company every quarter. Outcome of Board and committee meetings.
Board of Directors	No	Email, Website	Quarterly	Business Performance
KMPs	No	Email, Website	Others - As and when required	Strategic Operations and Business Performance
Permanent Employees	No	Email, Website	Others - As and when required	Personal wellbeing and operational business requirements
Permanent Workers	No	Email, Website	Others - As and when required	Personal wellbeing and operational business requirements
Farmers	No	Other - Personal Meetings	Others - As and when required	Company's Policies relating to the purchase of produce
Supply Chain	No	Email, Personal Meetings	Others - As and when required	Operational business requirements
Vendors	No	Email, Personal Meetings	Others - As and when required	Operational business requirements
Local Communities	No	Other – Meetings	Others - As and when required	Welfare of the community and information on specific activities
Consumer	No	Newspapers, Website	Others - As and when required	Product information, features

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Stakeholders' engagement is delegated to the senior members of management, with whom monthly/ quarterly meetings are held as per the defined frequency. The feedback from such consultations are kept before the board for evaluation and review.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, the inputs received from the stakeholders consultation are carefully reviewed and after evaluation are incorporated in the activities and policies of the entity.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

NA

PRINCIPLE 5

Businesses should respect and promote human rights.

Essential Indicators

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

We provide orientation sessions to new employees on policies and for all employees we upload the policies on our internal portal hence no such training are conducted on HR & Policies.

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (C/D)
Employees						
Permanent	555	129	23%	533	75	14%
Other than permanent	NA	NA	NA	NA	NA	NA
Total	555	129	23%	533	75	14%
Workers						
Permanent	207	20	10%	191	17	9%
Other than permanent	NA	NA	NA	NA	NA	NA
Total	207	20	10%	191	17	9%

- Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
	Employees									
Permanent										
Male										
Female										
Other than Permanent	Not Applicable									
Male										
Female										
	Workers									
Permanent	207	11	5%	196	95%	191	NIL	NA	191	100%
Male	188	5	3%	183	97%	180	NIL	NA	180	100%
Female	19	6	32%	13	68%	11	NIL	NA	11	100%
Other than Permanent	180	130	72%	50	28%	152	95	63%	57	38%
Male	161	117	73%	44	27%	141	89	63%	52	37%
Female	19	13	68%	6	32%	11	6	54%	5	45%

- Details of remuneration/salary/wages, in the following format:

Particulars	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	₹ 0.14 Crore	1	₹ 0.14 Crore
Key Managerial Personnel	3	₹ 0.095 Crore	1	₹ 0.022 Crore
Employees other than BoD and KMP	473	₹ 0.004 Crore	79	₹ 0.005 Crore
Workers	187	₹ 0.030 Crore	19	₹ 0.001 Crore

- b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	14.07%	13.92%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No) : **Yes**
5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Employees can raise their complaints online through our HR portal or by sending an email to wecare@sulawines.com. The query will go to the HR team. The minor issue will be resolved in two working days, while the major issue will take up to seven working days. If it is a POSH-related complaint, then a written complaint should be made at POSH@sulawines.com, and then the POSH policy will come into the picture. If any complaint is to be made by the whistleblower, he or she should write a complaint at whistleblower@sulawines.com, and then the whistleblower policy will come into the picture.

6. Number of Complaints on the following made by employees and workers:

Particulars	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	NIL	NIL	NIL	NIL
Discrimination at workplace	NIL	NIL	NIL	NIL	NIL	NIL
Child Labour	NIL	NIL	NIL	NIL	NIL	NIL
Forced Labour/ Involuntary Labour	NIL	NIL	NIL	NIL	NIL	NIL
Wages	NIL	NIL	NIL	NIL	NIL	NIL
Other human rights related issues	NIL	NIL	NIL	NIL	NIL	NIL

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format :

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

We organize awareness sessions that are mandatory for all the employees to attend so that they are aware of the consequences and the action that the company can take as per the policy. If any complaint is received, we make sure that confidentiality is maintained throughout the entire investigation process. The code of conduct policy will be relied on if any case regarding discrimination and harassment is filed the employee.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	NIL
Forced/involuntary labour	NIL
Sexual harassment	NIL
Discrimination at workplace	NIL
Wages	NIL
Others – please specify	NIL

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

NA

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

NA

2. Details of the scope and coverage of any Human rights due-diligence conducted.

NA

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

4. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NIL
Discrimination at workplace	NIL
Child Labour	NIL
Forced Labour/Involuntary Labour	NIL
Wages	NIL
Others – please specify	NIL

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

NA

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Total electricity consumption (A)	13.85	14.12
Total fuel consumption (B)	0.41	2.85
Energy consumption through other sources ©	18.47	14.34
Total energy consumption (A+B+C)	32.73	31.31
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.0018	0.0016
Energy intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No, none of our sites are identified as designated consumers (DCs) under the PAT scheme.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	NIL	NIL
(ii) Groundwater	50,319	9,820
(iii) Third party water	44,277	61,238
(iv) Seawater / desalinated water	NIL	NIL
(v) Others (rainwater harvested & recycled water from ETP)	32,665	31,836
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1,27,261	71,057
Total volume of water consumption (in kilolitres)	1,22,115	1,02,893
Water intensity per rupee of turnover (Water consumed / turnover)	0.020	0.019
Water intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

4. Provide the following details related to water discharged:

Parameter	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(ii) To Groundwater	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(iii) To Seawater	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(iv) Sent to third-parties	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(v) Others	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	We do not discharge treated water, the treated water from ETP is used in Gardening and Cooling tower Makeup. Quantities of recycling are as follows: Cooling Tower: 5147 Gardening: 32494 Cleaning: 10050	We do not discharge treated water, the treated water from ETP is used in Gardening and Cooling tower Makeup. Quantities of recycling are as follows: Cooling Tower: 2,780 Gardening: 37,377 Cleaning: 9,914
Total water discharged (in kilolitres)	50,062	50071

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

At Sula, treated effluent water is used in Cooling tower and in Gardening purpose. No wastewater is discharged outside plant premises.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
NOx	MT	0.18	0.27
Sox	MT	BDL	BDL
Particulate matter (PM)	MT	0.24	0.35
Persistent organic pollutants (POP)		NA	
Volatile organic compounds (VOC)		NA	
Hazardous air pollutants (HAP)		NA	
Others – please specify		NA	

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1,905	2,549
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)		3,122	3,252
Total Scope 1 and Scope 2 emissions per rupee of turnover		0.0008	0.0011
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	CO ₂ per Ltr	0.48	0.61

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Since its inception, Sula has actively employed advanced technologies to diminish GHG emissions. In the fiscal year 2023-24, an impressive 59% of its energy mix was derived from solar sources. Additionally, initiatives such as promoting EV vehicles for procurement signify efforts to curtail energy consumption from non-renewable sources. Sula's commitment to sustainability extends to packaging practices, exemplified by efforts to reduce bottle weight and enhance the use of recycled materials. As a Gold member of the International Wineries for Climate Action (IWCA), Sula participates in a collective effort within the wine industry to mitigate carbon emissions. The IWCA, aligned with the United Nations' 'Race to Zero' campaign, strives for net zero emissions by 2050, underscoring Sula's dedication to environmental responsibility.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Total Waste generated (in metric tonnes)		
Plastic waste (A)	8.59MT	19.42 MT
E-waste (B)	0.582MT	NIL
Bio-medical waste (C)	NIL	NIL
Construction and demolition waste (D)	NIL	NIL
Battery waste (E)	NIL	NIL
Radioactive waste (F)	NIL	NIL
Other Hazardous waste. Please specify, if any. (G)	NIL	NIL
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	357.05MT	338.84 MT
Total (A+B + C + D + E + F + G+ H)	366.22MT	358.27 MT

Parameter	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	252.16MT	255.07 MT
(ii) Re-used	111.72MT	95.41 MT
(iii) Other recovery operations	NIL	NIL
Total	363.88	350.48 MT
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	NA	NA
(ii) Landfilling	NA	NA
(iii) Other disposal operations	NA	NA
Total		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

We implement a scientific waste management approach, focusing on the principles of Reduce, Reuse, and Recycle. Our primary waste stream is organic, meticulously transformed into premium Organic Compost, enriching our vineyards and nurturing sustainable growth.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
			NA

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Wine Making and Hospitality					

We are not covered under the EIA Notification 2006. Hence NA

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sr. No.	Specify the law/ regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any

The Company is compliant with the applicable Environmental laws/ regulations and guidelines, Hence NA

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area : **Nashik, Karnataka**
- (ii) Nature of operations : **Wine making and Bottling**
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	NIL	NIL
(ii) Groundwater	NIL	NIL
(iii) Third party water	NIL	NIL
(iv) Seawater / desalinated water	NIL	NIL
(v) Others (rainwater harvested & recycled water from ETP)	NIL	NIL
Total volume of water withdrawal (in kilolitres)	NIL	NIL
Total volume of water consumption (in kilolitres)	NIL	NIL
Water intensity per rupee of turnover (Water consumed / turnover)	NIL	NIL
Water intensity (optional) – the relevant metric may be selected by the Entity	NIL	NIL
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(ii) Into Groundwater	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(iii) Into Seawater	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(iv) Sent to third-parties	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(v) Others	NIL	NIL
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	We do not discharge treated water, the treated water from ETP is used in Gardening and Cooling tower Makeup. Quantities of recycling are as follows: Cooling Tower: 5,147 Gardening:32,494 Cleaning:10,050	We do not discharge treated water, the treated water from ETP is used in Gardening and Cooling tower Makeup. Quantities of recycling are as follows: Cooling Tower: 2,780 Gardening: 37,377 Cleaning: 9,914
Total water discharged (in kilolitres)	50,062	50,071

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ Equivalent	We will publish our Scope 3 emission data from the next FY.	
Total Scope 3 emissions per rupee of turnover	NA	NA	NA
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.
4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Installation of Solar power.	Reduction of carbon footprint, contributing to environmental sustainability.	Reduction in grid import GHG emissions.
2.	Reduction in bottle weight and rise in the utilization of recycled bottles.	Reducing bottle weight and increasing the use of recycled bottles promote sustainability and reduce our emissions occurred from packaging practices.	Reduction in GHG emissions.
3.	Replacement of fossil fuel vehicle with Electric vehicle	This initiative aims to utilize renewable energy for charging electric vehicles (EVs).	Reduction in GHG emissions.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Operations plant has On-site emergency plan which contains guidelines / procedures to be adopted during any emergency.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Sula operations are driven with safe and sustainability point of view, right from the design in the Viticulture, Wine making, Bottling operations. There are no adverse impacts to the environment. We are in the food and beverage sector, where there is an overall development and a win win situation for all our stakeholders, ourselves and environment as well.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Our major value chain partners are farmers, where viticulture is their main activity. Our viticulture team visits farms and guides farmers. They guide them not only in terms of grape growing, but also on Vermicomposting, Water efficiency, Energy efficiency and even encourage them to utilize solar energy for pumping etc.

PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations – **Six**
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	All India Wine Producers Association (AIWPA)	National
2.	Confederation of Indian Industry (CII)	National
3.	Confederation of Indian Alcoholic Beverage Companies (CIABC)	National
4.	The Federation of Hotel & Restaurant Associations of India (FHRAI) – Applied	National
5.	The Association of Bars, Hotels and Restaurants (ABHAR)	District
6.	International Wineries for Climate Action (IWCA)	International

- Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

Leadership Indicators

- Details of public policy positions advocated by the entity:

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web Link, if available
1.	Maharashtra -Wine Industry Promotion Scheme policy extension	Representation through AIWPA	No	Others – Reviewed as a part of Business Plan	NA
2.	Maharashtra - Reduction of Export Fees	Through submissions and meeting at excise department with association	No		NA
3.	Maharashtra - Blending Duty	Submitted business proposal to Excise department	No		NA

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development.

Essential Indicators

- Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes /No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

- Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not Applicable						

- Describe the mechanisms to receive and redress grievances of the community.

Conducted through physical meetings at winery level.

- Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Directly sourced from MSMEs/ small producers	11%	9%
Sourced directly from within the district and neighbouring districts	44%	48%

*input material includes packaging material, consumables and excludes grapes

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.

*(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Location	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Rural	-	-
Semi-urban	5%	5%
Urban	53%	52%
Metropolitan	42%	43%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
NA	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No.	State	Aspirational District	Amount spent (In ₹)
1.	Maharashtra	Nashik	₹ 1.35 Crore
2.	Karnataka	Ramanagara	₹ 0.097 Crore

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) : **No**
- b. From which marginalized /vulnerable groups do you procure? : **NA**
- c. What percentage of total procurement (by value) does it constitute? : **NA**
4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit Share
1.	Beyond & Sky Villa	Yes	Yes	2% p.a. of revenue earned from Beyond operations by ASPL.
2.	Satori, Samara, Madera, Mosaic	Yes	Yes	2% p.a. of revenue of the Invoice value of sales

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
NIL	NIL	NIL

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Addition of Classrooms - 2 Nos	Not Definable	Not Definable
2.	Green Gym	Not Definable	Not Definable
3.	Road Cleaning/Maintenance	Not Definable	Not Definable
4.	Highmast	Not Definable	Not Definable
5.	Highmast	Not Definable	Not Definable
6.	Road Repair	Not Definable	Not Definable
7.	RO at School	Not Definable	Not Definable
8.	Addition of Classrooms - 2 Nos	Not Definable	Not Definable

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
9.	Pest Control	Not Definable	Not Definable
10.	Sweaters to students	267	Not Definable
11.	Projects Near DS	50	Not Definable
12.	Prabodhini Trust	Not Definable	Not Definable
13.	Social Messaging Hoardings	Not Definable	Not Definable

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

There is a customer service number and email id available on the label of every bottle. Consumers can directly contact the number or email id and register their grievance. The grievance is noted and resolved. In case grievances are directed to sales team, the regional sales team shall contact the customer and resolve the issues, and the feedback is provided to the customer care team.

- Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	100% of Our product have information as "Consumption of alcohol is injurious to health, Don't drink and drive." to provide warning message to consumer
Safe and responsible usage	
Recycling and/or safe disposal	100% of our products have Symbol of recyclability.

- Number of consumer complaints in respect of the following:

Particulars	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	NIL	NA	NA	NIL	NA	NA
Advertising	NIL	NA	NA	NIL	NA	NA
Cyber-security	NIL	NA	NA	NIL	NA	NA
Delivery of essential services	NIL	NA	NA	NA	NA	NA
Restrictive Trade Practices	NIL	NA	NA	NIL	NA	NA
Unfair Trade Practices	17	NIL	Resolved	22	NIL	Resolved
Other	NIL	NIL	NIL	NIL	NIL	NIL

- Details of instances of product recalls on account of safety issues:

Particulars	Number	Reasons for recall
Voluntary recalls	NIL	NA
Forced recalls	NIL	NA

- Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

NA

7. Provide the following information relating to data breaches:
- Number of instances of data breaches : **NIL**
 - Percentage of data breaches involving personally identifiable information of customers - **NIL**
 - Impact, if any, of the data breaches - **NA**

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Here are some channels/platforms that we use to promote our products and services:

Website: The company has an official website that provides detailed information on their products and services, as well as news and updates. - <https://sulavineyards.com/index.php>

Social media: We have official accounts on social media platforms such as Facebook, Instagram, YouTube and LinkedIn. These platforms allow us to engage with customers and promote our products through posts, ads, and other forms of content.

Social media links:

https://www.instagram.com/sula_vineyards

<https://www.facebook.com/Sula.Vineyards>

<https://www.linkedin.com/company/sulavineyards>

<https://www.youtube.com/c/sulavineyardsyoutube>

Email newsletters: We send out regular newsletters to our subscribers' database with updates on new products, promotions, and events.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Labelling and Packaging: Ensure that all wine bottles contain prominent labels advocating responsible drinking and warnings about the harmful effects of alcohol consumption.

Website and social media content: We provide educational content on our website and social media channels that promote responsible alcohol consumption and inform consumers more about the product they are consuming.

Advertising standards: We adhere to advertising standards that promote responsible alcohol consumption and discourage excessive drinking. For example, we avoid advertising that targets underage drinkers and dry states.

On-site Training: Conduct training sessions and wine tasting at our vineyards and institutions to educate consumers and retailers about the proper way to enjoy wine responsibly.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Collaboration with Retail Partners: Partner with retail outlets and distributors to disseminate information about service disruptions or changes to consumers at the point of sale through signage, flyers, or verbal communication by sales representatives.

Website Announcements: Display prominent announcements on our website regarding any disruptions or changes to essential services.

Social Media Updates: Post regular updates on our social media platforms to keep consumers informed about any changes or disruptions to our services.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes. In few brands the labels has the message of eco friendly viticulture and winemaking practices guided by emphasis on Sustainability and protecting of our natural resources. All our labels consists of Recycle symbol, which represents that the bottle can be recycled. Customer satisfaction by sales team.



Report on Corporate Governance

The Directors present the Report on Corporate Governance of the Company pursuant to Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Company's Philosophy on Code of Governance

Sula's governance philosophy is rooted in promoting responsible business practices that prioritize the welfare of customers, stakeholders, and the environment. Central to this belief is the understanding that effective governance necessitates transparency, accountability, integrity, and assurance across all facets of the organization. To uphold these standards, Sula's code of governance outlines clear policies and procedures aimed at ensuring compliance with regulatory requirements and industry standards, while also providing guidance for ethical conduct and decision-making.

By delineating the roles and responsibilities of the board of directors, Sula ensures robust oversight of strategic planning, risk management, financial reporting, and executive compensation. Additionally, Sula's code of ethics and whistleblower policy set forth guidelines for fostering ethical behavior and offer a secure avenue for reporting potential violations. Through a commitment to promoting diversity and inclusion, Sula cultivates an inclusive and equitable workplace culture that values the diverse perspectives of its employees. Moreover, by actively engaging with stakeholders, Sula seeks to solicit feedback and align its business practices with their expectations. A rigorous risk management program enables Sula to identify potential risks and develop proactive strategies to mitigate them. Furthermore, by embracing responsible and sustainable business practices, Sula aims to minimize adverse impacts on the environment and society while actively contributing to positive social and environmental outcomes.

In terms of corporate governance, Sula adheres to the stipulated requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). Overall, Sula's comprehensive code of governance not only promotes responsible and ethical conduct but also aligns closely with the company's values and goals. By steadfastly adhering to these principles, Sula demonstrates its unwavering commitment to responsible and sustainable practices, thereby fostering trust with stakeholders and underpinning the long-term success and stability of the business.

Regarding corporate governance, the Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of Regulation 46(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing

Regulations'), as applicable. Overall, Sula's comprehensive code of governance promotes responsible and ethical behavior, aligns with the company's values and goals, and supports the long-term success and stability of the business. By adhering to these principles, Sula demonstrates its commitment to responsible and sustainable practices, which fosters trust with stakeholders and contributes to the long-term success and stability of the business.

Code of Conduct for Insider Trading: The Company has adopted a Code of Conduct for Prevention of Insider Trading, 2015 in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. The Code is displayed on the Company's website.

1. Board of Directors

a. Composition of the Board

- i. Sula's Board consists of an optimal mix of Executive, Non-Executive, and Independent Directors, which is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 and Section 152 of the Act.
- ii. During the year under review and as on the date of this report, none of our Directors on the Board:
 - serve as Director in more than ten public companies;
 - serve as an Independent Directors in more than seven listed companies; and
 - none of the Executive Directors serve as Independent Directors on any listed company.
- iii. Further, none of our Independent Directors serve as Non-Independent Director of any company on the board of which any of our Non-Independent Directors is an Independent Director i.e. None of the directors have any inter-se relationship and each one of them is independent to each other.
- iv. During FY 2023-24, none of our Directors acted as Member in more than ten committees or as Chairperson in more than five committees across all listed entities where they serve as a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1) (b) of SEBI Listing Regulations. Further, there are no inter-se relationships between our Board Members.

As on March 31, 2024, your Company's Board comprised of seven Directors, categorised as below:

Director Category		DIN	Date of appointment	Shareholding	No. of Directorship held in other public companies	No. of Membership/ Chairpersonship in Board Committees (excluding the Company)		Directorship in other listed entity
						Chairpersonship	Membership	
Executive Director								
Mr. Rajeev Samant	Managing Director and Chief Executive Officer	00020675	February 26, 2003	2,10,04,764	Nil	Nil	Nil	
Non-Executive Independent Director								
Mr. Chetan Desai	Chairperson	03595319	December 15, 2021	Nil	7	4	13	Independent Director - Delta Corp Limited - Krsnaa Diagnostics Limited
Mr. Alok Vajpeyi	-	00019098	December 15, 2021	1,32,823	1	Nil	Nil	Nil
Mrs. Sangeeta Pendurkar	-	03321646	December 15, 2021	85,000	3	Nil	1	Whole-Time Director Aditya Birla Fashion and Retail Limited
Mr. Riyaaz Amlani*	-	00261209	April 19, 2023	Nil	Nil	Nil	Nil	Nil
Non-Executive Nominee Director								
Mr. Roberto Italia**	Nominee Director of Verlinvest Asia Pte. Ltd	09228481	July 15, 2021	Nil	Nil	Nil	Nil	Nil
Mr. Arjun Anand	Nominee Director of Verlinvest Asia Pte. Ltd	07639288	October 3, 2018	Nil	Nil	Nil	Nil	Nil
Non-Executive Director								
Mr. Nicholas Cator ***		07068629	November 9, 2023	Nil	Nil	Nil	Nil	Nil

*Mr. Riyaaz Amlani was appointed as a Non- Executive Independent Director w.e.f. April 19, 2023

** Mr. Roberto Italia ceased to be a Non- Executive Nominee Director w.e.f. the close of business hours on November 9, 2023

*** Mr. Nicholas Cator was appointed as a Non- Executive Director w.e.f. November 9, 2023

Notes:

- (1) In terms of the provisions of Regulation 26 of the SEBI Listing Regulations, total number of Directorships excludes directorships in the Company, Foreign Companies, Private Limited Companies, Companies formed under Section 25 of the erstwhile Companies Act, 1956 and under Section 8 of the Act.
- (2) In terms of the provisions of Regulation 26 of the SEBI Listing Regulations, Chairmanship/ Membership of Committee only includes the Audit Committee and Stakeholders Relationship Committee in other Indian Public Companies (Listed and Unlisted).
- (3) There is no inter-se relationship between any Directors.
- (4) None of the Directors serve as Director or as an Independent Director ("ID") in more than seven listed companies and none of the Executive Directors serve as ID's in more than three listed companies.
- (5) The Directorship/Committee membership is based on the disclosures received from the Directors as on March 31, 2024.

b. Board Meetings

Scheduling and selection of agenda items for Board Meetings

Tentative dates for Board Meetings in the ensuing financial year are decided in advance and communicated to the Members of the Board. The information, as required under Regulation 17(7) read with Schedule II Part A of the SEBI Listing Regulations, is made available to the Board.

The Board meets at least once a quarter to review the quarterly financial results and other agenda items. Additional meetings are held when necessary. Committees of the Board usually meet on the day of

the formal Board meeting, or whenever the need arises for transacting business. The recommendations of the Committees are placed before the Board for necessary approval. All committee recommendations placed before the Board during the year under review were unanimously accepted by the Board.

6 (Six) meetings of the Board were held during the financial year ended March 31, 2024. These were held on April 19, 2023; May 3, 2023; May 31, 2023; August 9, 2023; November 9, 2023 and February 13, 2024. The gap between any two Board meetings during the year under review did not exceed one hundred and twenty days. The requisite quorum was present for all the meetings.

Details of Meetings of the Board of Directors and Annual General Meeting held during the period under review, along with attendance of Directors at each meeting.

Meetings of the Board for the Financial Year 2023-24	Name of the Director							
	Mr. Rajeev Samant	Mr. Chetan Desai	Mr. Alok Vajpeyi	Mrs. Sangeeta Pendurkar	Mr. Roberto Italia**	Mr. Arjun Anand	Mr. Riyaaz Amlani*	Mr. Nicholas Cator ***
	Held during the tenure							
April 19, 2023	✓	✓	✓	✓	✓	✓	NA	NA
May 3, 2023	✓	✓	✓	✓	✓	✓	✓	NA
May 31, 2023	✓	✓	✓	✓	✓	✓	✓	NA
August 9, 2023	✓	✓	✓	✓	✓	✓	✓	NA
November 9, 2023	✓	✓	✓	✓	✓	✓	✓	NA
February 13, 2024	✓	✓	✓	✓	NA	✓	✓	✓
Number of Board Meetings attended during the Financial Year 2023-24	6/6	6/6	6/6	6/6	4/5	6/6	5/6	1/1
20 th Annual General Meeting	✓	✓	✓	✓	✓	✓	✓	NA

*Mr. Riyaaz Amlani was appointed as a Non- Executive Independent Director w.e.f. April 19, 2023

** Mr. Roberto Italia ceased to be a Non-Executive Nominee Director w.e.f. the close of business hours on November 9, 2023

*** Mr. Nicholas Cator was appointed as a Non- Executive Director w.e.f. November 9, 2023

✓ Present ⊗ Absent

Meeting of the Independent Directors








Pursuant to Schedule IV of the Act, the Independent Directors met on February 13, 2024 without the presence of Non-Independent Directors and Members of the Management. The meeting of the Independent Directors was chaired by Mr. Chetan Desai, Chairperson.

The Independent Directors, inter alia, evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairperson of the Board taking into account views of Executive and Non-Executive Directors and discussed

aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

c. Key Board Qualifications, Expertise and Attributes

The Members of the Board are committed to ensuring that the Board is in compliance with the highest standards of Corporate Governance. The table below summarizes the key skills, expertise, competencies and attributes which are taken into consideration by the Nomination and Remuneration Committee while recommending appointment of Directors to the Board.

Name of Director	Areas of Skills/ Expertise/ Competence						
							
	Leadership	Strategy	Operations	Technology	Finance	Governance	Government/Regulatory Affairs
Mr. Rajeev Samant	✓	✓	✓	✓	✓	✓	✓
Mr. Chetan Desai	✓	✓	✓		✓	✓	✓
Mr. Alok Vajpeyi	✓	✓	✓		✓	✓	✓
Mrs. Sangeeta Pendurkar	✓	✓	✓		✓	✓	✓
Mr. Roberto Italia	✓	✓	✓	✓	✓	✓	
Mr. Arjun Anand	✓	✓	✓	✓	✓	✓	
Mr. Riyaaz Amlani	✓	✓	✓				
Mr. Nicholas Cator	✓	✓	✓	✓	✓	✓	

d. Familiarisation Programme for Directors (including Independent Directors)

As a practice, all new Directors (including Independent Directors) inducted to the Board are given a formal orientation. The Directors are usually encouraged to visit the manufacturing facility and resorts of the Company and interact with members of Senior Management as a part of the induction programme. The Senior Management make presentations giving an overview of the Company's strategy, operations, products, markets, group structure and subsidiaries, Board constitution and guidelines, matters reserved for the Board and the major risks and risk management strategy. This enables the Directors to get a deep understanding of the Company, its people, values and culture and facilitates their active participation in overseeing the performance of the Management.

As stated in the Board's Report, the details of the same are given to our existing Independent Directors are available on our website at <https://sulavineyards.com/files/0524/Familiarisation%20Programme%20for%20Independent%20Directors.pdf>

Further, based on the confirmations/ disclosures received from the Independent Non-Executive Directors in terms of Regulation 25(9) of the Listing Regulations, the Board of Directors is of the opinion that the Non-Executive Independent Directors fulfil the criteria or conditions specified under the Act and under the Listing Regulations and are independent of the management.

2. Board Committees

To effectively discharge the obligations and to comply with the statutory requirements, the Board has constituted five Board committees, namely, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, and Stakeholders Relationship Committee, collectively referred to as 'Committees'. The terms of reference of the Committees are determined by the Board from time to time in accordance with the provisions of the Listing Regulations and the Act and operate under the supervision of the Board.

The role and composition of Board Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

(a) Audit Committee

Brief description of terms of reference

The Audit Committee shall be responsible for, among other things, as may be required by the stock exchange(s) from time to time, the following:

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

- (1) to investigate any activity within its terms of reference;
- (2) to seek information from any employee;
- (3) to obtain outside legal or other professional advice; and
- (4) to secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of Audit Committee

The role of the Audit Committee shall include the following:

- (1) oversight of financial reporting process and the disclosure of financial information relating to Sula Vineyards Limited (the "Company") to ensure that the financial statements are correct, sufficient and credible;
- (2) recommendation to the board of directors of the Company (the "Board" or "Board of Directors") for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and
 - g. Modified opinion(s) in the draft audit report.
- (5) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
 - (6) reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 - (8) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;
- Explanation:** The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/ or the applicable Accounting Standards and/ or the Companies Act, 2013.
- (9) scrutiny of inter-corporate loans and investments;
 - (10) valuation of undertakings or assets of the Company, wherever it is necessary;
 - (11) evaluation of internal financial controls and risk management systems;
 - (12) reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
 - (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - (14) discussion with internal auditors of any significant findings and follow-up thereon;
 - (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 - (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - (17) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - (18) reviewing the functioning of the whistle blower mechanism;
 - (19) monitoring the end use of funds raised through public offers and related matters;
 - (20) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
 - (21) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 - (22) reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision; and
 - (23) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
 - (24) Carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/ or as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time."

Details of Audit Committee Meetings during the financial year

The Audit Committee held 4 (Four) meetings during the financial year ended March 31, 2024. These meetings were held on May 3, 2023; August 9, 2023; November 9, 2023 and February 13, 2024. All members attended all the meetings of the Audit Committee.

Composition and attendance details

The Composition of the Audit Committee and the attendance details of the members for the financial year ended March 31, 2024 is given below:

Name	Category	Designation	No. of meetings attended
Mr. Chetan Desai	Non-Executive Independent Director	Chairperson	4/4
Mr. Arjun Anand	Non-Executive Nominee Director	Member	4/4
Mr. Alok Vajpeyi	Non-Executive Independent Director	Member	4/4

Note:

Note: Mr. Chetan Desai, Chairperson of the Audit Committee was present at the Annual General Meeting of the Company held on Friday, June 23, 2023

(b) Nomination and Remuneration Committee

Brief description of terms of reference

The Nomination and Remuneration Committee shall be responsible for, among other things, the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the **"Board"** or **"Board of Directors"**) a policy relating to the remuneration of the directors, key managerial personnel and other employees (**"Remuneration Policy"**);
 - For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of external agencies, if required.
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
 - Formulation of criteria for evaluation of performance of independent directors and the Board;
 - Devising a policy on Board diversity;
 - Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including Independent Director);
 - Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of Independent Directors;
 - Recommend to the board, all remuneration, in whatever form, payable to senior management;
- The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that —
- a. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- Perform such functions as are required to be performed by the Nomination and Remuneration Committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including the following:
 - a. administering the employee stock option plans of the Company, as may be required;
 - b. determining the eligibility of employees to participate under the employee stock option plans of the Company;
 - c. granting options to eligible employees and determining the date of grant;
 - d. determining the number of options to be granted to an employee;

- e. determining the exercise price under the employee stock option plans of the Company; and
- f. Construing and interpreting the employee stock option plans of the Company and any agreements defining the rights and obligations of the Company and eligible employees under the employee stock option plans of the Company, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans of the Company.
- Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
 - a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
- Carrying out any other activities as may be delegated by the Board of Directors of the Company functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Details of Nomination and Remuneration Committee Meetings during the financial year

The Nomination and Remuneration Committee held 3 (Three) meetings of were held during the financial year ended March 31, 2024. These meetings were held on April 19, 2023; August 9, 2023 and November 9, 2023. All members attended all the meetings of the Nomination and Remuneration Committee.

Composition and attendance details

The Composition of the Nomination and Remuneration Committee and the attendance details of the members for the financial year ended March 31, 2024 are given below:

Name	Category	Designation	No. of meetings attended
Mr. Alok Vajpeyi	Non-Executive Independent Director	Chairperson	3/3
Mrs. Sangeeta Pendurkar	Non-Executive Independent Director	Member	3/3
Mr. Chetan Desai	Non-Executive Independent Director	Member	3/3
Mr. Riyaaz Amlani	Non-Executive Independent Director	Member	2/2
Mr. Arjun Anand	Non-Executive Nominee Director	Member	3/3

Note:

- Mr. Alok Vajpeyi, Chairperson of the Nomination and Remuneration Committee was present at the Annual General Meeting of the Company held on Friday, June 23, 2023.
- The Board approved the re-constitution of the Nomination and Remuneration Committee at the Board Meeting held on Wednesday, 19th April 2023. Post re-constitution, the composition of the Nomination and Remuneration Committee shall comprise of the following members:

Name of Director	Category	Designation
Mr. Alok Vajpeyi	Non-Executive Independent Director	Chairperson
Mr. Chetan Desai	Non-Executive Independent Director	Member
Mrs. Sangeeta Pendurkar	Non-Executive Independent Director	Member
Mr. Riyaaz Amlani	Non-Executive Independent Director	Member
Mr. Arjun Anand	Non- Executive Director	Member

- The Board approved the re-constitution of the Nomination and Remuneration Committee at the Board Meeting held on Tuesday, February 13, 2024. Post re-constitution, the composition of the Nomination and Remuneration Committee shall comprise of the following members:

Name	Category	Designation
Mr. Alok Vajpeyi	Non-Executive Independent Director	Chairperson
Mr. Chetan Desai	Non-Executive Independent Director	Member
Mrs. Sangeeta Pendurkar	Non-Executive Independent Director	Member
Mr. Riyaaz Amlani	Non-Executive Independent Director	Member
Mr. Nicholas Cator	Non- Executive Director	Member

Performance evaluation criteria for independent directors

The performance evaluation is carried out as per criteria approved by Nomination and Remuneration Committee.

Details of Remuneration paid to the Directors during the financial year ended March 31, 2024

INR. in crores

Name	Fixed Salary			Commission	Variable Compensation	Sitting Fees	Total Compensation
	Basic	Perquisite/ Allowance	Total Fixed Salary				
Executive Director							
Mr. Rajeev Samant	2.18	1.38	3.56	-	2.33	-	5.90
Independent Directors							
Mr. Chetan Desai	-	-	-	0.12	-	0.13	0.25
Mr. Alok Vajpeyi	-	-	-	-	-	0.14	-
Mrs. Sangeeta Pendurkar	-	-	-	-	-	0.14	-
Non- Executive Directors							
Mr. Roberto Italia*	-	-	-	-	-	Nil	-
Mr. Arjun Anand	-	-	-	-	-	0.17	-
Mr. Riyaaz Amlani	-	-	-	-	-	0.07	-
Mr. Nicholas Cator	-	-	-	-	-	0.02	-

*No sitting fee was paid to Mr. Roberto Italia since he had waived off his sitting fee for his entire tenure.

The details of specific service contracts, notice period and severance fees etc. are governed by the appointment letter issued.

Non-Executive directors are paid sitting fees and commission as per the provisions of Companies Act, 2013

Pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the listed entity: There is no pecuniary or business relationship between the Non-Executive/Independent Directors and the Company, except for the sitting fees for attending meetings of the Board/Committees thereof and remuneration payable to them annually.

(c) Corporate Social Responsibility Committee**Brief description of terms of reference**

The Corporate Social Responsibility Committee be and is hereby authorized to perform the following functions:

1. formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, as amended;
2. review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
3. monitor the corporate social responsibility policy of the Company and its implementation from time to time; and
4. any other matter as the Corporate Social Responsibility Committee may deem
5. appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

Details of Corporate Social Responsibility Committee Meetings during the financial year

The Corporate Social Responsibility Committee met once during the financial year ended March 31, 2024 i.e. on May 3, 2023. All members attended the meetings of the Corporate Social Responsibility Committee.

Composition and attendance details

The Composition of the Corporate Social Responsibility Committee and the attendance details of the members for the financial year ended March 31, 2024 are given below:

Name	Category	Designation	No. of meetings attended
Mr. Rajeev Samant	Managing Director & Chief Executive Officer	Chairperson	1/1
Mr. Chetan Desai	Non- Executive Independent Director	Member	1/1
Mrs. Sangeeta Pendurkar	Non- Executive Independent Director	Member	1/1

Note:

1. Mr. Rajeev Samant, Chairperson of the Corporate Social Responsibility Committee was present at the Annual General Meeting of the Company held on Friday, June 23, 2023.

2. The Board approved the reconstitution of the Corporate Social Responsibility Committee at the Board Meeting held on Tuesday, February 13, 2024. Post constitution, the composition of the Corporate Social Responsibility Committee shall comprise of the following members:

Name of Director	Category	Designation
Mr. Rajeev Samant	Managing Director & Chief Executive Officer	Chairperson
Mr. Chetan Desai	Non-Executive Independent Director	Member
Mrs. Sangeeta Pendurkar	Non-Executive Independent Director	Member
Mr. Riyaaz Amlani	Non-Executive Independent Director	Member

(d) Risk Management Committee

Brief description of terms of reference

The role and responsibility of the Risk Management Committee shall be as follows:

- Formulation of a detailed risk management policy which shall include: (a) a framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee; (b) measures for risk mitigation including systems and processes for internal control of identified risks; and (c) business continuity plan;
- Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity,

and recommend for any amendment or modification thereof, as necessary;

- Keep the Board of directors of the Company informed about the nature and content of its discussions, recommendations and actions to be taken;
- Review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);
- To implement and monitor policies and/or processes for ensuring cyber security; and
- Any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details of Risk Management Committee Meetings during the financial year

The Risk Management Committee held 4 (Four) meetings of were held during the financial year ended March 31, 2024. These meetings were held on May 3, 2023; August 9, 2023; November 9, 2023 and February 13, 2024. All members attended all the meetings of the Nomination and Remuneration Committee.

Composition and attendance details

The Composition of the Risk Management Committee and the attendance details of the members for the financial year ended March 31, 2024 are given below:

Name	Category	Designation	No. of meetings attended
Mrs. Sangeeta Pendurkar	Non-Executive Independent Director	Chairperson	4/4
Mr. Rajeev Samant	Managing Director & Chief Executive Officer	Member	4/4
Mr. Arjun Anand	Non- Executive Director	Member	4/4
Mr. Chaitanya Rath*	Chief Operating Officer	Member	2/2
Mr. Karan Vasani**	Chief Operating Officer	Member	2/2

*Mr. Chaitanya Rath ceased to be Chief Operating Officer from the close of business hours on September 30, 2023.

** Mr. Karan Vasani was appointed as the Chief Operating Officer w.e.f. October 1, 2023.

Note:

1. Mrs. Sangeeta Pendurkar, Chairperson of the Risk Management Committee attended the Annual General Meeting of the Company held on Friday, June 23, 2023.

2. The Board approved the reconstitution of the Risk Management Committee with effect from October 1st 2023 at the Board Meeting held on Wednesday, August 9, 2023.:

Name of Director	Category	Designation
Mrs. Sangeeta Pendurkar	Non-Executive Independent Director	Chairperson
Mr. Rajeev Samant	Managing Director and CEO	Member
Mr. Arjun Anand	Non-Executive Director	Member
Mr. Karan Vasani	Chief Operating Officer	Member

3. The Board approved the reconstitution of the Risk Management Committee at the Board Meeting held on Tuesday, February 13, 2024 Post re-constitution, the composition of the Risk Management Committee shall comprise of the following members:

Name of Director	Category	Designation
Mrs. Sangeeta Pendurkar	Non- Executive Independent Director	Chairperson
Mr. Riyaaz Amlani	Non- Executive Independent Director	Member
Mr. Nicholas Cator	Non- Executive Director	Member
Mr. Karan Vasani	Chief Operating Officer	Member

(e) Stakeholders' Relationship Committee

Brief description of terms of reference

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required under applicable law, the following:

- considering and looking into various aspects of interest of shareholders, debenture holders and other security holders;
- resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
- giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
- issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- review of measures taken for effective exercise of voting rights by shareholders;
- review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Details of Stakeholder Relationship Committee Meetings during the financial year

The Stakeholder Relationship Committee met once during the financial year ended March 31, 2024 i.e. on February 13, 2024. All members attended all the meetings of the Stakeholder Relationship Committee.

Composition and attendance details

The Composition of the Stakeholder Relationship Committee and the attendance details of the members for the financial year ended March 31, 2024 are given below:

Name	Category	Designation	No. of meetings attended
Mr. Alok Vajpeyi	Non-Executive Independent Director	Chairperson	1/1
Mr. Rajeev Samant	Managing Director & Chief Executive Officer	Member	1/1
Mr. Arjun Anand	Non-Executive Director	Member	1/1

Note:

1. Mr. Alok Vajpeyi, Chairperson of the Stakeholder Relationship Committee was present at the Annual General Meeting of the Company held on Friday, June 23, 2023.

2. The Board approved the reconstitution of the Stakeholder Relationship Committee at the Board Meeting held on Tuesday, February 13, 2024. Post constitution, the composition of the Stakeholder Relationship Committee shall comprise of the following members:

Name of Director	Category	Designation
Mr. Alok Vajpeyi	Non-Executive Independent Director	Chairperson
Mrs. Sangeeta Pendurkar	Non-Executive Independent Director	Member
Mr. Nicholas Cator	Non- Executive Director	Member

Details of key managerial personnel and senior management including the changes therein during the year ended March 31, 2024:

The following are the Key Managerial Personnel of the Company:

- Mr. Rajeev Samant, Managing Director and Chief Executive Officer
- Mr. Karan Vasani, Chief Operating Officer
- Mr. Abhishek Kapoor, Chief Financial Officer
- Ms. Ruchi Sathe, Company Secretary and Compliance Officer

Resignations:

- Mr. Bittu Varghese resigned from his position as Chief Financial Officer of the Company and Whole-time director & Chief Financial Officer of Artisan Spirits Private Limited, a wholly-owned subsidiary, effective as of the close of business hours on June 9, 2023.
- Mr. Chaitanya Rathi resigned from his position as Chief Operating Officer (COO) of the Company, effective as of the close of business hours on September 30, 2023.

Appointments:

- Mr. Abhishek Kapoor was appointed as the Chief Financial Officer of the Company and Chief Financial Officer of Artisan Spirits Private Limited, a wholly owned subsidiary of the Company, effective from August 28, 2023.
- Mr. Karan Vasani was appointed as the Chief Operating Officer (COO) of the Company, effective from October 1, 2023.

The details of investor complaints received and resolved during the financial year ended March 31, 2023 are given below. The complaints inter-alia relates to non-receipt of annual report, dividend, share transfers and other investor grievances.

Details of investor complaints received and resolved during the year ended March 31, 2024:

Opening as on April 1, 2023	Nil
Received during the year	1
Resolved during the year	1
Closing as on March 31, 2024	Nil

3. General Information for Shareholders

General Body Meetings

Location and time, where last three Annual General Meetings were held:

Financial Year Ended	Date	Time	Venue	Special Resolution passed
March 31, 2023	June 23, 2023	11:00 a.m.	The meetings were held through video conferencing	1. Regularisation of appointment of Mr. Riyaaz Amlani (DIN:00261209) Additional Independent Director as an Independent Director
March 31, 2022	May 27, 2022	12.30 p.m.		No special resolutions passed in the 19 th AGM held on May 27, 2022.
March 31, 2021	July 30, 2021	1:30 p.m.		<ol style="list-style-type: none"> Appointment of Mr. Roberto Italia nominated by Verlinvest group as a Nominee Director on the Board of the Company Approval for sub-division of 1 (One) Equity Share of face value of ₹ 10/- each into 5 (Five) Equity Shares of ₹ 2/- each. Approval of the variations to the existing Employee Stock Option Schemes. <ol style="list-style-type: none"> Employees Stock Option Scheme 2018 Employees Stock Option Scheme 2018(2) Employees Stock Option Scheme for COO & CFO (2019) Employees Stock Option Scheme 2020 Approval for grant of Employee Stock Options under Employee Stock Options Scheme for COO & CFO (2019) Approval for grant of Employee Stock Options under Employee Stock Options Scheme 2020 Approval of Employee Stock Option Scheme 2021 Approval for issue of warrants convertible into Equity Shares on preferential basis

No Extra Ordinary General Meeting of the Members was held during FY 2023-24.

Postal Ballot:

During FY 2023-24, the Company sought the approval of the Shareholders by way of postal ballot, through notice dated November 09, 2023, on the following and Special Resolution:

Sr. No.	Description of the Special Resolution(s)
1.	Approval of "Sula Employee Stock Option Scheme 2023"
2.	Approval grant of Stock Options to the Employees of Subsidiary Company(ies) of the Company under "Sula Employee Stock Option Scheme 2023"

The Board of Directors had appointed M/s. Martinho Ferrao & Associates, Practising Company Secretaries, holding Membership No. 6221 and Certificate of Practice No. 5676, as the Scrutinizer to scrutinize the postal ballot process in a fair and transparent manner.

The voting period for remote e-voting commenced on Sunday, November 19, 2023 at 9.00 a.m. (IST) and ended on Monday December 18, 2023 at 5.00 p.m. (IST). The consolidated report on the result of the postal ballot through remote e-voting for approving aforementioned resolutions was provided by the Scrutinizer on Monday, December 18, 2023.

The details of e-voting on the aforementioned resolution(s) are provided hereunder:

Description of the Resolution	Votes in favour of the Resolution(s)			Votes against the Resolution(s)			Total number of Members whose Votes were Declared Invalid	Invalid Votes
	Number of Members Voted	Number of Valid votes Cast (shares)	% of total Number of Valid votes Cast	Number of Members Voted	Number of Valid votes Cast (shares)	% of total Number of Valid votes Cast		
Approval of "Sula Employee Stock Option Scheme 2023"	958	5,45,24,010	88.57	117	70,30,113	11.42	-	-
Approval grant of Stock Options to the Employees of Subsidiary Company(ies) of the Company under "Sula Employees Stock Option Scheme 2023"	921	5,45,21,088	88.57	152	70,32,843	11.42	-	-

Procedure for Postal Ballot:

The Postal Ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022, General Circular no. 11/2022 dated December 28, 2022 and General Circular no 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs.

4. Means of communication:**Quarterly results:**

The information pertaining to quarterly, half-yearly, and yearly financial results are uploaded on the website of the Company at <https://sulavineyards.com/investor-relations.php>

Newspapers wherein results normally published

Quarterly, half-yearly, and yearly financial results are published in 1. Financial Express (English)), 2. Free Press Journal (English), 3. Mint Mumbai (English) 4. Jansatta (Hindi) 5. Navshakti (Marathi)

Whether it also displays official news releases; and

Press release pertaining to results are uploaded on the website of the company at <https://sulavineyards.com/investor-relations.php>

Presentations made to institutional investors or to the analysts

Earnings calls on financials/quarterly results are held with analysts and investors and their transcripts are published on the website at <https://sulavineyards.com/investor-relations.php>



5. General Shareholders information

- (a) Annual General Meeting 2024:
Day & Date: Wednesday, June 26, 2024
Time: 11.00 am
Venue: Virtual
- (b) Financial Year: April 1, 2023 to March 31, 2024
- (c) Dividend payment date: On and from June 26, 2024 (subject to the approval of the shareholders at the AGM)

a. Listing on Stock Exchange

As on March 31, 2024, the Company has issued fully paid-up Equity Shares which are listed on BSE Limited and National Stock Exchange of India Limited in India. The annual Listing fees have been paid to the respective stock exchanges. The Ordinary Shares of the Company have not been suspended from trading on the stock exchanges by any regulatory/statutory authority.

ISIN and Stock code details

Stock Exchange	ISIN	Stock Code
BSE Limited ('BSE'), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra, India	INE142Q01026	543711
National Stock Exchange of India Limited ('NSE') Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Mumbai - 400 051, Maharashtra, India	INE142Q01026	SULA

b. Market Price Data: High., Low during each month in FY 2023-24

Month-Year	BSE				NSE			
	High (in ₹)	Low (in ₹)	Close (in ₹)	Traded Volume (no. of Shares) In crores	High (in ₹)	Low (in ₹)	Close (in ₹)	Traded Volume (no. of Shares) In crores
April 2023	409.0	351.0	385.0	0.1	409.0	350.7	385.0	1.7
May 2023	456.1	385.6	422.7	0.2	456.8	386.5	423.4	2.3
June 2023	489.6	418.1	459.8	0.2	490.0	421.2	457.5	1.9
July 2023	527.0	435.1	521.5	0.1	527.0	435.6	521.8	1.3
August 2023	534.7	464.0	489.7	0.2	535.0	464.1	489.5	2.7
September 2023	499.0	460.1	464.7	0.1	498.7	460.0	464.5	1.0
October 2023	491.0	447.0	468.4	0.1	492.3	447.0	467.4	0.6
November 2023	494.0	454.6	464.4	0.1	494.0	454.7	464.3	0.5
December 2023	512.2	453.0	498.8	0.1	512.9	454.6	498.5	1.0
January 2024	699.8	485.5	662.7	0.4	699.0	485.3	663.3	5.1
February 2024	673.3	520.8	526.4	0.4	673.5	520.5	526.1	4.2
March 2024	554.4	473.3	508.2	0.1	572.6	499.3	551.4	1.4

c. Performance in comparison to broad-based indices such as BSE Sensex and Nifty 50 are given below:

Month	Closing Price of Equity Shares at BSE (₹)	BSE SENSEX	Closing Price of Equity Shares at NSE (₹)	NIFTY 50
April 2023	385.0	61112.4	385.0	18065.0
May 2023	422.7	62622.2	423.4	18534.4
June 2023	459.8	65718.6	457.5	19189.1
July 2023	521.5	66527.7	521.8	19753.9
August 2023	489.7	64831.4	489.5	19253.8
September 2023	464.7	65828.4	464.5	19638.3
October 2023	468.4	63874.9	467.4	19079.6
November 2023	464.4	66988.4	464.3	20133.2
December 2023	498.8	72240.3	498.5	21731.4
January 2024	662.7	71752.1	663.3	21725.7
February 2024	526.4	70809.8	526.1	21982.8
March 2024	508.2	71674.4	551.4	22326.9

- d. The equity shares of the Company have not been suspended from trading on the said stock exchanges by any regulatory/ statutory authority.

e. Registrars and Transfer Agents

KFin Technologies Limited

(Formerly known as KFin Technologies Private Limited)

Selenium Building, Tower-B, Plot No 31 & 32,

Financial District, Nanakramguda,

Serilingampally, Hyderabad, Rangareddi,

Telangana India - 500 032

Toll Free No.: 1800 309 4001

E-mail: einward.ris@kfintech.com

f. Investor grievance and share transfer system

A robust mechanism is established by your Company which ensures efficient service to the investors, pro-active handling of investor correspondence and redressal of grievances in an expeditious manner. This mechanism is handled by the Compliance Officer of your Company and the RTA, through its investor service centres which are spread across the country.

g. Distribution of Shareholding

Range of no. of shares held	No. of shareholders as on March 31, 2024	% to Shareholders as on March 31, 2024	Total Shares as on March 31, 2024
1-5000	2,09,176	99.61	1,57,69,904
5001- 10000	443	0.21	16,41,485
10001- 20000	187	0.08	13,44,150
20001- 30000	60	0.02	7,55,777
30001- 40000	31	0.01	5,42,387
40001- 50000	7	0.00	1,56,432
50001- 100000	27	0.01	9,72,471
100001& Above	64	0.03	6,32,17,023
Total	2,09,995	100.00	8,43,99,629

h. Dematerialisation of shares and liquidity

Particulars	Shares	%
Physical	3,00,002	0.36
Dematerialised Mode:		
NSDL	6,69,81,633	79.36
CDSL	1,71,17,994	20.28
Total	8,43,99,629	100

Issue and Allotment of Equity Shares

I. Sula Vineyards Employees Stock Option Scheme 2020*

The Company has allocated equity shares in multiple tranches, as detailed below:

Date	Number of Equity Shares Allotted
June 22, 2023	16,665
August 9, 2023	16,670

* The entire pool under the said scheme being exhausted, the said scheme is considered extinguished.

II. Sula Vineyards Employees Stock Option Scheme 2021

The Company has allocated equity shares in multiple tranches, as detailed below:

Date	Number of Equity Shares Allotted
April 13, 2023	19,271
April 28, 2023	6,250
May 24, 2023	9,550
June 22, 2023	68,375
August 9, 2023	5,050

III. Sula Vineyards Employees Stock Option Scheme 2023

In December 2023, the Company introduced the Sula Employee Stock Options Scheme 2023, comprising of 6,85,000 options convertible into equity shares with a face value of ₹ 2 each. Each option is priced at ₹ 470. Shareholder approval for this scheme, including the provision to grant stock options to subsidiary company employees, was obtained via postal ballot on December 18, 2023.

The Company approved the grant of 6,05,000 stock options to eligible employees in accordance with the terms and conditions outlined in the Sula Employee Stock Option Scheme 2023 (ESOS 2023).

i. Outstanding American Depositary Receipts (ADRs) / Global Depositary Receipts (GDRs) / Warrants or any convertible instruments, conversion date and likely impact on equity Communication to the Shareholders: NA

j. Commodity price risk or foreign exchange risk and hedging activities: The Company considers cash flows arising from realization of trade receivables to offset the unhedged foreign currency exposure towards trade payables. Accordingly, natural hedge has been considered for March 31, 2024.

k. Plant Location

- Domaine Dindori - Sula Vineyards Limited, Gat no. 90, A/P - Jaulke Wani, Taluka - Dindori, Dist-Nashik – 422209
- Nashik-Sula Vineyards Gat 36/2, Govardhan Village, Gangapur-Savargaon Road, Nashik, Maharashtra 422222
- Domaine Sula - Sula Vineyards Ltd., #.115/86, Gangedoddi Village, Chekkere Post, Malur H, Channappattana Taluk, Ramanagar District, Karnataka, PIN 562160

l. Address for correspondence

Registered Office:

901 Solaris One, N.S. Phadke Marg,
Andheri (E) Mumbai 400069,
Maharashtra India

Tel.: +91 022-61280606/607

E-mail: investor.relations@sulawines.com

Website: <https://sulavineyards.com>.

CIN: L15549MH2003PLC139352

m. Credit Rating:

Particulars	ICRA	CRISIL
Long Term	A+	A+
Short Term	A1	A1
Outlook	Stable	Stable

6. Other Disclosures

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the listed entity at large.

There were no material significant Related Party Transaction ("RPTs") that had/ may have potential conflict with the interests of the Company at large.

(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years.

There were no instances of non-compliance.

(c) Details of establishment of vigil mechanism whistle blower policy, and affirmation that no personnel has been denied access to the audit committee.

The Company has in place a Vigil Mechanism / Whistle Blower Policy which facilitates the stakeholders to have direct access to the management and the Audit Committee, to report concerns about any unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. It is hereby affirmed that no employee has been denied access to the Audit Committee. The said policies are also available on the website of the Company i.e.

<https://sulavineyards.com/files/0423/Vigil%20Mechanism%20and%20Whistleblower%20Policy.pdf>

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to corporate governance:

1. Vigil Mechanism

The Vigil Mechanism approved by the Board provides a formal mechanism for all Directors, employees and vendors of the Company to approach the Chairman of the Audit Committee of the Company and make protective disclosures regarding the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. Under the Policy, in addition, Directors, employees, and vendors, may approach the Chief Ethics Counsellor to make any such protected disclosure. During the year under review, no person has been denied access to the Chairperson of the Audit Committee. Details of the Vigil Mechanism are given in the Board's Report.

The Whistle Blower Policy for Directors and Employees is available on the Company's website at <https://sulavineyards.com/files/0423/Vigil%20Mechanism%20and%20Whistleblower%20Policy.pdf>.

2. Details of Corporate Policies

Particulars	Website Details/Links
Dividend Distribution Policy	https://sulavineyards.com/files/0823/Dividend%20Distribution%20Policy.pdf
Composition and Profile of the Board of Directors	https://sulavineyards.com/files/0424/The%20Board%20of%20Directors.pdf
Terms and Conditions of Appointment of Independent Directors	https://sulavineyards.com/files/0523/Terms%20and%20Condition%20of%20Appointment%20of%20Independent%20Director.pdf
Policy on Appointment and Removal of Directors	https://sulavineyards.com/files/0423/Nomination%20and%20Remuneration%20Policy.pdf
Familiarization Programme for Independent Directors	https://sulavineyards.com/files/0524/Familiarisation%20Programme%20for%20Independent%20Directors.pdf
Remuneration Policy of Directors, KMPs & Other Employees	https://sulavineyards.com/files/0423/Nomination%20and%20Remuneration%20Policy.pdf
Code of Conduct	https://sulavineyards.com/files/0423/Code%20of%20Conduct%20-%20Board%20and%20Senior%20Management%20Team.pdf
Criteria for Making Payments to Non-Executive Directors	https://sulavineyards.com/files/0423/Nomination%20and%20Remuneration%20Policy.pdf
Corporate Social Responsibility Policy	https://sulavineyards.com/files/0423/Corporate%20Social%20Responsibility.pdf
Policy on Related Party Transactions	https://sulavineyards.com/files/0823/Policy%20on%20Related%20Party%20Transactions.pdf
Policy on Determining Material Subsidiary	https://sulavineyards.com/files/0423/Policy%20for%20Determining%20Material%20Subsidiaries.pdf
Whistle Blower Policy	https://sulavineyards.com/files/1123/Vigil%20Mechanism%20and%20Whistleblower%20Policy.pdf

3. **Disclosure of commodity price risk and commodity hedging activities:** Not Applicable

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

5. **A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.**

6. **Disclosure in relation to recommendation made by any Committee which was not accepted by the Board:** There was no instance during the financial year 2023-24, where the Board of Directors of the Company has not accepted any recommendations, if any, of its committees.

7. **Consolidated Fees paid to Statutory Auditors**

During FY 2023-24, the total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to Walker Chandiok & Co. LLP Chartered Accountants, Statutory Auditors of the Company is as under:

Particulars	Amount (₹ crores)
As auditors (Statutory & Tax Audit)	0.65
For limited review	0.25
For other services (certification)	0.01
Reimbursement of expenses	0.01
Total	0.92

8. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- (i) number of complaints filed during the financial year: None
- (ii) number of complaints disposed of during the financial year: None
- (iii) number of complaints pending as on end of the financial year: None

The disclosure regarding the complaints of sexual harassment is given in the Board's Report.

9. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount': Provided that this requirement shall be applicable to all listed entities except for listed banks.: Not Applicable

10. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: Not applicable

11. Certificates from Practicing Company Secretaries

As required by Regulation 34(3) and Schedule V, Part E of the SEBI Listing Regulations, the certificate given by M/s. Sunil Agarwal & Co., Practicing Company Secretaries regarding compliance of conditions of corporate governance, is annexed to the Board's Report.

As required by Clause 10 (i) of Part C under Schedule V of the SEBI Listing Regulations, the Company has received a certificate from M/s. Sunil Agarwal & Co. Practicing Company Secretaries certifying that none of our Directors have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI or MCA or such other statutory authority.

12. CEO and CFO certification

As required by Regulation 17(8) read with Schedule II Part B of the SEBI Listing Regulations, the Chief Executive Officer & Managing Director and Chief Financial Officer have given appropriate certifications to the Board of Directors.

13. Annual Certificate on Security Transfer

In terms of Regulation 40(9) of the SEBI Listing Regulations, certificates, on an annual basis, have been issued by a Company Secretary in Practice with respect to due compliance of share and security transfer formalities by the Company.

14. Reconciliation of Share Capital Audit

The Company Secretary in Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') (collectively 'Depositories') and the total issued and listed capital. The Audit confirms that the total paid-up capital is in agreement with the aggregate of the total number of shares in physical form and in dematerialised form (held with Depositories).

The Audit Report is disseminated to the Stock Exchanges on quarterly basis and is also available on our website at <https://sulavineyards.com>

15. Designated e-mail address for investor services

To serve the investors better and as required under Regulation 46(2)(j) of the SEBI Listing Regulations, the designated e-mail address for investor complaints is cs@sulavines.com. The e-mail address for grievance redressal is monitored by the Company's Compliance Officer.

16. Transfer of Unclaimed Dividend and Shares to Investor Education and Protection Fund (IEPF): Not Applicable

17. Details of date of declaration of dividend & due date for transfer to IEPF: June 26, 2024 and June 25, 2031

18. Secretarial Audit

The Board of Directors has appointed M/s. Sunil Agarwal & Co., Practicing Company Secretaries, to conduct secretarial audit of its records and documents for FY 2023-24.

The Secretarial Audit Report confirms that the Company has complied with all applicable provisions of the Act, Secretarial Standards, and Depositories Act 2018, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015, each as amended and all other regulations and guidelines of SEBI as applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.

19. Green Initiative

As a socially responsible corporate entity, the Company embraces and endorses the 'Green Initiative' initiated by the Ministry of Corporate Affairs, Government of India, which allows for electronic delivery of documents, such as the Annual Report, quarterly and half-yearly results, and other relevant documents, to Shareholders via their registered email addresses with DPs and RTAs. Shareholders who haven't registered their email addresses are kindly requested to do so. Those who hold shares in demat form may register their email addresses with their respective DPs, while those with physical shares may register their email addresses with the RTA by sending a signed letter from the first/sole holder, specifying their Folio No.

20. Investor Contact

Name, designation & address of Compliance Officer:

Ms. Ruchi Sathe,
Company Secretary & Compliance Officer
901 Solaris One, N.S. Phadke Marg,
Andheri (E) Mumbai 400069,
Maharashtra India Tel.: +91 022-61280606/607
E-mail: cs@sulawines.com

Name, designation & address of Investor Relations Officer:

Ms. Prapti Zaveri

Head - Investor Relations
901 Solaris One, N.S. Phadke Marg,
Andheri (E) Mumbai 400069,
Tel.: +91 022-61280606/607
E-mail: investor.relations@sulawines.com

Stock Exchanges:

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001.
Tel.: +91 22 2272 1233;
Fax: +91 22 2272 1919
Website: www.bseindia.com

National Stock Exchange of India Limited

Exchange Plaza, Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051.
Tel.: +91 22 2659 8100;
Fax: +91 22 2659 8120
Website: www.nseindia.com

Depository Services:

National Securities Depository Limited
Trade World, A Wing, 4th & 5th Floors,
Kamala Mills Compound,
Lower Parel, Mumbai – 400 013
Tel.: +91 22 2499 4200;
Fax: +91 22 2497 6351
E-mail: info@nsdl.co.in
Investor Grievance: relations@nsdl.co.in
Website: www.nsdl.co.in

Central Depository Services (India) Limited

Marathon Futurex, A-Wing,
25th Floor, NM Joshi Marg,
Lower Parel (East), Mumbai – 400013.
Tel.: +91 22 2305 8640/8624/8639/8663
E-mail: helpdesk@cdslindia.com,
Investor Grievance:
complaints@cdslindia.com
Website: www.cdslindia.com

CEO - CFO CERTIFICATION

To the Board of Directors

Sula Vineyards Limited

1. We have reviewed the Audited Financial Statements and the cash flow statement of Sula Vineyards Limited ("Company") for the financial year ended on March 31, 2024 and to the best of our knowledge and belief:
 - I. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
 - II. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended on March 31, 2024 which are fraudulent, illegal or violative of the Code of Conduct of the Company.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken to rectify the deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
 - I. significant changes in the Company's internal control over financial reporting, during the financial year ended on March 31, 2024.
 - II. significant changes in accounting policies, if any, during the financial year ended on March 31, 2024 have been disclosed in the notes to the Financial Statements; and
 - III. instances of significant fraud of which we have become aware and involvement therein, if any, of the management or other employees having a significant role in the Company's internal control system over financial reporting.

Mr. Rajeev Samant
Managing Director and
Chief Executive Officer
Place: Mumbai
Date: May 08,2024

Mr.Abhishek Kapoor
Chief Financial Officer

Declaration

To
The Members of
Sula Vineyards Limited

I hereby declare that all the Directors and Senior Management Personnel of the Company have affirmed Compliance with the Code of Conduct for the year ended March 31, 2024

Place: Mumbai
Date: May 08,2024

Mr. Rajeev Samant
Managing Director and Chief Executive Officer

Annexures to Corporate Governance Report - II

**CERTIFICATE FROM PRACTICING COMPANY SECRETARY W.R.T. CONFIRMATION OF
DIRECTORS' NON-DISQUALIFICATION**

The Members of
SULA VINEYARDS LIMITED

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SULA VINEYARDS LIMITED** having **CIN L15549MH2003PLC139352** and having registered office at 901 Solaris One N.S. Phadke Marg, Andheri (E) Mumbai -400006 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of the company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

Sr. No.	Name of Director	DIN	Date of Appointment in Company
01	Rajeev Samant	00020675	26/02/2003
02	Alok Sureshchandra Vajpai	00019098	02/12/2020
03	Sangeeta Pendurkar	03321646	15/12/2021
04	Chetan Rameshchandra Desai	03595319	01/06/2018
05	Arjun Anand	07639288	03/10/2018
06	Riyaz Amlani	00261209	19/04/2023
07	Mr. Nicholas Cator	07068629	09/11/2023

*Mr. Deepak Shahdarpuri (DIN: 00444270) appointed as an Additional Non-Executive Director of the Company with effect from April 4, 2024

*Mr. Arjun Anand, (DIN: 07639288) Non-Executive Nominee Director and Nominee of Verlinvest Asia Pte Ltd. has resigned from the Board of the Company with effect from the close of business hours on April 4, 2024

* Mr. Riyaz Amlani (Din: 00261209) the Non-Executive Independent Director of the Company has resigned from the Board of the Company with effect from the close of business hours on April 4, 2024

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

for **SUNIL AGARWAL & CO.**
Company Secretaries
—SD/—

Proprietor
Firm Registration No.: S2000MH028300
FCS NO. 8706
COP NO. 3286
Peer review unit no. 788/2020
UDIN number : F008706F000322107

DATE: May 8, 2024
PLACE: MUMBAI

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Board of Directors
SULA VINEYARDS LIMITED

I have examined the compliance of conditions of Corporate Governance by **Sula Vineyards Limited** for the year ended March 31, 2023 as stipulated in Regulations 17 to 27 (excluding regulation 23 (4)) and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the year.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and based on the representation made by Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement/SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as applicable during the year ended March 31, 2024.

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

for **SUNIL AGARWAL & CO.**
Company Secretaries
—SD/—

Proprietor
Firm Registration No.: S2000MH028300
FCS NO. 8706
COP NO. 3286
Peer review unit no. 788/2020
UDIN number : F008706F000322107

DATE: May 8, 2024
PLACE: MUMBAI

Independent Auditor's Report

To
The Members of
Sula Vineyards Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Sula Vineyards Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity, with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
(a) Assessment of impairment of non-current investment in and non-current loans to subsidiary (Refer Note 43 of the standalone financial statements)	
The Company, as at 31 March 2024, has non-current investment and non-current loans amounting to INR 27.69 crore and INR 24.66 crore, respectively, in Artisan Spirits Private Limited ('ASPL'), its wholly owned subsidiary. As on such date, ASPL's net-worth has been substantially eroded as a result of accumulated losses. Such conditions have been identified by the management as impairment indicators of the carrying value of the investments as per Ind AS 36, Impairment of Assets ('Ind AS 36'). The management has assessed the recoverability of the aforesaid amounts by carrying out a valuation of the subsidiary's business with the help of an external valuation expert using the discounted cashflow method, which requires management to make significant estimates and assumptions related to forecast of future cash flow projections based on business plans, growth rate, and selection of the discount rates to determine the recoverable value to be considered for impairment testing of the carrying value of the aforesaid balances.	Our audit procedures relating to impairment assessment of investment in and loans given to subsidiary included, but were not limited to, the following procedures: <ul style="list-style-type: none">• Obtained an understanding of the management process and evaluating the design and testing operating effectiveness of controls over identification of impairment indicators;• Assessed the professional competence and objectivity of the external valuation expert engaged by the management for performing the required valuations to estimate the recoverable value of the amounts invested in or recoverable from the subsidiary;• Involved auditor's experts to assist to evaluate the appropriateness of valuation methodology and assumption such as discount rate used by the management's expert;• Trace the future business projections to approved business plans, and evaluated the appropriateness of the assumptions used in determining key inputs such as revenue growth and operating costs, basis our understanding of the business and market conditions, as relevant;

Key audit matter

Due to the significance of carrying amount of the investment and loans, significant management judgements and assumption involved in carrying out the impairment assessment, and the significant auditor attention required to test such management's judgement, this is considered to be a key audit matter in the current year audit.

The above matter is also considered fundamental to the understanding of the users of the accompanying standalone financial statements.

(b) Revenue Recognition

Refer Note 2(xii) to the accompanying standalone financial statements for the accounting policy on revenue recognition and Note 22 for the details of revenue recognised during the year.

The Company derives its revenue from sale of products (alcoholic beverages i.e. wine and spirits) to a wide network of distributors and state government corporations. Further, revenue from sale of services represents revenue from hospitality services.

Revenue recognition for sale of products and services in accordance with the principles of Ind AS 115, "Revenue from Contracts with Customers" ('Ind AS 115'), for the Company involves certain key judgements, such as, identification of performance obligations in a contract, determination of transaction price including variable consideration in the form of rebates, discounts and pay-outs to distributors under various promotional schemes offered by the Company, and assessment of satisfaction of the performance obligations represented by the transfer of control of the products sold and services rendered to the customers, including state government corporations.

Owing to the significance of amount, multiplicity of Company's products and revenue streams, volume of transactions, size of distribution network, nature of customers with varied terms of contracts, audit of revenue recognised during the year requires significant auditor attention and industry knowledge, and accordingly, revenue recognition is considered as a key audit matter in the current year audit.

How our audit addressed the key audit matter

- Tested the mathematical accuracy of the projections and applied independent sensitivity analysis to certain key assumptions to determine estimation uncertainty involved and impact on conclusions drawn basis headroom available;
- Evaluated the appropriateness and adequacy of the disclosures made by the management in the financial statements in accordance with applicable accounting standards.

Our audit procedures related to revenue recognition included, but were not limited to the following procedures:

- Understood the process of revenue recognition and evaluated the appropriateness of the accounting policy adopted by the management on revenue recognition including determination of transaction price and satisfaction of performance obligations, in accordance with Ind AS 115;
- Evaluated the design and tested the operating effectiveness of relevant key controls around revenue recognition including controls over pricing, dispatch and general IT environment;
- Performed substantive testing, on a sample basis, on revenue transactions recorded during the year, and transactions recorded before and after year end by inspecting supporting documents such as customer contracts/ purchase orders, invoices, proofs of dispatch and delivery etc., to ensure the accuracy and completeness of revenue recorded for such transactions;
- Performed substantive analytical procedures which as variance analysis on revenue to identify any unusual trends;
- Performed substantive testing by selecting a sample of discounts, rebate and other pay-out transactions with distributors recorded during the year as well as period end accrual basis the promotion schemes offered by the Company;
- Evaluate the adequacy of disclosures made in the accompanying standalone financial statements in respect of revenue recognition in accordance with financial reporting framework.

Information other than the Financial Statements and Auditor's Report thereon

- The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's Report, Report on Corporate Governance and Management Discussion and Analysis, but does not include the standalone financial statements and our auditor's report thereon. The Director's Report, Report on Corporate Governance and Management Discussion and Analysis are expected to be made available to us after the date of auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Director's Report, Report on Corporate Governance and Management Discussion and Analysis, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charge with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. 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, the Board of Directors are 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

10. 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 Standards on Auditing 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.
11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud

or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' 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; and
 - 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.
12. 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.
 13. 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.
 14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about

the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
16. 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 I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books; except for the matter stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
 - c) The standalone financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with Ind AS 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 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
 - f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 17(b) above on reporting under section 143(3)(b) of the Act and paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
 - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and

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, as detailed in Note 32(A)(i) & 32(A)(ii) to the standalone financial statements, has disclosed the impact of pending litigation on its financial position as at 31 March 2024;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
- 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 31 March 2024;
- iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 51(v) to the accompanying standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 51(vi) to the accompanying standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the 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; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to

our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

- v. The interim dividend declared and paid by the Company during the year ended 31 March 2024 and until the date of this audit report is in compliance with section 123 of the Act.

The final dividend paid by the Company during the year ended 31 March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

Further, as stated in Note 39 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2024 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. As stated in Note 49 to the accompanying standalone financial statements, and based on our examination which included test checks, except for instance mentioned below, the Company in respect of financial year commencing on 1 April 2023, has used accounting software for maintaining its books of accounts which have a feature of recording audit

trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled;

Nature of exception noted	Details of exception
Instance of accounting software for maintaining books of account which did not have a feature of recording audit trail (edit log) facility	The accounting software (OnePos and IDS) used for maintenance of sales records for the hospitality services of the Company did not have a feature of recording audit trail (edit log) facility.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Rakesh R. Agarwal

Partner

Membership No.: 109632

UDIN: 24109632BKFBHU9377

Place: Mumbai

Date: 8 May 2024

Annexure I

referred to in Paragraph 16 of the Independent Auditor's Report of even date to the members of Sula Vineyards Limited on the standalone financial statements for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets under which the assets are physically verified in a phased manner over a period of 3 years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in Note 3 to the standalone financial statements, are held in the name of the Company.
- (d) The Company has adopted cost model for its Property, Plant and Equipment (including right-of-use assets) and intangible assets. Accordingly, reporting

under clause 3(i)(d) of the Order is not applicable to the Company.

- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to the book records. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties.
- (b) As disclosed in Note 15.6 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of INR 5 crore by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit.
- (iii) The Company has not made investments in, provided any security or granted advances in the nature of loans, secured or unsecured, to companies, firms or limited liability partnerships (LLP's) during the year. The Company has provided guarantee and granted unsecured loans to companies and other parties during the year, in respect of which:

- (a) The Company has provided loans or guarantee to Subsidiary/Others during the year as per details given below:

(INR in crore)		
Particulars	Guarantees (principal amount credit exposure)	Loans
Aggregate amount granted during the year		
- Subsidiary	15.75	16.76
- Others	Nil	4.11
Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiary	8.75	16.76
- Others	Nil	2.99

- (b) In our opinion, and according to the information and explanations given to us, the guarantees provided and terms and conditions of the grant of all such loans are, prima facie not prejudicial to the interest of the Company.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.
- (d) There is no overdue amount in respect of loans granted to such companies or other parties.

- (e) The Company has granted loans which had fallen due during the year and were repaid on or before the due date. Further, no fresh loans were granted to any party to settle the overdue loans.
- (f) The Company has not granted any loan which is repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 of the Act.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/services/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

(INR in crore)

Name of the statute	Nature of dues	Gross Amount	Amount paid under Protest	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	3.67	-	F.Y. 2015-16 and 2016-17	Commissioner CGST & Central Excise Audit Nagpur
Finance Act, 1994	Service Tax	1.25	-	F.Y. 2016-17	Joint Commissioner CGST & Central Excise, Nashik
Karnataka Stamp Act, 1957	Stamp Duty	1.54	0.65	F.Y. 2017-18	The High Court of Karnataka
Central Sales Tax Act, 1956	Central Sales Tax	0.48	-	F.Y. 2018-19	Deputy Commissioner of State Tax – Maharashtra
Central Sales Tax Act, 1956	Central Sales Tax	0.58	-	F.Y. 2019-20	Deputy Commissioner of State Tax – Maharashtra
Central Sales Tax Act, 1956	Central Sales Tax	0.37	-	F.Y. 2020-21	Deputy Commissioner of State Tax – Maharashtra
Income Tax Act, 1961	Income Tax	0.09	-	F.Y. 2023-24	Commissioner of Income Tax (Appeals)

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful 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, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiary.
- (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, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) 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 while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are 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, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC. Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management 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 indicating 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 period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. 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 of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Rakesh R. Agarwal

Partner

Membership No.: 109632

UDIN: 24109632BKFBHU9377

Place: Mumbai

Date: 8 May 2024

Annexure II

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Sula Vineyards Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the 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 for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain

reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls 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 controls with reference to financial statements include 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.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to

standalone financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Rakesh R. Agarwal

Partner

Membership No.: 109632

UDIN: 24109632BKFBHU9377

Place: Mumbai

Date: 8 May 2024



Standalone Balance Sheet

as at 31 March 2024

(Amount in INR crore)

	Note No.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	408.41	384.00
Right-of-use assets	3A	7.35	8.98
Capital work-in-progress	3B	4.64	1.82
Other intangible assets	4	1.16	1.18
Financial assets			
Investments in subsidiary	5	27.69	27.46
Other investments	5A	0.00	0.00
Loans	6	26.39	31.50
Other financial assets	7	54.21	35.07
Non-current tax assets (net)	18A	0.29	-
Other non-current assets	8	4.59	2.53
Total non-current assets		534.73	492.54
Current assets			
Inventories	9	182.66	169.24
Financial assets			
Trade receivables	10	160.36	104.74
Cash and cash equivalents	11	94.78	15.32
Bank balances other than cash and cash equivalents	12	6.93	13.64
Loans	6	1.62	1.54
Other financial assets	7	19.50	85.82
Other current assets	8	7.01	6.99
Total current assets		472.86	397.29
TOTAL ASSETS		1,007.59	889.83
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	16.88	16.85
Other equity	14	558.39	539.06
Total equity		575.27	555.91
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	47.70	47.00
Lease liabilities	16	5.78	5.61
Provisions	17	1.84	-
Other non-current liabilities	21	0.12	0.21
Deferred tax liabilities (net)	18B	19.01	18.17
Total non-current liabilities		74.45	70.99
Current liabilities			
Financial liabilities			
Borrowings	15	236.23	134.55
Lease liabilities	16	2.29	4.96
Trade payables	19		
- Total outstanding dues of micro enterprises and small enterprises		4.37	3.07
- Total outstanding dues of creditors other than micro enterprises and small enterprises		71.48	75.26
Other financial liabilities	20	18.84	21.05
Other current liabilities	21	22.98	19.25
Provisions	17	1.68	2.17
Current tax liabilities (net)	18A	-	2.62
Total current liabilities		357.87	262.93
TOTAL EQUITY AND LIABILITIES		1,007.59	889.83

The accompanying notes form an integral part of the standalone financial statements

This is the Standalone Balance Sheet referred to in our audit report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No. 001076N / N500013

Rakesh R. Agarwal

Partner

Membership No.109632

Place: Mumbai

Date: 8 May 2024

For and on behalf of Board of Directors of

Sula Vineyards Limited

Rajeev Samant

CEO and Managing Director

DIN: 00020675

Abhishek Kapoor

Chief Financial Officer

ACA: 98459

Place: Mumbai

Date: 8 May 2024

Chetan Desai

Chairman and Director

DIN: 03595319

Ruchi Sathe

Company Secretary

Membership No. A33566

Standalone Statement of Profit and Loss

for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

	Note No.	Year Ended 31 March 2024	Year Ended 31 March 2023
Income			
Revenue from operations	22	588.86	529.60
Other income	23	10.07	5.83
Total income		598.93	535.43
Expenses			
Cost of materials consumed	24	129.95	121.15
Excise duty on sales		40.74	36.80
Purchase of stock-in-trade		22.24	13.39
Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	(11.85)	(10.26)
Employee benefits expense	26	83.15	76.28
Other expenses:			
- Selling, distribution and marketing expense	27	64.26	51.17
- Others	28	92.88	85.36
		421.37	373.89
Earnings Before Interest, Depreciation, Tax and Amortisation (EBIDTA)		177.56	161.54
Finance costs	29	23.59	19.44
Depreciation and amortisation expense	30	26.81	23.84
Profit before tax		127.16	118.26
Tax expense	18A		
Current tax		31.40	28.88
Deferred tax		1.07	1.06
		32.47	29.94
Net Profit for the year (A)		94.69	88.32
Other comprehensive income / (loss) (OCI)			
Items that will not be reclassified subsequently to Statement of Profit and Loss			
(Loss) / gain on remeasurement of defined benefit plans (net of taxes)	33	(0.64)	0.72
Other comprehensive (loss) / gain for the year, net of tax (B)		(0.64)	0.72
Total comprehensive income for the year (A+B)		94.05	89.04
Earnings per equity share of nominal value INR 2 each			
Basic (in INR)	31	11.22	10.71
Diluted (in INR)	31	11.21	10.70

The accompanying notes form an integral part of the standalone financial statements

This is the Standalone Statement of Profit and Loss referred to in our audit report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No. 001076N / N500013

Rakesh R. Agarwal

Partner

Membership No.109632

Place: Mumbai

Date: 8 May 2024

For and on behalf of Board of Directors of
Sula Vineyards Limited

Rajeev Samant

CEO and Managing Director

DIN: 00020675

Abhishek Kapoor

Chief Financial Officer

ACA: 98459

Place: Mumbai

Date: 8 May 2024

Chetan Desai

Chairman and Director

DIN: 03595319

Ruchi Sathe

Company Secretary

Membership No. A33566



Standalone Statement of Cash Flows

for the year ended 31 March 2024

(Amount in INR crore)

	Year Ended 31 March 2024	Year Ended 31 March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	127.16	118.26
Adjustments for		
Depreciation and amortisation expense	26.81	23.84
Interest expense	22.20	17.59
Interest income	(7.89)	(4.88)
Loss allowance on financial assets	-	0.31
Provisions no longer required written back	(0.58)	(1.10)
Allowance for non-moving/ obsolete inventory	0.36	1.34
Government grant related to depreciable assets recognised	(0.22)	-
Guarantee commission income	(0.25)	(0.17)
Share based payment expenses	1.23	1.04
(Profit)/loss on disposal of property, plant and equipment (net)	(0.24)	0.60
Profit on termination of lease agreements	(0.78)	0.00
Unrealised exchange loss/ (gain) on foreign currency translations (net)	0.02	(0.03)
	40.66	38.54
Operating profit before working capital changes	167.82	156.80
Adjustments for changes in working capital:		
Increase in inventories	(13.78)	(19.73)
Increase in trade receivables	(55.04)	(14.43)
Decrease/(increase) in current / non-current financial and other assets	56.76	(31.64)
(Decrease)/increase in trade payables, current / non-current other financial liabilities, other liabilities and provisions	(3.56)	17.32
	(15.62)	(48.48)
Cash generated from operations	152.20	108.32
Direct taxes paid (net of refunds)	(34.31)	(27.81)
Net cash generated from operating activities	117.89	80.51
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (refer note 2 below)	(57.99)	(67.47)
Proceeds from sale of property, plant and equipment	2.99	0.20
Government grant received	5.03	-
Loans to employees	(0.34)	(0.26)
Proceeds from maturity/(placement of) bank deposits (net)	6.79	(6.77)
Interest received	3.62	3.48
Net cash used in investing activities	(39.90)	(70.82)

Standalone Statement of Cash Flows

for the year ended 31 March 2024

(Amount in INR crore)

	Year Ended 31 March 2024	Year Ended 31 March 2023
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity share capital on exercise of employee stock options (including securities premium)	2.09	96.00
Share application money received pending allotment	-	0.33
Proceeds from long-term borrowings	31.42	57.42
Repayment of long-term borrowings	(30.72)	(48.28)
Proceeds from/repayment of short-term borrowings (net)	101.68	(42.29)
Repayment of principal portion of lease liabilities	(3.68)	(4.42)
Payment of interest on lease liabilities	(0.79)	(1.09)
Interest paid	(20.52)	(16.07)
Dividend paid	(78.01)	(45.41)
Net cash generated from/ (used in) financing activities	1.47	(3.81)
Net increase in cash and cash equivalents (A+B+C)	79.46	5.88
Cash and cash equivalents at the beginning of the year	15.32	9.44
Cash and cash equivalents at the end of the year (Refer note 11)	94.78	15.32

Notes:-

- The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.
- Additions include movements of capital work-in-progress, capital advances and liabilities for capital goods, including intangible assets.

This is the Standalone Statement of Cash Flows referred to in our audit report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No. 001076N / N500013

Rakesh R. Agarwal

Partner

Membership No.109632

For and on behalf of Board of Directors of

Sula Vineyards Limited

Rajeev Samant

CEO and Managing Director

DIN: 00020675

Abhishek Kapoor

Chief Financial Officer

ACA: 98459

Place: Mumbai

Date: 8 May 2024

Chetan Desai

Chairman and Director

DIN: 03595319

Ruchi Sathe

Company Secretary

Membership No. A33566

Place: Mumbai

Date: 8 May 2024



Standalone Statement of Changes in Equity

for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

a) Equity share capital

Particulars	Number	INR Crore
Equity shares of face value INR 2 per share issued, subscribed and fully paid-up		
As at 1 April 2022	78,598,091	15.72
Shares warrants converted during the year	3,002,784	0.60
Employee stock options exercised during the year	2,656,923	0.53
As at 31 March 2023	84,257,798	16.85
Employee stock options exercised during the year	141,831	0.03
As at 31 March 2024	84,399,629	16.88

b) Other equity

Particulars	Share application money received pending allotment (A)	Reserves and surplus (B)				Money received against share warrants (C)	Total (A+B+C)
		Securities premium	Share option outstanding account	General reserve	Retained earnings		
As at 1 April 2022	-	220.39	2.35	3.60	172.63	0.22	399.19
Net profit for the year	-	-	-	-	88.32	-	88.32
Conversion of warrants into equity shares	-	50.45	-	-	-	(0.22)	50.23
Issue of equity shares	-	47.70	-	-	-	-	47.70
Share based payment expense	-	-	1.04	-	-	-	1.04
Exercise of employee stock options	-	-	(3.06)	-	-	-	(3.06)
Cancellation of employee stock options	-	-	(0.08)	0.08	-	-	-
Other comprehensive gain for the year	-	-	-	-	0.72	-	0.72
Share application money received pending allotment	0.33	-	-	-	-	-	0.33
Payment of dividend	-	-	-	-	(45.41)	-	(45.41)
As at 31 March 2023	0.33	318.54	0.25	3.68	216.26	-	539.06
Net profit for the year	-	-	-	-	94.69	-	94.69
Share based payment expense	-	-	1.23	-	-	-	1.23
Exercise of employee stock options	(0.33)	2.42	(0.03)	-	-	-	2.06
Cancellation of employee stock options	-	-	(0.26)	0.26	-	-	-
Other comprehensive loss for the year	-	-	-	-	(0.64)	-	(0.64)
Payment of dividend	-	-	-	-	(78.01)	-	(78.01)
As at 31 March 2024	-	320.96	1.19	3.94	232.30	-	558.39

This is the Standalone Statement of Changes in Equity referred to in our audit report of even date

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No. 001076N / N500013

Rakesh R. Agarwal

Partner

Membership No.109632

Place: Mumbai

Date: 8 May 2024

For and on behalf of Board of Directors of

Sula Vineyards Limited

Rajeev Samant

CEO and Managing Director

DIN: 00020675

Abhishek Kapoor

Chief Financial Officer

ACA: 98459

Place: Mumbai

Date: 8 May 2024

Chetan Desai

Chairman and Director

DIN: 03595319

Ruchi Sathe

Company Secretary

Membership No. A33566

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 1 Corporate Information

Sula Vineyards Limited (the "Company") is a Company domiciled and headquartered in Mumbai, Maharashtra, India and was incorporated under the provisions of the erstwhile Companies Act, 1956.

The Company has completed its Initial Public Offer ('IPO') of its equity shares and the equity shares got listed on National Stock Exchange of India Limited ('NSE') and BSE Limited on 22 December 2022. The Company having CIN L15549MH2003PLC139352, has its registered office located at 901 Solaris One, N.S. Phadke Marg, Andheri East, Mumbai, Maharashtra, India, 400069.

The Company is principally engaged in the business of manufacture, purchase and sale of premium wine and other alcoholic beverages. The Standalone financial statements of the Company for the year ended 31 March 2024 were authorised for issue in accordance with resolution of Board of Directors on 8 May 2024.

Note 2.1 Material Accounting Policies

i. Basis of Preparation

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules as amended from time to time notified under the Companies (Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India.

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities, defined benefit plan and share based payments which have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013, (as amended from time to time) and Presentation and disclosure requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III) as amended from time to time.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are presented in INR crore, except when otherwise indicated. Further, "0.00" denotes amounts less than fifty thousand rupees.

ii. Operating cycle and current, non-current classification

Based on the nature of services and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of

current/ non-current classification of assets and liabilities. The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An Asset is current when:

- It is expected to be realised in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is expected to be realised within twelve months after the reporting period, or
- It is cash or cash equivalent.

All other assets are classified as non-current.

A Liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities respectively.

iii. Accounting Estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

iv. Key accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Critical estimates and judgements

Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Examples of such estimates include estimation of useful lives of property plant and equipment, employee costs, assessments of recoverable amounts of deferred tax assets, trade receivables and cash generating units and provisions against litigations and contingencies.

Estimates

a) Useful lives of property, plant and equipment and intangible assets

The Company has estimated the useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the estimated useful lives and residual values of the assets at each reporting period. This reassessment may result in change in depreciation and amortisation expense in the future periods.

b) Current income taxes

The tax jurisdictions for the Company is India. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

c) Investment in / advances to subsidiary

The Company has performed valuation for its investments in equity of its subsidiary for assessing whether there is any impairment in the fair value. When the fair value of investments in subsidiaries cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. Similar assessment is carried for exposure of the nature of loans and interest receivable thereon. The inputs to these models are taken from

observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of these investments.

d) Provision and contingencies

Contingent Liability may arise from the ordinary course of business in relation to claims against the Company. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

e) Accounting for defined benefit plans

In accounting for post-retirement benefits, several statistical and other factors that attempt to anticipate future events are used to calculate plan expenses and liabilities. These factors include expected discount rate assumptions and rate of future compensation increases. To estimate these factors, actuarial consultants also use estimates such as withdrawal, turnover, and mortality rates which require significant judgment. The actuarial assumptions used by the Company may differ materially from actual results in future periods due to changing market and economic conditions, regulatory events, judicial rulings, higher or lower withdrawal rates, or longer or shorter participant life spans.

f) Impairment of financial/ non-financial assets

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount to determine the recoverable amount, management estimates expected future cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary and may cause significant adjustments to the Company's assets. In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

v. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised 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. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

Bearer plants comprising of grapevines are stated at cost less accumulated depreciation and accumulated impairment losses. Immature bearer plants, including the cost incurred for procurement of new seeds and maintenance of nurseries, are carried at cost less any recognized impairment losses under capital work-in-progress. Cost includes the cost of land preparation, new planting and maintenance of newly planted bushes until maturity. On maturity, these costs are classified under bearer plants.

vi. Capital work-in-progress

Capital work-in-progress representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

vii. Goodwill and Other Intangible Assets

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

Brands acquired in a business combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition value (which is regarded as their cost). Subsequent to initial recognition, these are reported at cost less accumulated amortisation and accumulated impairment losses, if any.

Other Intangible assets are stated at cost, 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, less accumulated amortisation and accumulated impairment losses, if any. Other Intangible assets mainly comprise of implementation cost for software and other application software acquired and brand acquired through business combination.

viii. Depreciation and Amortisation

Depreciation on Property, plant and equipment ('PPE') is calculated using the straight-line method as per the estimated useful lives of assets as below:

Asset category	Useful life (in years)	Basis of determination of useful lives
Building	30 – 60	Assessed to be in line with Schedule II to the Act
Leasehold improvement	Over the lease period	-
Plant and equipment	10 – 25	Assessed to be in line with Schedule II to the Act
Furniture and fixtures	5 – 10	Management estimate [^]
Vehicles	8 – 10	Assessed to be in line with Schedule II to the Act
Office equipment	3 – 10	Management estimate [^]
Computers	3 – 6	Assessed to be in line with Schedule II to the Act
Oak barrels	4	Management estimate [^]
Bearer plants	20	Management estimate [^]

[^] Useful lives of asset classes determined by management estimate, which are generally lower than those prescribed under Schedule II to the Act are supported by internal technical assessment of the useful lives.

The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

Depreciation on additions is provided on a pro-rata basis i.e., from the date on which asset is ready for use.

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/ Other expenses.

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Amortisation of Intangible Assets

Intangible assets are amortised on a straight-line basis, from the date they are available for use, over their estimated useful lives as follows:

Asset category	Useful life (in years)	Basis of determination of useful lives
Brand	5	Management estimate
Computer software	3 – 6	Assessed to be in line with Schedule II to the Act

ix. Fair value measurement

The Company measures financial instruments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

x. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial Assets

(i) Initial Recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset except for trade receivables which are initially measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

(ii) Subsequent Measurement

• Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

from these financial assets is included in other income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

• Financial Assets Measured at Fair Value

Financial assets are measured at fair value through Other Comprehensive Income ('OCI') if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL. In respect of equity investments (other than for investment in subsidiaries) which are not held for trading, the Company has made an irrevocable election to present subsequent changes in the fair value of such instruments in Statement of Profit and Loss. Such an election is made by the Company on an instrument by instrument basis at the time of transition for existing equity instruments/ initial recognition for new equity instruments.

(iii) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

The equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognize changes in fair value through OCI rather than profit or loss as these are strategic investments and the Company considered this to be more relevant.

(iv) Impairment of financial assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity 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 all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

(v) De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

b. Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Financial Liabilities

(i) Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below

Financial liabilities at FVPL:

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(iii) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(iv) Offsetting 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.

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

xi. Inventories

Inventories which comprise of raw materials, work-in-progress / semi-finished goods, finished goods, stock-in-trade, packing materials and consumables, chemicals, stores and spares are carried at the lower of cost or net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

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. Costs of purchased inventory are determined after deducting rebates and discounts. The cost is determined as follows:

- Raw Materials, Traded goods, Packing Materials and Consumables, chemicals, stores and spares are valued using the weighted average method.
- Finished goods and work-in-progress / semi-finished goods are valued at the cost of raw materials along with fixed production overheads being allocated on the basis of normal capacity of production facilities.

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.

xii. Revenue Recognition

Revenue from contracts with customers is recognised at a point in time when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue from sale of goods is inclusive of excise duties and is net of returns, trade allowances, rebates, value added taxes and such amounts collected on behalf of third parties.

Based on the Educational Material on Ind AS 115 issued by the Institute of Chartered Accountants of India ("ICAI"), the Company has assumed that recovery of excise duty flows to the Company on its own account and hence is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Therefore, revenue includes excise duty. However, sales tax/value added tax (VAT) and goods and services tax (GST) is not received by the Company on its own account and are taxes collected on value added to the commodities by the seller on behalf of the government. Accordingly, these are excluded from revenue.

(a) Revenue from sale of products

Revenue from sale of products is recognised at a point in time when control of the product transfers and there is no unfulfilled obligation that could affect

the customer's acceptance of the products. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Taxes or duties collected on behalf of governments are excluded from revenue except for excise duty.

(b) Revenue from sale of services

Revenue from sale of services represents revenue from hospitality services which mainly comprise of sale of room nights, food and beverages and allied services relating to the resort and winery. Revenue is recognized at a point in time when the services are rendered. Revenue excludes taxes or duties collected on behalf of the government.

(c) Interest Income

Interest income is recognized using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. Interest income is included under the head "other income" in the Statement of Profit and Loss.

(d) Other Income

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably

xiii. Government Grants

Grants and subsidies from the Government are recognised when there is reasonable assurance that the grant / subsidy will be received and all attaching conditions are complied with. Government grants related to revenue under Wine Industry Promotion Subsidy linked with value added tax, are recognised in the Statement of Profit and Loss in the period in which they become receivable. Government grants related to assets (Ministry of Food Processing Industry and Electric Vehicles) are treated as deferred income and are recognized in the net profit in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the assets.

xiv. Borrowing

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

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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 gains/(losses). 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

xv. Employee Benefits

a) Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

b) Defined Benefit Plan

The Company provides for gratuity which is a defined benefit plan the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur and is not eligible to be reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

c) Leave entitlement and compensated absences

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on an actuarial valuation, similar to that of gratuity benefit. However, as the Company does not have an unconditional right to defer settlement for these obligations, the above liabilities are presented as current. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are

recognised in the Statement of Profit and Loss in the period in which they occur.

d) Short-term benefits

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

xvi. Share Based Payments

Share based compensated benefits are provided to certain grades of employees in consideration of the services rendered. Under the equity settled share based payment, the fair value on the grant date of the instrument given to employees is recognised as 'employee benefits expenses' with a corresponding increase in equity over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. The fair value of the options at the grant date is calculated by an independent valuer basis Black Scholes model. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. Upon exercise of share options, the proceeds received are allocated to share capital up to the par value of the shares issued with any excess being recorded as securities premium.

xvii. Leases

The Company's lease asset classes primarily consist of leases for land, building and vehicles. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of the consideration.

At the date of the commencement of the lease, the Company recognises a right-of-use asset representing its right to use the underlying asset for the lease term and a corresponding lease liability for all the lease arrangements in which it is a lease, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the period of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease. They are subsequently

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measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful life of the assets are determined on the same basis as those of property, plant and equipment.

Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Carrying amount of right-of-use asset is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The future lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. For a lease with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Right-of-use assets and lease liabilities have been separately presented in the Balance Sheet. Further, lease payments have been classified as financing cash flows.

xviii. Impairment of non-financial assets

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a Company of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market

transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used. Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

xix. Income Tax

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

a) Current income tax

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

b) Deferred Income Tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current

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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.

xx. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as single segment of "Manufacture, purchase and sale of alcoholic wines and spirits". Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one single operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

xxi. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

The Company recognises a provision in respect of an onerous contract when the expected benefits to be derived from a contract is lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at lower of the expected cost of terminating the contract and the expected net cost of fulfilling the contract. Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably. Contingent assets are disclosed where an inflow of economic benefits is probable.

xxii. Earnings per share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

xxiii. Foreign currency transactions and balances

(a) Initial Recognition

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(b) Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(c) Treatment of Exchange Difference

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

xxiv. Earnings Before Interest, Tax, Depreciation and amortisation (EBIDTA)

Earnings Before Interest, Tax, Depreciation and amortization (EBIDTA) is computed by adding interest (finance cost), tax expenses and depreciation and amortization expense to net profit for the period/year.

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Note 2.2 Recent accounting pronouncements

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's standalone financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their

'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022.

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Note 3 Property, plant and equipment

Particulars	Freehold land	Building	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Oak Barrels	Bearer Plant	Total
Gross carrying value (at deemed cost)										
As at 1 April 2022	93.38	147.68	130.90	14.38	6.42	8.51	3.61	8.89	0.29	414.07
Additions	0.36	26.95	34.16	1.97	1.85	3.40	0.67	2.90	-	72.27
Disposals	-	(0.06)	(1.11)	(0.22)	(0.10)	(0.38)	(0.28)	(0.07)	(0.01)	(2.23)
As at 31 March 2023	93.74	174.57	163.96	16.13	8.17	11.53	4.00	11.72	0.28	484.11
Additions	4.72	8.49	27.52	1.97	1.99	2.38	0.59	2.44	-	50.10
Disposals	-	(0.12)	(2.66)	(0.24)	(1.27)	(0.51)	(0.25)	-	(0.14)	(5.19)
As at 31 March 2024	98.46	182.94	188.82	17.86	8.89	13.40	4.34	14.16	0.14	529.02
Accumulated depreciation										
As at 1 April 2022	-	25.56	34.46	6.12	3.33	5.27	2.58	4.99	0.10	82.41
Depreciation charge	-	5.47	8.15	1.57	0.81	1.27	0.48	1.36	0.02	19.13
Accumulated depreciation on disposals	-	(0.06)	(0.49)	(0.13)	(0.09)	(0.35)	(0.26)	(0.06)	-	(1.43)
As at 31 March 2023	-	30.97	42.12	7.56	4.05	6.20	2.80	6.29	0.12	100.10
Depreciation charge	-	6.67	9.98	1.70	0.74	1.62	0.60	1.62	0.01	22.94
Accumulated depreciation on disposals	-	(0.12)	(1.04)	(0.09)	(0.72)	(0.17)	(0.24)	-	(0.06)	(2.44)
As at 31 March 2024	-	37.52	51.06	9.17	4.07	7.65	3.16	7.91	0.07	120.60
Net carrying value										
As at 31 March 2023	93.74	143.60	121.84	8.58	4.12	5.34	1.19	5.43	0.15	384.00
As at 31 March 2024	98.46	145.42	137.76	8.70	4.82	5.76	1.17	6.25	0.06	408.41

(i) Refer note 15 for information on property, plant and equipment pledged as security against borrowings of the Company.

(ii) Refer note 32(B) for disclosure of contractual commitment for acquisition of property, plant and equipment.

(iii) The title deeds of all immovable properties (other than properties where the Company is the lessee and lease arrangements are duly exercised in favour of the lessee) are held in the name of the Company.

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Note 3A Right-of-use assets

Particulars	Land	Building	Vehicles	Total
Gross carrying value				
As at 1 April 2022	5.44	15.04	0.16	20.64
Additions	3.79	0.43	0.03	4.25
Disposals	(2.73)	(0.83)	(0.10)	(3.67)
As at 31 March 2023	6.49	14.64	0.09	21.22
Additions	0.28	4.53	-	4.81
Disposals	(0.06)	(14.54)	-	(14.60)
As at 31 March 2024	6.71	4.63	0.09	11.43
Accumulated depreciation				
As at 1 April 2022	3.60	7.63	0.14	11.36
Depreciation charge	1.26	3.07	0.03	4.35
Accumulated depreciation on disposals	(2.73)	(0.64)	(0.10)	(3.47)
As at 31 March 2023	2.12	10.06	0.06	12.24
Depreciation charge	1.28	2.28	0.02	3.58
Accumulated depreciation on disposals	-	(11.74)	-	(11.74)
As at 31 March 2024	3.40	0.60	0.08	4.08
Net carrying value				
As at 31 March 2023	4.37	4.58	0.03	8.98
As at 31 March 2024	3.32	4.03	0.01	7.35

Note: Refer note 38 for leases and related disclosures.

Note 3B Capital work-in-progress ('CWIP')

Particulars	Projects in progress
As at 1 April 2022	0.98
Additions	64.90
Transferred to property, plant and equipment	(64.06)
As at 31 March 2023	1.82
Additions	4.64
Transferred to property, plant and equipment	(1.82)
As at 31 March 2024	4.64

Note:

- As at the reporting date, there are no project which are temporarily suspended.
- CWIP mainly comprises of solar panels and bearer plants.

CWIP ageing schedule

Particulars	As at 31 March 2024	As at 31 March 2023
Less than 1 year	4.64	1.82
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	4.64	1.82

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Note 4 Intangible assets

Particulars	Brand (A)	Computer software (B)	Other intangible assets (C = A + B)	Goodwill (D)	Total intangible assets (E = C + D)
Gross carrying value (at deemed cost)					
As at 1 April 2022	16.16	5.18	21.33	0.50	21.83
Additions	-	0.42	0.42	-	0.42
Disposals	-	(0.07)	(0.07)	-	(0.07)
As at 31 March 2023	16.16	5.53	21.69	0.50	22.19
Additions	-	0.28	0.28	-	0.28
Disposals	(16.16)	(0.01)	(16.17)	(0.50)	(16.67)
As at 31 March 2024	-	5.80	5.80	-	5.80
Accumulated amortisation					
As at 1 April 2022	16.16	4.05	20.21	0.50	20.71
Amortisation charge	-	0.36	0.36	-	0.36
Reversal on disposal of assets	-	(0.06)	(0.06)	-	(0.06)
As at 31 March 2023	16.16	4.35	20.50	0.50	21.01
Amortisation charge	-	0.29	0.29	-	0.29
Reversal on disposal of assets	(16.16)	(0.01)	(16.17)	(0.50)	(16.67)
As at 31 March 2024	-	4.63	4.63	-	4.64
Net carrying value					
As at 31 March 2023	-	1.18	1.19	-	1.18
As at 31 March 2024	-	1.17	1.17	-	1.16

Note 5 Non-current investments

Particulars	As at 31 March 2024	As at 31 March 2023
Investments in subsidiary		
Investments in equity instruments at cost, unquoted fully paid up		
a) In subsidiary company in India		
Artisan Spirits Private Limited (Refer note 43)	26.99	26.99
35,350,000 (31 March 2023 : 35,350,000) equity shares of face value INR 10 each (31 March 2023 : INR 10 each)		
b) Deemed investment in subsidiary company in India		
Deemed investment on fair valuation of corporate guarantee given on behalf of Artisan Spirits Private Limited	0.70	0.47
	27.69	27.46

Note 5A Other Investments

Investments in equity shares at fair value through other comprehensive income, unquoted fully paid up

Particulars	As at 31 March 2024	As at 31 March 2023
Investment in equity shares		
The Saraswat Co-operative Bank	0.00	0.00
2,500 (31 March 2023: 2,500) equity shares of face value INR 10 each (31 March 2023: INR 10 each)		
Total non-current investments (5 + 5A)	27.69	27.46

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Note 5 Non-current investments (Contd..)

Details:

Particulars	As at 31 March 2024	As at 31 March 2023
Aggregate of non-current investments:		
(i) Aggregate value of quoted investments and market value thereof	-	-
(ii) Aggregate value of unquoted investments	27.69	27.46
(iii) Aggregate value of impairment of investments	-	-
(i) Investments carried at deemed cost	27.69	27.46
(ii) Investments carried at amortised cost	-	-
(iii) Investments carried at fair value through other comprehensive income	0.00	0.00
	27.69	27.46

Note 6 Loans

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current		
Loans		
- to subsidiary (Refer notes 35 and 43)	24.66	29.90
- to employees	1.73	1.60
Total non-current loans	26.39	31.50
Current		
Loans		
- to employees	1.62	1.41
- to others	-	0.13
Total current loans	1.62	1.54
Total loans	28.01	33.04

Break-up of security details

Particulars	As at 31 March 2024	As at 31 March 2023
Loans receivable considered good - secured	-	-
Loans receivable considered good - unsecured	28.01	33.04
Loans receivable which have significant increase in credit risk	-	-
Loans receivable - credit impaired	-	-
Total	28.01	33.04

Note 6.1 Disclosure under Section 186(4) of the Companies Act, 2013

Particulars	As at 31 March 2024	As at 31 March 2023
Loan given to subsidiary during the year:		
Artisan Spirits Private Limited	16.76	14.47
Guarantee given for subsidiary during the year:		
Artisan Spirits Private Limited	15.75	-

Details of transactions with related party

Nature of Transaction	Name of the party	Amount	Interest rate/ Commission	Repayment/ Expiry	Purpose	Security
Loan given	Artisan Spirits Private Limited	16.76	8.37% p.a. (31 March 2023: 8.00 - 8.37% p.a.)	Repayable before 31 March 2028	Working capital requirement	Unsecured
Guarantee given during the year and outstanding in respect of the same as at the reporting date.	Artisan Spirits Private Limited	15.75	Nil	6 November 2024	Against loan obtained for working capital requirement by subsidiary.	Unsecured

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Note 6 Loans (Contd..)

Note 6.2 In compliance of Regulation 34 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 the required information is given as under:

Loans given to subsidiary (as defined under the Act) for business purposes

Name of the entity	Investments in equity at cost held		Gross loans outstanding		Maximum amount of loans and advances outstanding during the year	
	As at 31 March 2024	As at 31 March 2023	As at March 31, 2024	As at March 31, 2023	Year ended 31 March 2024	Year ended 31 March 2023
Artisan Spirits Private Limited	27.69	27.46	24.66	29.90	33.15	31.26

Note 7 Other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current		
Government grants receivable (Refer note 46)	50.19	31.33
Security deposits	3.99	3.69
Bank deposits with maturity of more than 12 months (pledged with excise authorities or earmarked against bank guarantees taken)	0.03	0.05
Total non-current financial assets	54.21	35.07
Current		
Government grants receivable (Refer note 46)	19.41	79.81
Security deposits	0.07	3.14
Interest accrued	0.02	0.06
Share issue expenses recoverable (Refer note 7.2)	-	2.81
Total current financial assets	19.50	85.82
Total other financial assets	73.71	120.89

Note 7.1: Refer note 15.1 for information on government grant pledged as security against borrowings of the Company.

Note 7.2: Share issue expenses recoverable represents amount incurred by the Company towards Initial Public Offer ('IPO') of the equity shares held by the selling shareholders. As per the Offer Agreement, these expenses were entirely recoverable from selling shareholders in proportion to the shares that are offered and the same has been realised during the year ended 31 March 2024.

Note 8 Other assets

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current		
Capital advances	3.69	1.42
Balances with government authorities	0.66	0.80
Prepaid expenses	0.24	0.31
Total other non-current assets	4.59	2.53
Current		
Advance to suppliers	3.08	2.67
Balances with government authorities	1.09	1.46
Prepaid expenses	2.84	2.86
Total other current assets	7.01	6.99
Total other assets	11.60	9.52

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(Amount in INR crore, unless otherwise stated)

Note 9 Inventories

Particulars	As at 31 March 2024	As at 31 March 2023
Work-in-progress / Semi-finished goods	138.16	127.68
Finished goods (including provision for excise duty of INR 5.09 crore (31 March 2023: INR 6.55 crore)	23.59	24.13
Stock-in-trade	1.67	1.22
Consumables, stores and spares	8.78	6.38
Packing materials	10.46	9.83
Total inventories	182.66	169.24

Note 9.1: Allowance for obsolete and non-moving inventories amounting to INR 0.36 crore (31 March 2023 : INR 1.34 crore) has been recognised as an expense in the Statement of Profit and Loss.

Note 9.2: Refer note 15 for details on inventory pledged as security against borrowings of the Company.

Note 10 Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables	160.36	104.74
Total trade receivables	160.36	104.74
Trade receivables considered good - secured	1.54	1.54
Trade receivables considered good - unsecured	158.82	103.20
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	4.74	6.36
	165.10	111.10
Less: Loss allowance	(4.74)	(6.36)
Total trade receivables	160.36	104.74

Note 10.1: There are no trade receivables due from any director or any officer of the Company, either severally or jointly with any other person, or from any firms or private companies in which any director is a partner, a director or a member.

Note 10.2: Trade receivables are non-interest bearing and generally on terms of 30 to 90 days.

Note 10.3: The Company holds security deposit in respect of certain trade receivables.

Note 10.4: Trade receivables ageing schedule

As at 31 March 2024	Outstanding for following periods from transaction date						Total
	Unbilled dues	Less than 6 months	6 months -1 year	1-2 years	2-3 Years	More than 3 years	
(i) Undisputed trade receivables- considered good	0.08	144.78	12.85	1.23	0.80	0.62	160.36
(ii) Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	0.19	0.02	-	-	-	0.21
(iv) Disputed trade receivables-considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	0.71	-	0.14	2.09	1.59	4.53
	0.08	145.68	12.87	1.37	2.89	2.21	165.10

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(Amount in INR crore, unless otherwise stated)

Note 10 Trade receivables (Contd..)

As at 31 March 2023	Outstanding for following periods from transaction date						Total
	Unbilled dues	Less than 6 months	6 months -1 year	1-2 years	2-3 Years	More than 3 years	
(i) Undisputed trade receivables- considered good	0.04	103.72	0.62	0.34	-	0.02	104.74
(ii) Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	0.03	0.07	0.05	0.01	0.01	0.17
(iv) Disputed trade receivables-considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	0.68	-	2.08	1.38	2.05	6.19
	0.04	104.43	0.69	2.47	1.39	2.08	111.10

Note 11 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with banks in current accounts	94.72	15.30
Cash on hand	0.06	0.02
Total cash and cash equivalents	94.78	15.32

Note 11.1: There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the respective reporting periods.

Note 12 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Earmarked balances with banks		
Unpaid dividend account	0.02	-
Gratuity account	0.04	-
Bank deposits with maturity of more than 3 months but less than 12 months (Represent margin money or security against borrowings, guarantee and other commitments)	6.87	13.64
Total bank balances other than cash and cash equivalents	6.93	13.64

Note 13 Equity share capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised share capital		
101,030,000 Equity shares of face value INR 2 each (31 March 2023 : face value of INR 2 each) (31 March 2023: 101,030,000)	20.21	20.21
Total authorised share capital	20.21	20.21
Issued, subscribed and fully paid-up equity share capital:		
84,399,629 Equity shares of face value INR 2 each (31 March 2023 : face value of INR 2 each) (31 March 2023: 84,257,798)	16.88	16.85
Total issued, subscribed and fully paid-up equity share capital	16.88	16.85

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 13 Equity share capital (Contd..)

a. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

Particulars	Number	INR crore
As at 1 April 2022	78,598,091	15.72
Share warrants converted during the year (Refer note 13(f) below)	3,002,784	0.60
Employee stock option exercised during the year (Refer note 42)	2,656,923	0.53
As at 31 March 2023	84,257,798	16.85
Employee stock option exercised during the year (Refer note 42)	141,831	0.03
As at 31 March 2024	84,399,629	16.88

b. Terms/rights attached to equity shares:

The Company has only one class of equity shares having a par value of INR 2 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend, if any.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shareholding of more than 5%:

Name of the Shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% held	No. of shares	% held
Rajeev Samant	21,004,764	24.89%	21,921,416	26.02%
Verlinvest Asia Pte Ltd.	-	-	17,642,275	20.94%
HDFC Small Cap Fund	5,912,609	7.01%	1,071,459	1.27%

As per records of the Company, including its register of shareholders/members the above shareholding represents both legal and beneficial ownership of shares.

d. Shares reserved for issue under Employee Stock Options Scheme:

As at 31 March 2024, the Company has 659,400 (31 March 2023: 155,757) employee stock options issued under the Employee stock option scheme of the Company to its employees. [Refer note 42]

e. Bonus shares / buy back / shares for consideration other than cash issued during past five years including current year:

- (i) Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash
 - FY 2020-21: 2,012 equity shares (of face value INR 10 per share) at a premium of INR 716.93 per share
 - FY 2019-20 : 2,746 equity shares (of face value INR 10 per share) at a premium of INR 921.76 per share
 - FY 2018-19 : 2,441 and 2,118 equity shares (of face value INR 10 per share) at a premium of INR 750 and INR 840 per share, respectively.
- (ii) Aggregate number and class of shares allotted as fully paid-up by way of bonus shares - Nil
- (iii) Aggregate number and class of shares bought back - Nil

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(Amount in INR crore, unless otherwise stated)

Note 13 Equity share capital (Contd..)

f. Share warrants issued and converted

- (i) As at 31 March 2023, the Company issued equivalent number of equity shares of INR 2 each against convertible share warrants as follows:

Financial year in which warrants have been issued	Number of warrants outstanding as at 1 April 2022 (a)	Exercise price	Number of warrants converted during the year (b)	No of warrants outstanding as at 31 March 2023 [(c)= (a)-(b)]
2018-19	1,094,759	170	1,094,759	-
2021-22	1,908,025	170	1,908,025	-
Total	3,002,784		3,002,784	-

- (ii) The above warrants on conversion ranked pari passu in all respects with the existing fully paid up equity shares of the Company except for dividend which shall be pro-rata from the date of conversion.

g. Shareholding of promoters:

As on 31 March 2024

Particulars	Name of the promoter	No. of shares at the beginning of the period	% held	No. of shares at the end of the period	% of total shares	% change during the period
Equity shares of face value INR 2 each fully paid	Mr. Rajeev Samant	21,921,416	26.02%	21,004,764	24.89%	-1.14%

As on 31 March 2023

Particulars	Name of the promoter	No. of shares at the beginning of the period	% held	No. of shares at the end of the period	% of total shares	% change during the period
Equity shares of face value INR 2 each fully paid	Mr. Rajeev Samant	20,091,660	25.56%	21,921,416	26.02%	0.44%

Note 14 Other Equity

Particulars	As at 31 March 2024	As at 31 March 2023
Reserves and Surplus		
- Securities premium	320.96	318.54
- Share option outstanding account	1.19	0.25
- General Reserve	3.94	3.68
- Retained earnings	232.30	216.26
Money received against share warrants	-	-
Share application money received pending allotment	-	0.33
	558.39	539.06

Nature and purpose of reserves

i. Securities premium

Securities premium is used to record the premium on issue of shares. The account is utilised in accordance with the provisions of the Companies Act, 2013

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 14 Other Equity (Contd..)

ii. Share option outstanding account

The share option outstanding account represents reserve in respect of equity settled share options granted to the Company's employees in pursuance of the Employee Stock Option Plans. The amounts recorded in this account are transferred to the securities premium account upon exercise of stock options, as applicable. In case of forfeiture, corresponding balance is transferred to general reserve.

iii. General reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn.

iv. Retained earnings

Retained earnings represents the profits / losses that the Company has earned / incurred till date including gain / (loss) on remeasurement of defined benefits plans as adjusted for distributions to owners, transfer to other reserves etc.

v. Money received against share warrants

Money received against share warrants represents the subscription amount received at the time of issue of share warrants less utilised for conversion of warrants into equity shares.

vi. Share Application money pending allotment

Represents share application money received towards equity shares of the Company for which allotment is yet to be done.

Note 15 Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
I Non-current borrowings		
Secured		
Term loan from banks (Refer note 15.1)	76.08	91.82
	76.08	91.82
Less: Current maturities of long-term borrowings	(28.38)	(44.82)
Total non-current borrowings	47.70	47.00
II Current borrowings		
Secured		
Loans from banks		
- Working capital demand loans (repayable on demand) (Refer note 15.2)	171.25	64.00
- Current maturities of long-term borrowings	28.38	44.82
	199.63	108.82
Unsecured		
Other bank loans (Refer note 15.3)	36.60	25.73
	36.60	25.73
Total current borrowings	236.23	134.55
Total borrowings (I+II)	283.93	181.55



Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 15 Borrowings (Contd..)

Note 15.1: Details of security and terms of repayment of non-current borrowings

As at 31 March 2024

Particulars	Number of installments Outstanding	Amount per installment	Rate of Interest	Security
Rupee Term loan	10 Quarterly Installments	1.09	8.55% to 9.60%	First pari passu charge on all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	30 Monthly Installments	0.42	7.95% to 9.10%	Exclusive charge on assets funded out of the term loan and First pari passu charge on all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	48 Monthly Installments	0.18	8.30% to 8.79%	First pari passu charge on all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	48 Monthly Installments	0.08	8.30%	First pari passu charge on all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	48 Monthly Installments	0.12	8.30%	First pari passu charge on all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	48 Monthly Installments	0.11	8.30%	First pari passu charge on all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	42 Monthly Installments	0.42	8.30% to 8.84%	First pari passu charge on all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	2 Quarterly Installments	1.09	8.30% to 9.60%	First pari passu charge on all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	2 Quarterly Installments	0.80	8.30% to 9.60%	First pari passu charge on all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	2 Quarterly Installments	0.73	8.30% to 9.65%	First pari passu charge on all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	6 Monthly Installments	1.05	8.70% to 9.10%	Exclusive charge on immovable assets and Wine Industry Production Subsidy (WIPS) receivable ageing more than 180 days

As at 31 March 2023

Particulars	Number of installments Outstanding	Amount per installment	Rate of Interest	Security
Rupee Term loan	6 quarterly installments	1.03	7.75% to 8.60%	First pari passu charge on all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	2 quarterly installments	1.12	7.35% to 9.05%	First pari passu on all the existing and future movable property, plant and equipment and exclusive charge on immovable assets - commercial unit premises (building).
Rupee Term loan	4 quarterly installments	1.25	7.75% to 9.45%	First pari passu charge on all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	6 quarterly installments	0.75	7.75% to 8.60%	First pari passu charge on all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	6 quarterly installments	0.69	7.80% to 8.65%	First pari passu charge on all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	10 monthly installments	0.56	7.20% to 8.80%	Exclusive charge on immovable assets and Wine Industry Production Subsidy (WIPS) receivable ageing more than 180 days
Rupee Term loan	18 monthly installments	1.11	7.95% to 8.70%	Exclusive charge on immovable assets and Wine Industry Production Subsidy (WIPS) receivable ageing more than 180 days
Rupee Term loan	14 quarterly installments	1.09	7.80% to 8.55%	First pari passu charge on all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	48 monthly installments	0.42	7.95%	Exclusive charge on assets funded out of the term loan and First pari passu charge on all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	48 monthly installments	0.34	7.69% to 8.64%	First pari passu charge on all the existing and future movable property, plant and equipment and charge on immovable assets

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Note 15 Borrowings (Contd..)

Note 15.2: Working capital demand loans facilities of Company are repayable on demand. They carry interest rate ranging from 7.63% to 8.75% p.a. (31 March 2023: 7.25% to 8.81%) and are secured by all existing and future current assets, movable and immovable property, plant and equipment.

Note 15.3: Other Bank loans carry interest ranging from 7.17% to 7.50% p.a. (31 March 2023: 7.20% to 7.50% p.a.) and are repayable within 1 year.

Note 15.4: The Company is in compliance with the applicable debt covenants prescribed in the terms of borrowings. Also, there has been no default in repayment of borrowings and payment of interest during the year.

Note 15.5: Net debt reconciliation

An analysis of net debt and the movement in net debt for the years ended 31 March 2024 and 31 March 2023 is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
(A) Non-current borrowings	47.70	47.00
(B) Current borrowings	236.23	134.55
(C) Interest payable	2.51	1.62
(D) Cash and cash equivalents	(94.78)	(15.32)
Net debt (E) = (A+B+C+D)	191.66	167.85

As at 31 March 2023	Liabilities from financing activities			Other assets	Net debt
	Non-current borrowings (A)	Current borrowings (B)	Interest payable (C)	Cash and cash equivalents (D)	(E)=(A+B+C+D)
Balances as at 1 April 2022	37.86	176.84	1.28	(9.44)	206.54
Net increase in cash and cash equivalents	-	-	-	(5.88)	(5.88)
Proceeds from long-term borrowings	57.42	-	-	-	57.42
Repayment of long-term borrowings	(48.28)	-	-	-	(48.28)
Net repayment of short-term borrowings	-	(42.29)	-	-	(42.29)
Interest expense	-	-	16.41	-	16.41
Interest paid	-	-	(16.07)	-	(16.07)
Balances as at 31 March 2023	47.00	134.55	1.62	(15.32)	167.85
Net increase in cash and cash equivalents	-	-	-	(79.46)	(79.46)
Proceeds from long-term borrowings	31.42	-	-	-	31.42
Repayment of long-term borrowings	(30.72)	-	-	-	(30.72)
Net proceeds from short-term borrowings	-	101.68	-	-	101.68
Interest expense	-	-	21.41	-	21.41
Interest paid	-	-	(20.52)	-	(20.52)
Balances as at 31 March 2024	47.70	236.23	2.51	(94.78)	191.66

Refer note 38 for reconciliation of lease liabilities.

Note 15.6: Disclosures pursuant to the requirement as specified under Paragraph 6(L)(ix) (a) and (b) of the General Instructions for preparation of Balance Sheet of Schedule III to the Act:

Year ended 31 March 2024

During the year ended 31 March 2024, the quarterly statements of current assets filed by the Company with banks are in agreement with the books of account.

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Note 15 Borrowings (Contd..)

Year ended 31 March 2023

During the year ended 31 March 2023, the quarterly statements of current assets filed by the Company with banks are in agreement with the books of account except for the following;

Quarter ended	Name of Bank	Particulars	Amount as per books	Amount reported in the quarterly return/ statement	Differences	Reason for material variances
March 2023	HDFC Bank					
	Kotak Mahindra Bank	Inventories	169.24	169.57	(0.33)	The difference is due to submissions being made basis provisional financial information prior to Company's financial reporting closure process.
	Saraswat Bank					
	Axis Bank					
	HDFC Bank					
	Kotak Mahindra Bank	Trade Receivables	104.74	105.01	(0.27)	
	Saraswat Bank					
	Axis Bank					
June 2022	HDFC Bank					
	Kotak Mahindra Bank	Inventories	143.77	140.41	3.36	The difference is due to submissions being made basis provisional financial information prior to Company's financial reporting closure process.
	Saraswat Bank					
	Axis Bank					
	Yes Bank					
	HDFC Bank					
	Kotak Mahindra Bank	Trade Receivables	74.38	75.32	(0.94)	
	Saraswat Bank					
	Axis Bank					
	Yes Bank					

Note 16 Lease liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current	5.78	5.61
Current	2.29	4.96
Total Lease liabilities	8.07	10.57

Note: Refer note 38 for leases and related disclosures.

Note 17 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current		
Provision for employee benefits (Refer note 33)		
- Gratuity	1.84	-
Total non-current provisions	1.84	-
Current		
Provision for employee benefits (Refer note 33)		
- Gratuity	0.10	0.03
- Compensated absences	1.58	2.14
Total current provisions	1.68	2.17
Total provisions	3.52	2.17

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(Amount in INR crore, unless otherwise stated)

Note 18A Non-current tax assets / Current income tax liabilities (net)

i. The following table provide the details of income tax liabilities and tax assets:

Particulars	As at 31 March 2024	As at 31 March 2023
a) Income tax liabilities	91.68	60.28
b) Income tax assets	(91.97)	(57.66)
Net Income tax (assets) / liabilities	(0.29)	2.62

ii. The gross movement in the current income tax liabilities / income tax assets is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Net income tax liabilities at the beginning	2.62	1.45
Income tax paid [net]	(34.31)	(27.81)
Current tax expense	31.40	28.88
Interest on tax payable	-	0.10
Net income tax (assets) / liability at the end	(0.29)	2.62

iii. Income tax expense in the Statement of Profit and Loss comprises:

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
Current tax expenses	31.40	28.88
Deferred tax expense	1.07	1.06
Income tax expenses [net] recognised in the Statement of Profit and Loss	32.47	29.94
Deferred tax credit in other comprehensive income	(0.23)	0.24
Income tax expenses [net]	32.24	30.18

iv. A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before tax is as below:

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
Profit before income tax	127.16	118.26
Applicable income tax rate	25.17%	25.17%
Computed expected tax expense	32.01	29.77
Effect of expenses that are not deductible for determining taxable profits	0.33	0.17
Other impact	0.13	-
Income tax expense charged to the Statement of Profit and Loss	32.47	29.94

Note 18B Deferred tax liabilities (net)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Deferred tax liabilities		
- Difference between book base and tax base of PPE and intangible assets	29.10	28.74
	29.10	28.74
(b) Deferred tax assets		
- Expenses allowable on payment basis	4.80	4.34
- Impairment allowable on financials assets	2.41	2.58
- Others	2.88	3.65
	10.09	10.57
Total deferred tax liabilities (net)	19.01	18.17

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(Amount in INR crore, unless otherwise stated)

Note 18B Deferred tax liabilities (net) (Contd..)

Movement in components of (deferred tax assets) and deferred tax liabilities are as follows:

As at 31 March 2023	Difference between book base and tax base of PPE and intangible assets	Expenses allowable on payment basis	Impairment allowable on financial assets	Others	Net deferred tax liabilities / (assets)
	(A)	(B)	(C)	(D)	(E)=(A)-(B)-(C)-(D)
As at 1 April 2022	27.44	(4.04)	(2.88)	(3.65)	16.87
Charged / (credited)					
- to profit or loss	1.30	(0.54)	0.30	-	1.06
- to other comprehensive income	-	0.24	-	-	0.24
As at 31 March 2023	28.74	(4.34)	(2.58)	(3.65)	18.17
Charged / (credited)					
- to profit or loss	0.36	(0.23)	0.17	0.77	1.07
- to other comprehensive income	-	(0.23)	-	-	(0.23)
As at 31 March 2024	29.10	(4.80)	(2.41)	(2.88)	19.01

Note 19 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises (Refer note 19.2)	4.37	3.07
Total outstanding dues of creditors other than micro, small and medium enterprises	71.48	75.26
Total trade payables	75.85	78.33

Note 19.1 : Trade payables are non-interest bearing and are normally settled as per the payment terms stated in the contract.

Note 19.2 : Dues to micro, small and medium enterprises to the extent information available with the Company is given below:

Particulars	As at 31 March 2024	As at 31 March 2023
Details of amount due under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are as under:		
(a) The principal amount and the interest due thereon remaining unpaid to supplier as at the end of year:		
- Principal amount due to micro and small enterprises	4.37	3.07
- Interest due	-	0.01
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	0.09	0.15
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.09	0.16
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	0.48	0.39

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 19 Trade payables (Contd..)

Note 19.3: Trade Payable ageing schedule

As at 31 March 2024

Particulars	Outstanding for following period from the due date						Total
	Unbilled Dues	Not due	Less than one year	1-2 Years	2-3 years	More than 3 years	
(i) MSME	-	1.27	3.10	-	-	-	4.37
(ii) Others	17.23	11.15	40.66	2.07	0.28	0.09	71.48
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-
	17.23	12.42	43.76	2.07	0.28	0.09	75.85

As at 31 March 2023

Particulars	Outstanding for following period from the due date						Total
	Unbilled Dues	Not due	Less than one year	1-2 Years	2-3 years	More than 3 years	
(i) MSME	1.29	-	1.78	-	-	-	3.07
(ii) Others	9.58	15.90	49.00	0.49	0.08	0.20	75.25
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	0.02	0.02
	10.87	15.90	50.77	0.49	0.08	0.22	78.33

Note 20 Other current financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Interest accrued and due to MSME vendors	0.48	0.39
Interest accrued but not due	2.51	1.62
Others		
- Liability for capital goods	6.65	9.17
- Security deposits	2.79	2.83
- Due to employees	6.39	7.04
- Dividend payable	0.02	-
Total other current financial liabilities	18.84	21.05
Other financial liabilities carried at amortised cost	18.84	21.05
Other financial liabilities carried at FVTPL	-	-

Note 21 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current		
Deferred guarantee commission	0.12	0.21
	0.12	0.21
Current		
Advance from customers	0.95	0.92
Statutory dues payable	17.06	18.24
Deferred government grant (refer note 46)	4.81	-
Deferred guarantee commission	0.16	0.09
Total other current liabilities	22.98	19.25

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 22 Revenue from operations

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
(a) Sale of products (including excise duty)	498.58	442.23
(b) Sale of services	44.04	43.48
(c) Other operating revenues	46.24	43.89
Total revenue from operations (a+b+c)	588.86	529.60

Note 22.1: Information of disaggregated revenue as per Ind AS 115

(A) Based on nature of product or service:

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
(a) Sale of products		
- Manufactured goods	461.99	407.64
- Traded goods	36.59	34.59
	498.58	442.23
(b) Sale of services	44.04	43.48
(c) Other operating revenues		
- Government grant	44.79	42.37
- Provision no longer required written back (net)	0.58	1.10
- Royalty income	0.19	-
- Others	0.68	0.42
	46.24	43.89
Total revenue from operations (a+b+c)	588.86	529.60

(B) Based on timing of revenue recognition:

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
Products transferred at a point of time	498.58	442.23
Services transferred at a point of time	44.04	43.48

The amounts receivable from customers become due after expiry of credit period which on an average ranges between 30-90 days. There is no significant financing component in any transaction with the customers. The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. Further, the Company's entire business falls under single operating segment of "Manufacture, purchase and sale of alcoholic beverages (wine and spirits) (Refer note 45).

Reconciliation of revenue from operations with contract price as required by Ind AS 115

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
Contract price	626.18	552.18
Add: Excise duty	40.74	36.80
Less: Items offset against revenue from contracts with customers as required under Ind AS 115	(124.30)	(103.27)
Revenue from sale of products and services	542.62	485.71

Note 22.2: The following table gives details in respect of contract revenues generated from the top customer and top 5 customers

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
Revenue from top customer	88.72	75.57
Revenue from top five customers	216.64	185.82

For the year ended 31 March 2024, single [31 March 2023: single customer] customer individually accounted for more than 10% of sale of products and services amounting to INR 88.72 crore (31 March 2023: INR 75.57 crore).

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 23 Other income

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
(a) Interest income		
- on financial assets measured at amortised cost	4.31	1.41
- loan to related parties	2.65	2.27
- on bank deposits	0.63	0.85
- on others	0.30	0.35
	7.89	4.88
(b) Other non-operating income:		
- Insurance claim	0.27	0.25
- Exchange gain (net)	0.13	0.28
- Rent income	0.12	0.11
- Profit on disposal of property, plant and equipment (net)	0.24	-
- Profit on termination of lease agreements	0.78	-
- Government grant	0.39	-
- Miscellaneous income	0.25	0.31
	2.18	0.95
Total other income	10.07	5.83

Note 24 Cost of materials consumed

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
(a) Stock at the beginning of the year		
- Raw materials	-	-
- Packing materials	9.83	7.22
	9.83	7.22
(b) Add: Purchases		
- Raw materials	75.38	73.00
- Packing materials	55.20	50.76
	130.58	123.76
(c) Less: Stock at the end of the year		
- Raw materials	-	-
- Packing materials	10.46	9.83
	10.46	9.83
(d) Total cost of materials consumed (a+b-c)		
- Raw materials	75.38	73.00
- Packing materials	54.57	48.15
Total cost of materials consumed	129.95	121.15

Note 25 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
(a) Opening stock		
- Finished goods	24.13	21.13
- Work-in-progress/ Semi-finished goods	127.68	114.52
- Stock-in-trade	1.22	3.89
	153.03	139.54
(b) Closing stock		
- Finished goods	23.59	24.13
- Work-in-progress/ Semi-finished goods	138.16	127.68
- Stock-in-trade	1.67	1.22
	163.42	153.03
(c) Decrease/(increase) in excise duty on finished goods	(1.46)	3.23
Total changes in inventories of finished goods, work-in-progress and stock-in-trade (a-b+c)	(11.85)	(10.26)

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 26 Employee benefits expense

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
Salaries, wages and bonus	74.45	68.38
Contribution to provident and other fund (Refer note 33)	2.27	1.81
Director sitting fees (net of reversal) (Refer note 35)	0.60	0.76
Defined benefit plans (Refer note 33)	1.36	1.50
Share based payment expenses (Refer note 42)	1.23	1.04
Staff welfare expenses	3.24	2.79
Total employee benefits expense	83.15	76.28

Note 27 Selling, distribution and marketing expenses

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
Sales promotion expenses	47.74	38.69
Commission expenses	8.57	6.77
Marketing expenses	7.95	5.71
Total Selling, distribution and marketing expenses	64.26	51.17

Note 28 Other expenses

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
Consumption of stores, spares and consumables	14.74	13.50
Power and fuel	8.86	8.89
Repairs and maintenance:		
- Building	0.99	0.85
- Plant and Machinery	3.34	2.76
- Others	5.59	4.31
Rates and taxes	5.68	5.49
Insurance	0.92	0.89
Security charges	2.86	2.49
Travelling and conveyance	7.08	4.92
Rent (Refer note 38)	0.67	0.61
Payment to auditor (Refer note below)	0.79	0.65
Legal and professional fees	6.98	8.50
Commission	0.12	0.12
Restaurant expenses	7.65	7.16
Resort maintenance expenses	6.64	5.93
Freight and handling charges	9.89	8.98
Loss allowance on financial assets	-	0.31
Loss on disposal / write off of property, plant and equipment (net)	-	0.60
Corporate social responsibility expenses (Refer note 41)	1.44	0.72
Printing, stationary, postage and telephone expenses	1.57	1.54
Office expense	2.70	1.98
Miscellaneous expenses	4.37	4.16
Total other expenses	92.88	85.36

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 28 Other expenses (Contd..)

Note 28.1: Payment to auditor*

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
- for statutory audit and tax audit	0.52	0.50
- for limited review	0.25	0.08
- for other services (certification)	0.01	0.06
- for reimbursement of expenses	0.01	0.01
	0.79	0.65

* Excluding Nil (31 March 2023: INR 1.84 crore) towards attest services in connection with Initial Public Offering

Note 29 Finance costs

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
Interest on:		
- loan from banks	20.22	15.44
- lease liabilities (Refer note 38)	0.79	1.09
- income tax	-	0.09
- others	1.19	0.97
	22.20	17.59
Other borrowing costs	1.39	1.85
Total finance costs	23.59	19.44

Note 30 Depreciation and amortisation expense

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
Depreciation on PPE (Refer note 3)	22.94	19.13
Depreciation on right-of-use assets (Refer note 3A)	3.58	4.35
Amortisation of intangible assets (Refer note 4)	0.29	0.36
Total depreciation and amortisation expense	26.81	23.84

Note 31 Earnings per share (EPS)

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
Basic and diluted EPS		
A. Profit computation for basic earnings per share of face value INR 2 each		
Net profit after tax as per the Statement of Profit and Loss available for equity shareholders (INR crore)	94.69	88.32
B. Weighted average number of equity shares for calculating basic earning per share	8,43,89,018	8,24,61,907
Add: Effect of dilution on account of employee stock options outstanding	60,085	81,387
Weighted average number of equity shares adjusted for calculating dilutive earning per share	8,44,49,103	8,25,43,294
Nominal Value	2	2
C. Earnings per share		
- Basic EPS (in INR)	11.22	10.71
- Diluted EPS (in INR)	11.21	10.70

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 32 Contingent liabilities and commitments

A. Contingent liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
i) Disputed liability relating to stamp duty	1.54	1.54
ii) Others	0.10	0.24

iii) Provident Fund:

Based on the judgement by the Honourable Supreme Court dated 28 February 2019, past provident fund liability, is not determinable at present, in view of uncertainty on the applicability of the judgement to the Company with respect to timing and the components of its compensation structure. In absence of further clarification, the Company has been legally advised to await further developments in this matter to reasonably assess the implications on its financial statements, if any.

Note:

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. Future cash outflows in respect of the above are determinable only on receipt of judgments / decisions pending with various forums/ authorities. The Company does not expect any outflow of economic resources in respect of the above and therefore no provision is made in respect thereof.

B. Commitments

Particulars	As at 31 March 2024	As at 31 March 2023
Capital commitment (net of advances)	12.35	4.28

Note 33 Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

I Defined benefit obligations - Gratuity (funded)

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

Particulars	31 March 2024	31 March 2023
a) Changes in defined benefit obligations		
Present value of the obligation as at the beginning of the year	14.21	13.69
Current service cost	1.36	1.35
Interest cost	0.97	0.87
Remeasurements - Net actuarial (gain) /loss	1.35	(1.12)
Benefits paid	(0.67)	(0.58)
Liability settled on account of inter group transfer	(0.28)	-
Present value of the obligation as at the end of the year	16.94	14.21
b) Changes in fair value of plan assets of the gratuity plan		
Plan assets at the beginning of the year	14.18	11.18
Interest income	0.97	0.72
Contribution by employer	0.04	3.02
Benefits paid	(0.67)	(0.58)
Remeasurements - Net actuarial (loss) /gain	0.48	(0.16)
Fair value of the plan assets at the end of the year	15.00	14.18

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 33 Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits' (Contd..)

Particulars	31 March 2024	31 March 2023
Net amount recognised in balance sheet		
Present value of the obligation as at the end of the year	16.94	14.21
Fair value of the plan assets at the end of the year	15.00	14.18
Net liability recognised in balance sheet	1.94	0.03
Classification:		
Current	0.10	0.03
Non-current	1.84	0.00
Note: Expected contribution payable to the plan in next year is INR 0.10 crore (31 March 2023: INR 0.03 crore)		
c) Expenses recognised in the Statement of Profit and Loss		
Interest cost (net)	(0.00)	0.15
Current service cost	1.36	1.35
	1.36	1.50
d) Remeasurement gain /(loss) recognised in OCI		
Remeasurement - Net actuarial (gain)/ loss on defined benefit obligations	1.35	(1.12)
Remeasurement - Net actuarial (gain)/ loss on plan assets	(0.48)	0.16
	0.87	(0.96)
Tax effect on above	(0.22)	0.24
Total	0.65	(0.72)

e) Actuarial assumptions

Particulars	31 March 2024	31 March 2023
(i) Economic assumptions:		
Discount rate	7.20%	7.45%
Salary escalation rate	Staff: 10%, until year 1 inclusive, then 11.00% Director: 15.00%	Staff: 11%, Director: 15.00% until year 1 inclusive, then 11.00%
(ii) Demographic assumptions:		
Mortality rate	Indian Assured Lives Mortality (2012-2014)	Indian Assured Lives Mortality (2012-2014)
Attrition rate :		
- For ages 21-30 years	9.00% p.a.	24.00% p.a.
- For ages 31-40 years	9.00% p.a.	12.00% p.a.
- For ages 41-50 years	6.00% p.a.	14.00% p.a.
- For ages 51-57 years	19.00% p.a.	24.00% p.a.

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 in the employment market.

f) Investment details of plan assets

Major Categories of Plan Assets:	31 March 2024	31 March 2023
Insurer managed funds	100%	100%

The Gratuity Scheme is invested in a New Group Gratuity Cash Accumulation Plan Policy offered by Life Insurance Corporation of India (LIC) and Aditya Birla Sun Life Insurance Company Limited. The expected rate of return on plan assets is based on market expectations, at the beginning of the year, for returns over the entire life of the related obligation.

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

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(Amount in INR crore, unless otherwise stated)

Note 33 Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits' (Contd..)

g) Sensitivity analysis for significant assumption is as below:

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant. The significant actuarial assumptions are discount rate and salary escalation rate.

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
i. Impact of change in discount rate on defined benefit obligations:		
Present value of obligation at the end of the year		
a) Impact due to increase by 0.50%	(0.60)	(0.38)
b) Impact due to decrease by 0.50%	0.65	0.32
ii. Impact of change in salary on defined benefit obligations:		
Present value of obligation at the end of the year		
a) Impact due to increase by 0.50%	0.53	0.39
b) Impact due to decrease by 0.50%	(0.50)	(0.32)

Sensitivities due to mortality and withdrawals are not material and hence the impact of change due to these are not calculated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied when calculating the provision for defined benefit plan recognised in the Balance Sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it provides an approximation of the sensitivity of the assumptions shown.

Risk exposure:

The defined benefit plan is exposed to a number of risks, the most significant of which are detailed below:

- a) **Salary increases** - Actual salary increases will increase the obligation. Increase in salary escalation rate assumption in future valuations will also increase the obligation.
- b) **Investment risk** - If plan is funded then assets/liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- c) **Discount rate** - Reduction in discount rate in subsequent valuations can increase the obligation.
- d) **Mortality and disability** - Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the obligation.
- e) **Withdrawals** - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact obligation.

h) Maturity analysis of defined benefit obligation

Particulars	As at 31 March 2024	As at 31 March 2023
Within the next 12 months	4.45	2.29
Between 2 and 5 years	4.74	7.99
Beyond 5 years	24.02	13.11
Total expected payments	33.21	23.38

Note : The weighted average duration to the payment of these cash flows is 7.45 years (31 March 2023 : 5.42 years).

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

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(Amount in INR crore, unless otherwise stated)

Note 33 Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits' (Contd..)

II Defined contribution plans

The Company also has certain defined contribution plans. The contributions are made to registered provident fund, Employees State Insurance Corporation ('ESIC') administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plans are as follows.

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
a) The Company has recognised the following amounts in the Statement of Profit and Loss for the year:		
(i) Contribution to provident fund	2.23	1.77
(ii) Contribution to ESIC	0.04	0.04
	2.27	1.81

III Compensated absences

The leave obligations cover the Company's liability for sick and privilege leaves. The amount of provision with respect to leave obligation is INR 1.58 crore (31 March 2023: INR 2.14 crore) and 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 take the full amount of accrued leave or require payment within the next 12 months. The reversal of provision recognised during the year is INR 0.56 crore (31 March 2023: expense recognised of INR 0.81 crore).

IV Current/ non-current classification as at the end of the year:

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Gratuity		
Current	0.10	0.03
Non-current	1.84	-
	1.94	0.03
(b) Compensated absences		
Current	1.58	2.14
	1.58	2.14

Note 34 Financial Instruments

The fair value of the financial assets are included at amounts at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair value:

- Fair value of cash and cash equivalents and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

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(Amount in INR crore, unless otherwise stated)

Note 34 Financial Instruments (Contd..)

A Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2024 are as follows:

Particulars	Refer note	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Financial assets / liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:						
Investment in subsidiary	5	27.69	-	-	27.69	27.69
Other Investment	5A	-	-	0.00	0.00	0.00
Loans	6	28.01	-	-	28.01	28.01
Other financial assets	7	73.71	-	-	73.71	73.71
Trade receivables	10	160.36	-	-	160.36	160.36
Cash and cash equivalents	11	94.78	-	-	94.78	94.78
Bank balances other than cash and cash equivalents	12	6.93	-	-	6.93	6.93
Liabilities:						
Borrowings	15	283.93	-	-	283.93	283.93
Lease liabilities	16	8.07	-	-	8.07	8.07
Trade payables	19	75.85	-	-	75.85	75.85
Other financial liabilities	20	18.84	-	-	18.84	18.84

The carrying value and fair value of financial instruments by categories as at 31 March 2023 are as follows:

Particulars	Refer note	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Financial assets / liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:						
Investment in subsidiary	5	27.46	-	-	27.46	27.46
Other Investment	5A	-	-	0.00	0.00	0.00
Loans	6	33.04	-	-	33.04	33.04
Other financial assets	7	120.89	-	-	120.89	120.89
Trade receivables	10	104.74	-	-	104.74	104.74
Cash and cash equivalents	11	15.32	-	-	15.32	15.32
Bank balances other than cash and cash equivalents	12	13.64	-	-	13.64	13.64
Liabilities:						
Borrowings	15	181.55	-	-	181.55	181.55
Lease liabilities	16	10.57	-	-	10.57	10.57
Trade payables	19	78.33	-	-	78.33	78.33
Other financial liabilities	20	21.05	-	-	21.05	21.05

B Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at:

Particulars	31 March 2024			31 March 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Investments in equity shares	-	-	0.00	-	-	0.00

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 35 Disclosure in accordance with Ind AS 24 Related Party Disclosures

A. Names of related parties and nature of relationship

Name of the entity

(a) Holding Company (having control over the entity)

Verlinvest Group SA (Until 19 December 2022)

(b) Subsidiary company (wholly owned)

Artisan Spirits Private Limited

Sula International Limited #

(c) Fellow subsidiaries

Verlinvest Asia Pte Ltd. (Until 19 December 2022)

Verlinvest S.A (Until 19 December 2022)

Cofintra S.A. (Until 19 December 2022)

Verlinvest France S.A (Until 19 December 2022)

(d) Key management personnel (KMP)

Rajeev Samant

Chetan Desai

Arjun Anand

Roberto Italia

Alok Vajpeyi

Sangeeta Pendurkar

Riyaaz Amlani

Nicholas Cator

Chaitanya Rath

Karan Vasani

Bittu Varghese

Abhishek Kapoor

Ruchi Sathe

Chief Executive Officer and Managing Director

Chairman and Independent Director

Independent Director

Director (upto 29 February 2024)

Independent Director

Independent Director

Independent Director (appointed w.e.f 19 April 2023)

Director (appointed w.e.f 9 November 2023)

Chief Operating Officer (upto 30 September 2023)

Chief Operating Officer (appointed w.e.f 1 October 2023)

Chief Financial Officer (upto 9 June 2023)

Chief Financial Officer (appointed w.e.f 28 August 2023)

Company Secretary

(e) Relatives of Key Management Personnel:

Sulabha Samant ^^

Suresh Samant ^^

Bharat Samant^^

Mother of Rajeev Samant

Father of Rajeev Samant

Brother of Rajeev Samant

Struck off w.e.f 19 April 2022

^^ During the year ended 31 March 2023, Rajeev Samant (CEO and Managing Director) had entered into a Family Settlement cum Separation Agreement with the aforementioned relatives along with certain other members of the family. However, these parties continue to be considered as 'Relatives' in accordance with section 2(77) of the Companies Act, 2013.

B. Nature of Transactions

Transactions with related parties:	Year Ended 31 March 2024	Year Ended 31 March 2023
Sale of products		
Artisan Spirits Private Limited	16.38	7.30
Rajeev Samant	0.02	0.01
	16.40	7.31
Interest income		
Artisan Spirits Private Limited	2.65	2.27

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as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 35 Disclosure in accordance with Ind AS 24 Related Party Disclosures (Contd..)

Transactions with related parties:	Year Ended 31 March 2024	Year Ended 31 March 2023
Rent income		
Artisan Spirits Private Limited	0.06	0.06
Royalty Income		
Artisan Spirits Private Limited	0.19	-
Corporate guarantee commission		
Artisan Spirits Private Limited	0.25	0.17
Deemed investment		
Artisan Spirits Private Limited	0.23	0.47
Purchase of raw materials		
Artisan Spirits Private Limited	8.31	2.13
Rajeev Samant	1.12	0.60
	9.43	2.73
Purchase of finished goods		
Artisan Spirits Private Limited	21.43	12.61
Purchase of property, plant and equipment		
Rajeev Samant	3.34	-
Sale of property, plant and equipment		
Artisan Spirits Private Limited	2.50	-
Conversion of warrants into equity shares		
Rajeev Samant	-	47.04
Alok Vajpeyi	-	3.84
	-	50.88
Director's sitting fees paid/payable		
Arjun Anand	0.17	0.20
Chetan Desai	0.13	0.17
Alok Vajpeyi	0.14	0.19
Roberto Italia	-	0.07
Sangeeta Pendurkar	0.14	0.13
Riyaz Amlani	0.07	-
Nicholas Cator	0.02	-
	0.67	0.76
Reversal of director sitting fees		
Roberto Italia	0.07	-
Reimbursement of expenses		
Artisan Spirits Private Limited	6.45	9.09
Repayment of lease liabilities		
Rajeev Samant	0.29	0.31
Commission expense		
Chetan Desai	0.12	0.12
Loan given		
Artisan Spirits Private Limited	16.76	14.47
Repayment of loan		
Artisan Spirits Private Limited (includes netting of gratuity liability settled)	22.00	12.55
Receipt of interest on loan		
Artisan Spirits Private Limited	2.38	2.05
Compensation to key managerial personnel [Refer note 35(C)(ii)]		
Rajeev Samant	4.53	3.99
Chaitanya Rathi	1.16	2.32
Bittu Varghese	0.16	1.16
Ruchi Sathe	0.31	0.27
Abhishek Kapoor	0.79	-
Karan Vasani	0.54	-
	7.49	7.74
Corporate guarantee given on behalf of subsidiary		
Artisan Spirits Private Limited	15.75	-

Note : The transactions with related parties are made on terms equivalent to those prevailing in arm's length transaction.

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(Amount in INR crore, unless otherwise stated)

Note 35 Disclosure in accordance with Ind AS 24 Related Party Disclosures (Contd..)

C) Outstanding balances:

Trade and other payables	As at 31 March 2024	As at 31 March 2023
Trade and other payables		
Rajeev Samant	0.49	0.04
Roberto Italia	-	0.08
Chetan Desai	0.11	0.11
Artisan Spirits Private Limited	3.07	0.15
	3.67	0.38
Other receivables		
IPO expense recoverable from selling shareholder [Refer note 35(C)(i)]	-	2.81
Loan given outstanding		
Artisan Spirits Private Limited	24.66	29.90
Payable towards compensation to key managerial personnel [Refer note 35(C)(ii)]		
Rajeev Samant	0.88	0.78
Chaitanya Rath	-	0.33
Bittu Varghese	0.01	0.19
Ruchi Sathe	0.03	0.04
Abhishek Kapoor	0.09	-
Karan Vasani	0.11	-
	1.12	1.34
Corporate guarantee given on behalf of subsidiary		
Artisan Spirits Private Limited	16.50	11.93

Note 35(C)(i) : The Company had completed its Initial Public Offer (IPO) of 26,900,530 equity shares of face value of INR 2 each at an issue price of INR 357 per share (including a share premium of INR 355 per share) that was listed on National Stock Exchange of India Limited (NSE) and Bombay Stock exchange Limited (BSE) on 22 December 2022. Entire IPO comprised of offer to sale of 26,900,530 equity shares by selling shareholders.

During the previous year ended 31 March 2023, the Company had incurred expenses aggregating to INR 52 crore towards various services availed in connection with aforesaid IPO under the terms of agreement executed between the Company and respective service providers. Such expenses have been recovered from the selling shareholders during the year ended 31 March 2023 and the balance recoverable amount of INR 2.81 crore from selling shareholders has been presented under other current financial assets in these financial statements as at 31 March 2023. The aforesaid balance has been recovered during the current year.

Note 35(C)(ii) : Compensation to key managerial personnel does not include (i) provisional gratuity liability and compensated absences valued by an actuary, as separate figures are not available and (ii) reimbursement of expenses related to business.

Note 36 Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

i Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk and currency risk. Major financial instruments affected by market risk includes loans and borrowings.

a. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's total debt obligations with floating interest rates.

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

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(Amount in INR crore, unless otherwise stated)

Note 36 Financial risk management objectives and policies (Contd..)

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's profit before tax and other equity is affected by change in interest rate by 50 bps on floating rate borrowings, as follows:

	31 March 2024		31 March 2023	
	0.50% increase	0.50% decrease	0.50% increase	0.50% decrease
Impact on profit before tax and other equity	(0.86)	0.86	(0.32)	0.32

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

b. Foreign currency risk

Although, the exchange rate between the rupee and foreign currencies has changed in recent years, it has not affected the results of the Company. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies. There are earnings from customers in foreign currency which act as a natural hedge against foreign currency risk.

The following table analysis foreign currency risk from financial instruments as at 31 March 2024:

Particulars	USD	EUR	GBP	AUD	Others ^
Assets					
Trade receivables	0.53	1.38	-	-	-
	0.53	1.38	-	-	-
Liabilities					
Trade payables	0.01	0.39	-	0.40	-
Liability for capital goods	-	0.07	-	-	-
	0.01	0.46	-	0.40	-
Net assets / (liabilities)	0.52	0.92	-	(0.40)	-

The following table analysis foreign currency risk from financial instruments as at 31 March 2023:

Particulars	USD	EUR	GBP	AUD	Others ^
Assets					
Trade receivables	0.23	1.31	0.21	-	-
	0.23	1.31	0.21	-	-
Liabilities					
Trade payables	0.04	0.39	-	0.02	0.00
Liability for capital goods	-	0.48	-	-	-
	0.04	0.87	-	0.02	0.00
Net assets / (liabilities)	0.19	0.44	0.21	(0.02)	(0.00)

^ Includes Emirates Dirham

Note :

The Company's exposure of foreign currency financial instruments as at respective reporting dates is not material and consequently the impact on Statement of Profit and Loss and other equity due to fluctuation in exchange rates would also be immaterial. Therefore, the disclosure for sensitivity analysis not been included in the standalone financial statements.

ii Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, financial assets. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

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(Amount in INR crore, unless otherwise stated)

Note 36 Financial risk management objectives and policies (Contd..)

a Trade receivables (net of loss allowance)

Trade receivables are unsecured and mainly includes two types of customer i.e. receivables from sales to government corporations and receivables from sales to private parties. A substantial portion of the Company's trade receivables are from government corporation customers having strong credit worthiness. Considering Company's historical experience of collecting receivable, credit risk is low. Hence, trade receivables are considered to be a single class of financial assets.

	As at 31 March 2024		As at 31 March 2023	
	INR crores	%	INR crores	%
Trade receivables				
- from government corporation	90.90	56.68%	51.99	49.64%
- from private parties	69.46	43.32%	52.75	50.36%
Total trade receivables (Refer note 10)	160.36	100.00%	104.74	100.00%

The movement of the allowance for lifetime expected credit loss is stated below:

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	6.36	7.10
Reversal of provision (net)	(0.40)	0.30
Bad debts written off during the year	(1.22)	(1.04)
Balance at the end of the year	4.74	6.36

b Financial assets other than trade receivables

Financial assets other than trade receivables comprise of cash and cash equivalents, bank balances other than cash and cash equivalents, government grant receivables and loan to subsidiaries / employees. The Company monitors the credit exposure on these financial assets on a case-to-case basis. In case of bank balances and deposits, risk is considered low since the counterparties are reputed organisations with no history of default to the Company. Loans to subsidiary are assessed for credit risk based on the underlying valuation of the entity and their ability to repay within the contractual repayment terms.

iii. Liquidity Risk

Liquidity is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities:

As at 31 March 2024	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
Borrowings	171.25	64.98	47.70	-	283.93
Trade payables	-	75.85	-	-	75.85
Lease liabilities	-	2.90	6.54	-	9.44
Other financial liabilities	-	18.84	-	-	18.84
	171.25	162.57	54.24	-	388.06

As at 31 March 2023	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
Borrowings	64.00	70.55	47.00	-	181.55
Trade payables	-	78.33	-	-	78.33
Lease liabilities	-	5.68	6.15	-	11.83
Other financial liabilities	-	21.05	-	-	21.05
	64.00	175.61	53.15	-	292.76

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 37 Capital management

The primary objective of the Company's capital management is to maximise the shareholder's wealth. The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitor the return on capital employed as well as the level of dividend to shareholders.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a debt equity ratio, which is total debt divided by total equity.

Particulars	As at 31 March 2024	As at 31 March 2023
Total debt	283.93	181.55
Total equity	575.27	555.91
Total debts to equity ratio (Gearing ratio)	0.49	0.33

In the long run, the Company's strategy is to continue to maintain the gearing ratio of less than 0.75. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current or previous financial year.

Note 38 Leases - Ind AS 116

Right-of-use Assets:

The net carrying value of right-of-use assets as at 31 March 2024 amounts to INR 7.35 crore (31 March 2023 : INR 8.98 crore) have been disclosed on the face of the balance sheet (Also refer note 3A).

Lease liabilities:

The carrying value of lease liabilities disclosed in balance sheet is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Current lease liabilities	2.29	4.96
Non-current lease liabilities	5.78	5.61
Total Lease liabilities	8.07	10.57

(i) The following is the movement in lease liabilities:

Particulars	As at 31 March 2024	As at 31 March 2023
Opening Balance	10.57	10.96
Additions during the year	4.81	4.25
Interest accrued on lease liabilities during the year	0.79	1.09
Payment of lease liabilities	(4.47)	(5.51)
Termination during the year	(3.63)	(0.22)
Closing Balance	8.07	10.57

(ii) The table below provides details regarding the contractual maturities of lease liabilities (undiscounted):

Lease Liabilities	Carrying amount	Contractual cash flows			
		Total	0-1 year	1-5 years	5 years and above
31 March 2024	8.07	9.44	2.90	6.54	-
31 March 2023	10.57	11.83	5.68	6.15	-

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

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(Amount in INR crore, unless otherwise stated)

Note 38 Leases - Ind AS 116 (Contd..)

The Company recognised the following in the statement of profit and loss:

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
Depreciation expenses on right-of-use assets (Refer notes 3A and 30)	3.58	4.35
Interest on lease liabilities (Refer note 29)	0.79	1.09
Rent expense pertaining to leases with term less than or equal to 12 months shown under other expenses (Refer note 28)	0.67	0.61

Note 39 Dividend on equity shares

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
Dividend on equity shares		
Final dividend declared for the year ended 31 March 2023 of INR 5.25 (31 March 2022: INR 2.40) per equity share of face value INR 2 each	44.25	19.58
Interim dividend for the year ended 31 March 2024 of INR 4.00 (31 March 2023: INR 3.10) per equity share of face value INR 2 each	33.76	25.83
	78.01	45.41
Proposed dividend on equity shares not recognised as liability *		
Final dividend for the year ended 31 March 2024 of INR 4.50 per equity share (31 March 2023: INR 5.25 per share) of face value INR 2 each	37.98	44.25

* The Board of Directors at its meeting held on 8 May 2024 have recommended a payment of final dividend of INR 4.50 per equity share of INR 2 each for the financial year ended 31 March 2024. The above is subject to approval at the ensuing Annual General Meeting of the Company and hence not recognised as liability as at 31 March 2024.

Note 40 Unhedged foreign currency exposure

Particulars	Currencies	As at 31 March 2024		As at 31 March 2023	
		Foreign currency	INR in crore	Foreign currency	INR in crore
Trade receivables	USD	63,356	0.53	28,567	0.23
	EUR	1,52,987	1.38	1,46,269	1.31
	GBP	-	-	20,944	0.21
Trade payables	USD	729	0.01	4,560	0.04
	EUR	43,274	0.39	43,634	0.39
	AUD	73,162	0.40	4,469	0.02
	Others ^	-	-	1,262	0.00
Liability for capital goods	EUR	8,280	0.07	54,123	0.48

^ Includes Emirates Dirham

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 41 Corporate Social Responsibility expenditure

Section 135 of the Companies Act, 2013 and rules made thereunder prescribe that every company having a net worth of INR 500 crore or more, or turnover of INR 1,000 crore or more, or net profit of INR 5 crore or more during the immediately preceding financial year shall ensure that the company spends, in every financial year at least 2% of its average net profit made during the immediately 3 preceding financial years on the Corporate Social Responsibility (CSR) activities. Following is the information regarding projects undertaken and expenses incurred on CSR activities.

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
A. Gross amount required to be spent by the Company during the year	1.40	0.52
B. Amount approved by the Board to be spent by the Company during the year	1.44	0.72
C. Amount spent during the year on CSR activities		
(a) For construction / acquisition of any assets	-	-
(b) For purposes other than (a) above	1.44	0.72
	1.44	0.72
Excess amount spent during the year	(0.04)	(0.19)
(Excess) / less amount spent as at year end:		
Opening balance	-	0.19
Amount required to be spent during the year	1.40	0.52
Amount spent during the year	(1.44)	(0.72)
Closing balance	(0.04)	-
Nature of CSR activities		
Infrastructure and Social Support in Nashik	1.16	0.30
Plantation Afforestation and Maintenance of Existing Plantation Project	0.21	0.17
Contribution to Prime Minister's National Relief Fund	-	0.11
Swachh Bharat Kosh	-	0.11
CSR administrative overheads	0.07	0.03
Total	1.44	0.72

Note 42 Disclosures required pursuant to Ind AS 102 - Share Based Payment

The Company has granted stock options under the employee stock option schemes. As at 31 March 2024, Employee stock option scheme, ESOS 2023 and ESOS 2021 are in existence. These options would vest based on the vesting conditions as per letter of grant executed between the Company and the employee of the Company. Each option when exercised would be converted into one fully paid-up equity share of face value INR 2 each of the Company. The relevant details of the scheme, grant and activity under ESOS scheme are summarized below:

A. Reconciliation of options outstanding:

Particulars	No. of Options	Weighted Average Exercise Price
Options outstanding as at 1 April 2022	2,811,510	170.00
Options granted during the year	54,870	170.00
Options forfeited/lapsed/expired during the year	(53,700)	170.00
Options exercised during the year *	(2,656,923)	170.00
Options outstanding as at 31 March 2023 ^	1,55,757	170.00
Options outstanding as at 1 April 2023	1,55,757	170.00
Options granted during the year (ESOS 2021)	59,200	170.00
Options granted during the year (ESOS 2023)	6,05,000	470.00
Options forfeited/lapsed/expired during the year	(18,726)	170.00
Options exercised during the year *	(1,41,831)	170.00
Options outstanding as at 31 March 2024 ^	6,59,400	445.25

* The weighted average share price at the date of exercise of option was INR 454.16 (31 March 2023: INR 166.39) per share.

^ The options outstanding as at 31 March 2024 are with the weighted average exercise price of INR 445.25 per share (31 March 2023: INR 170.00 per share). The weighted average of the remaining contractual life is 2.73 years. (31 March 2023: 1.03 years)

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(Amount in INR crore, unless otherwise stated)

Note 42 Disclosures required pursuant to Ind AS 102 - Share Based Payment (Contd..)

B. Fair value of the options has been calculated using Binomial/Black Scholes Pricing Model. The following inputs were used to determine the fair value for options granted during the year:

	ESOS 2020 (2)	ESOS 2020 (3)	ESOS 2021	ESOS 2021 (2)	ESOS 2021 (3)	ESOS 2021 (4) ^
	1 Year Vesting year	1 Year Vesting year	1 Year Vesting year	1 Year Vesting year	1 Year Vesting year	2 Year Vesting year
Date of Grant	15 July 2021	19 May 2022	30 July 2021	19 May 2022	25 March 2023	01 June 2023
Market Price (INR)	122.80	155.10	122.80	155.10	359.25	423.35
Expected life (in years)	1.17	1.25	1.61	1.25	1.26	2.26
Volatility*	43.03%	46.91%	43.07%	46.91%	44.48%	48.73%
Risk Free rate (%)	3.78%	5.43%	4.15%	5.43%	7.03%	6.76%
Exercise Price	170.00	170.00	170.00	170.00	170.00	170.00
Dividend Yield (%)	2.44%	3.16%	2.44%	3.16%	1.36%	1.97%
Option Fair Value (INR)	9.68	27.20	13.54	27.20	199.96	265.3

	ESOS 2023 ^	ESOS 2021 (5) ^
	3 Year Vesting year	1 Year Vesting year
Date of Grant	20 February 2024	01 September 2023
Market Price (INR)	569.10	489.50
Expected life (in years)	3.25	1.25
Volatility*	39.16%	32.82%
Risk Free rate (%)	6.96%	6.90%
Exercise Price (INR)	470.00	170.00
Dividend Yield (%)	1.47%	1.71%
Option fair value (INR)	226.45	323.25

Notes:

- Expected volatility reflects assumption that the historical volatility over a year similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome
- Above mentioned schemes existed as at 31 March 2023, except for ESOS 2021 (4), ESOS 2021 (5) and ESOS 2023 and consequently disclosure for previous year have not been given separately.

Note 43 As at 31 March 2024, the Company has non-current investments and non-current loans amounting to INR 27.69 crore and INR 24.66 crore, respectively, in its wholly owned subsidiary Artisan Spirits Private Limited ('ASPL'). As at 31 March 2024, ASPL has accumulated losses and its net-worth has been substantially eroded. However, the net-worth of this subsidiary does not represent its true market value as the value of the entity on a going concern basis, based on valuation report of an independent valuer, is higher. Therefore, based on certain estimates like future business plans, growth prospects as well as considering the valuation report from an independent valuer, the management believes that the realizable amount of the subsidiary is higher than the carrying value of the non-current investments and loans due to which these are considered as good and recoverable.

Note 44 The Company had a disputed excise duty demand of INR 115.90 crore in respect of which the Company had preferred an appeal and stay was granted by Hon'ble Minister for State Excise, Maharashtra ('Minister') in earlier years. On 7 March 2024, the Minister has passed an order wherein the aforementioned demand of INR 115.90 crore has been set aside and matter now stands disposed off in favor of the Company.

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(Amount in INR crore, unless otherwise stated)

Note 45 Segment reporting

- The Company is engaged in the business of manufacture, purchase and sale of alcoholic beverages (wines and spirits). The Executive Committee of the Group (being the Chief Operating Decision Maker) assesses performance and allocates resources for the business of the Company as a whole and hence the management considers Company's business activities as a single operating segment.
- The geographical segments have been considered for disclosure as the secondary segment, under which the domestic segment includes sales to customers located in India and overseas segment includes sales to customer located outside India.

The following information discloses external revenues and non-current assets based on the physical location of the customers.

	31 March 2024		31 March 2023	
	India	Outside India	India	Outside India
Revenue from operations	581.04	7.82	520.22	9.38
Non-current assets	507.04	-	465.08	-

Note 46 Government grants

The disclosures pursuant to Ind AS 20 'Accounting for Government Grant and Disclosure of Government Assistance' are as follows:

Government Grants relate to Wine Incentive Promotion Subsidy (WIPS)

Particulars	31 March 2024	31 March 2023
Government grants at the beginning of the year	111.14	86.70
Add: Government grant accrued during the year	44.79	42.37
Less: Government grant received during the year	(90.59)	(19.32)
Add: Interest on financial assets carried at amortised cost	4.26	1.39
Government grants at the end of the year	69.60	111.14
Current	19.41	79.81
Non-current	50.19	31.33

Government Grants relate to Wine Incentive Promotion Subsidy (WIPS) scheme launched by the state of Maharashtra. Under the WIPS scheme, Value Added Tax (VAT) paid by Company on wine manufactured from grapes produced in Maharashtra including blending of wine manufactured from grapes purchased within the state of Maharashtra and subsequently sold in Maharashtra is eligible for 80% refund. The Company being involved in the business of manufacturing and sale of wine, avails WIPS incentive. There are no unfulfilled conditions or contingencies attached to these grants.

Government grants relating to Electric Vehicle

The government grants relates to asset i.e., purchase of electric vehicles and accordingly will be recognised on straight line basis over the period of 5 years. There are no unfulfilled conditions or contingencies attached to these grants.

Government grants relating to CEFPPC scheme received from MOFPI

Government Grants relate to Creation / Expansion of Food processing and preservation capacities (CEFPPC scheme) under Ministry of Food processing Industries. Under this scheme, expenses incurred on purchase of plant, property and equipment by Company towards expansion of cellar door facility are reimbursed to Company by way of grant in aid as per scheme document. There are no unfulfilled conditions or contingencies attached to these grants. As the grant relates to assets, the same will be treated as deferred income and will be recognized in the Stadalone Statement of Profit and Loss on a systematic and rational basis over the useful life of the related PPE.

Government Grants relating to Electricity for Industries in Vidarbha, Marathwada, Uttar Maharashtra & D, D+ area

This government grant relate to region based subsidy for industries in Vidarbha, Marathwada, Uttar Maharashtra & D, D+ area declared by Government of Maharashtra and is recognised in the year in which it is earned.

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

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(Amount in INR crore, unless otherwise stated)

Note 47 Disclosure of ratios

Particulars	Formula for computation	Measure (In times/percentage)	As at and for the year ended 31 March 2024	As at and for the year ended 31 March 2023
a Current Ratio	Current assets / Current liabilities	Times	1.32	1.51
b Debt Equity Ratio	Debt / Equity	Times	0.49	0.33
c Debt Service coverage Ratio	EBIDTA / (Finance costs + Principal repayment of long term borrowings within one year)	Times	3.42	2.51
d Return on Equity	Profit after tax / Average shareholder's equity	Percentage	16.74%	18.19%
e Inventory Turnover Ratio	Cost of goods sold / Average inventory	Times	0.80	0.78
f Trade Receivable Turnover Ratio	Revenue from sale of product and services / Average trade receivables	Times	4.09	4.97
g Trade Payable Turnover Ratio	Purchases / Average Trade Payables	Times	1.98	1.93
h Net Capital Turnover Ratio	Revenue from operations / Working capital	Times	5.12	3.95
i Net Profit Ratio	Profit after tax / Revenue from operations	Percentage	16.08%	16.68%
j Return on Capital Employed (ROCE)	EBIT / Capital employed	Percentage	24.20%	22.84%
k Return on Investment (ROI)	Not applicable	Percentage	N.A.	N.A.

Notes:

- Debt = Non-current borrowings + Current borrowings
- Net worth = Paid-up share capital + Reserves created out of profit - Accumulated losses
- EBIDTA = Earnings before finance costs, depreciation expense and tax
- Cost of goods sold = Cost of materials consumed + Purchase of stock-in-trade + Changes in inventories of finished goods, stock-in-trade and work-in-progress
- Net purchase = Purchase of stock-in-trade + Cost of materials consumed + Closing inventory of raw materials and packing materials - Opening inventory of raw materials and packing materials
- Working Capital = Current assets - Current liabilities
- EBIT = Earnings before interest and tax
- Capital employed = Total equity + Non-current borrowings
- Average shareholder's fund= (Opening total equity + closing total equity)/2

Disclosure of change in ratio by more than 25%

Particulars	% Variance in ratio between 31 March 2024 and 31 March 2023	Reason for Variance in excess of 25%
a Current Ratio	-13%	Refer note below
b Debt Equity Ratio	51%	Owing to increase in total debt
c Debt Service coverage Ratio	36%	Owing to increase in EBITDA
d Return on Equity	-8%	Refer note below
e Inventory Turnover Ratio	3%	Refer note below
f Trade Receivable Turnover Ratio	-18%	Refer note below
g Trade Payable Turnover Ratio	3%	Refer note below
h Net Capital Turnover Ratio	30%	Owing to increase in revenue from operations
i Net Profit Ratio	-4%	Refer note below
j Return on Capital Employed (ROCE)	6%	Refer note below
k Return on Investment (ROI)	N.A.	N.A.

Note: Since the change in ratio is less than 25%, no explanation is required to be disclosed.



Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 48 During the current year, Principal Commission of Income Tax ('PCIT') has filed a Writ Petition in the Bombay High Court challenging the legality of the order dated 27 September 2019 passed by the Income Settlement Commissioner ('ITSC') under Sec 245D(4) of Income Tax Act. For the grounds stated in the Writ Petition, PCIT has sought for the ITSC order dated 27 September 2019 to be quashed and set aside. Management believes that the aforementioned petition is not likely to have any material impact on the financial statements.

Note 49 The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses accounting software (SAP ECC 6.0 and HROne) for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software.

The Company also uses accounting software (OnePos and IDS) for maintaining sales records of the hospitality services which does not have a feature of recording audit trail (edit log) facility. Based on management assessment, the non-availability of audit trail functions will not have any impact on the performance of the accounting software, as management has all other necessary controls in place which are operating effectively.

Note 50 Events after the reporting year

Acquisition of N D Wines Private Limited :

The Company has entered into a Share Purchase Agreement dated 12 April 2024 with existing shareholders to acquire 100% shareholding of N.D. Wines Private Limited for a consideration of INR 13.10 crore. Pursuant to the above, effective 12 April 2024, N.D. Wines Private Limited becomes the wholly owned subsidiary of the Company.

Note 51 Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with struck off companies.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory year.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - 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.

Material Accounting Policy and other Explanatory Information to the Standalone Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 51 Other Statutory Information (Contd..)

- (vi) 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) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (x) The Company has not entered into any scheme of arrangement which has an accounting impact on the current or previous financial year.
- (xi) The standalone financial statements until the year ended 31 March 2023 were presented in INR million. Effective 1 April 2023, the Company has presented the financial statements in INR crore. Consequently, the financial statements for the comparative periods have also been presented in INR crore.

This is a summary of material accounting policies and other explanatory information referred to in our audit report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No. 001076N / N500013

Rakesh R. Agarwal

Partner

Membership No.109632

Place: Mumbai

Date: 8 May 2024

**For and on behalf of Board of Directors of
Sula Vineyards Limited**

Rajeev Samant

CEO and Managing Director

DIN: 00020675

Abhishek Kapoor

Chief Financial Officer

ACA: 98459

Place: Mumbai

Date: 8 May 2024

Chetan Desai

Chairman and Director

DIN: 03595319

Ruchi Sathe

Company Secretary

Membership No. A33566



Consolidated Financial Statements



Independent Auditor's Report

To
The Members of
Sula Vineyards Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

- We have audited the accompanying consolidated financial statements of Sula Vineyards Limited ('the Holding Company') and its subsidiary i.e., Artisan Spirits Private Limited (the Holding Company and its subsidiary together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.
- In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2024, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matter

- Key Audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
- We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter

Revenue Recognition

Refer Note 2(xvi) to the accompanying consolidated financial statements for the accounting policy on revenue recognition and Note 22 for the details of revenue recognised during the year.

The Group derives its revenue from sale of products (alcoholic beverages i.e. wine and spirits) to a wide network of distributors and state government corporations. Further, revenue from sale of services represents revenue from hospitality services.

Revenue recognition for sale of products and services in accordance with the principles of Ind AS 115, "Revenue from Contracts with Customers" ('Ind AS 115'), for the Group involves certain key judgements, such as, identification of performance obligations in a contract, determination of transaction price including variable consideration in the form of rebates, discounts and pay-outs to distributors under various promotional schemes offered by the Group, and assessment of satisfaction of the performance obligations represented by the transfer of control of the products sold and services rendered to the customers, including state government corporations.

How our audit addressed the key audit matter

Our audit procedures relating to revenue recognition included, but were not limited to the following procedures:

- Understood the process of revenue recognition and evaluated the appropriateness of the accounting policy adopted by the management on revenue recognition including determination of transaction price and satisfaction of performance obligations, in accordance with Ind AS 115;
- Evaluated the design and tested the operating effectiveness of relevant key controls around revenue recognition including controls over pricing, dispatch and general IT environment;
- Performed substantive testing, on a sample basis, on revenue transactions recorded during the year, and transactions recorded before and after year end by inspecting supporting documents such as customer contracts/ purchase orders, invoices, proofs of dispatch and delivery etc., to ensure the accuracy and completeness of revenue recorded for such transactions;

Key audit matter

Owing to the significance of amount, multiplicity of Group's products and revenue streams, volume of transactions, size of distribution network, nature of customers with varied terms of contracts, audit of revenue recognised during the year requires significant auditor attention and industry knowledge, and accordingly, revenue recognition is considered as a key audit matter in the current year audit.

How our audit addressed the key audit matter

- Performed substantive analytical procedures such as variance analysis on revenue to identify any unusual trends;
- Performed substantive testing by selecting a sample of discount, rebate and other pay-out transactions with distributors recorded during the year as well as period end accrual basis the promotion schemes offered by the Group;
- Evaluate the adequacy of disclosures made in the accompanying standalone financial statements in respect of revenue recognition in accordance with financial reporting framework.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

- The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's Report, Report on Corporate Governance and Management Discussion and Analysis, but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

- In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
- Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

- The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

- Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
- As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we

exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Director'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 ability of the Group 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 Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors.

12. 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.
13. 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.
14. From the matters communicated with those charged with governance we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Report on Other Legal and Regulatory Requirements

15. As required by section 197(16) of the Act based on our audit, we report that the Holding Company has paid remuneration to their director during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

Further, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the subsidiary incorporated in India whose financial statements have been audited under the Act, since such company is not a public company as defined under section 2(71) of the Act.

16. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued till date by us of companies included in the consolidated financial statements for the year ended 31 March 2024 and covered under the Act, we report that following are the qualifications/adverse remarks reported by us in the Order reports of the companies included in the consolidated financial statements for the year ended 31 March 2024 for which such Order reports have been issued till date:

S No	Name	CIN	Holding Company / subsidiary / Associate / Joint Venture	Clause number of the CARO report which is qualified or adverse
1	Artisan Spirits Private Limited	U15122MH2011PTC222280	Subsidiary	Clause (ii) (b)

17. As required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except for the matter stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
 - The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
 - On the basis of the written representations received from the directors of the Holding Company and its subsidiary, and taken on record by the Board of Directors of the Holding Company and its subsidiary, respectively covered under the Act, none of the directors of the Group companies, covered under the Act, are disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
 - The qualification relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in paragraph 17(b) above on reporting under section 143(3)(b) of the Act and paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
 - With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure I' wherein we have expressed an unmodified opinion; and
 - 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:
 - The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Notes 32(A)(i) and 32(A)(ii) to the consolidated financial statements;
 - The Holding Company and its subsidiary did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary covered under the Act, during the year ended 31 March 2024;
 - The respective management of the Holding Company and its subsidiary, incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in Note 51(v) to the accompanying consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company and its subsidiary to or in any person(s) or entity(ies), including foreign entities ('the 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 Holding Company or any such subsidiary

('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

- b. The respective managements of the Holding Company and its subsidiary whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in Note 51(vi) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary, from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any such subsidiary 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; and
- c. Based on such audit procedures performed by us, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The interim dividend declared and paid by the Holding Company during the year ended 31 March 2024 and until the date of this audit report is in compliance with section 123 of the Act.

The Final dividend paid by the Holding Company during the year ended 31 March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

Further, as stated in Note 40 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2024 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance

with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. As stated in Note 49 to the accompanying consolidated financial statements and based on our examination which included test checks, except for the matters mentioned below, the Holding Company and its subsidiary, which are companies incorporated in India and audited under the Act, in respect of financial year commencing on 1 April 2023, have used an accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

Nature of exception noted	Details of exception
Instances of accounting software for maintaining books of account which did not have a feature of recording audit trail (edit log) facility	The accounting software (OnePos and IDS) used for maintenance of sales records for the hospitality services of the Holding Company and its subsidiary did not have a feature of recording audit trail (edit log) facility.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Rakesh Agarwal

Partner

Membership No.:109632

UDIN: 24109632BKFBHX5136

Place: Mumbai

Date: 8 May 2024

Annexure I

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Sula Vineyards Limited ('the Holding Company') and its subsidiary i.e., Artisan Spirits Private Limited (the Holding Company and its subsidiary together referred to as 'the Group'), as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary company which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the 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 for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and

the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A company's internal financial controls 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 controls with reference to financial statements include 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.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Opinion

8. In our opinion, the Holding Company and its subsidiary company, which are companies covered under the Act, have in all material respects, adequate internal financial

controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Holding Company and its subsidiary company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Rakesh Agarwal

Partner

Membership No.:109632

UDIN: 24109632BKFBHX5136

Place: Mumbai

Date: 8 May 2024



Consolidated Balance Sheet

as at 31 March 2024

(Amount in INR crore)

	Note No.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	424.92	397.08
Right-of-use assets	3A	23.28	9.27
Capital work-in-progress	3B	4.82	1.91
Goodwill	4	0.85	0.85
Other intangible assets	4	5.26	6.00
Financial assets			
Investments	5	0.00	0.00
Loans	6	1.92	1.71
Other financial assets	7	57.35	36.79
Non-current tax assets (net)	8A	0.60	0.18
Other non-current assets	9	5.08	3.10
Total non-current assets		524.08	456.89
Current assets			
Inventories	10	197.84	178.86
Financial assets			
Trade receivables	11	169.60	114.54
Cash and cash equivalents	12	97.19	16.37
Bank balances other than cash and cash equivalents	13	7.73	17.39
Loans	6	1.75	1.60
Other financial assets	7	20.74	88.59
Other current assets	9	7.42	7.12
Total current assets		502.27	424.47
TOTAL ASSETS		1,026.35	881.36
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	16.88	16.85
Other equity	15	533.12	515.19
Total equity		550.00	532.04
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	51.80	54.28
Lease liabilities	17	18.25	5.79
Provisions	18	2.15	-
Deferred tax liabilities (net)	8B	19.01	18.16
Total non-current liabilities		91.21	78.23
Current liabilities			
Financial liabilities			
Borrowings	16	247.83	137.48
Lease liabilities	17	6.39	5.08
Trade payables	19		
- Total outstanding dues of micro enterprises and small enterprises		4.45	3.07
- Total outstanding dues of creditors other than micro enterprises and small enterprises		79.05	78.98
Other financial liabilities	20	20.91	21.88
Other current liabilities	21	24.76	19.76
Provisions	18	1.75	2.22
Current tax liabilities (net)	8A	-	2.62
Total current liabilities		385.14	271.09
TOTAL EQUITY AND LIABILITIES		1,026.35	881.36

The accompanying notes form an integral part of the consolidated financial statements

This is the Consolidated Balance Sheet referred to in our audit report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

Rakesh R. Agarwal
Partner
Membership No.109632

Place: Mumbai
Date: 8 May 2024

For and on behalf of Board of Directors of
Sula Vineyards Limited

Rajeev Samant
CEO and Managing Director
DIN: 00020675

Abhishek Kapoor
Chief Financial Officer
ACA: 98459
Place: Mumbai
Date: 8 May 2024

Chetan Desai
Chairman and Director
DIN: 03595319

Ruchi Sathe
Company Secretary
Membership No. A33566

Consolidated Statement of Profit and Loss

for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

	Note No.	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	22	608.65	553.47
Other income	23	7.72	3.49
Total income		616.37	556.96
Expenses			
Cost of materials consumed	24	133.85	120.45
Excise duty on sales		40.92	36.97
Purchase of stock-in-trade		17.28	21.14
Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	(17.28)	(8.47)
Employee benefits expense	26	86.95	78.22
Other expenses:			
- Selling, distribution and marketing expense	27	67.64	55.31
- Others	28	103.44	92.38
		432.80	396.00
Earnings Before Interest, Depreciation, Tax and Amortisation (EBIDTA)		183.57	160.96
Finance cost	29	26.16	21.08
Depreciation and amortisation expense	30	31.63	25.89
Profit before tax		125.78	113.99
Tax expense	8A		
Current tax		31.40	28.88
Deferred tax		1.07	1.06
		32.47	29.94
Net profit for the year (A)		93.31	84.05
Other comprehensive income/ (loss) (OCI)			
Items that will not be reclassified subsequently to the Statement of Profit and Loss			
- (Loss) / gain on remeasurement of defined benefit plans (net of taxes)	33	(0.66)	0.81
Other comprehensive (loss) / gain for the year, net of tax (B)		(0.66)	0.81
Total comprehensive income for the year (attributable to owners) (A+B)		92.65	84.86
Earnings per equity share of nominal value INR 2 each	31		
Basic (in INR)		11.06	10.19
Diluted (in INR)		11.05	10.18

The accompanying notes form an integral part of the consolidated financial statements

This is the Consolidated Statement of Profit and Loss referred to in our audit report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants
Firm Registration No. 001076N / N500013

Rakesh R. Agarwal

Partner
Membership No.109632

Place: Mumbai
Date: 8 May 2024

For and on behalf of Board of Directors of

Sula Vineyards Limited

Rajeev Samant

CEO and Managing Director
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ACA: 98459
Place: Mumbai
Date: 8 May 2024

Chetan Desai

Chairman and Director
DIN: 03595319

Ruchi Sathe

Company Secretary
Membership No. A33566



Consolidated Statement of Cash Flows

for the year ended 31 March 2024

(Amount in INR crore)

	Year ended 31 March 2024	Year ended 31 March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	125.78	113.99
Adjustments for		
Depreciation and amortisation expense	31.63	25.89
Interest expense	24.48	19.04
Interest income	(5.58)	(2.74)
Provisions no longer required written back	(2.10)	(1.41)
Profit on termination of lease agreements	(0.78)	(0.01)
Share based payment expenses	1.23	1.04
Allowance for non-moving / obsolete inventory	0.43	1.61
Government grant related to depreciable assets accrued	(0.22)	-
Loss allowance on financial assets	1.29	2.25
Unrealised exchange loss / (gain) on foreign currency translations (net)	0.01	(0.11)
(Profit) / loss on disposal of property, plant and equipment (net)	(0.62)	0.60
	49.77	46.16
Operating profit before working capital changes	175.55	160.15
Adjustments for changes in working capital:		
(Increase) in inventories	(19.42)	(18.21)
(Increase) in trade receivables	(53.01)	(7.85)
Decrease / (increase) in current/ non-current financial and other assets	50.55	(33.05)
Increase in current / non-current trade payables, other financial liabilities, other liabilities and provisions	1.96	16.64
	(19.92)	(42.47)
Cash generated from operations	155.63	117.68
Direct taxes paid (net of refund)	(34.44)	(27.77)
Net cash generated from operating activities	121.19	89.91
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, capital work-in-progress and other intangible assets (Refer note 2 below)	(59.31)	(69.11)
Payment in relation to purchase consideration of business combination	-	(0.21)
Proceeds from sale of property, plant and equipment	0.87	0.20
Government grant received	5.03	-
Loans to employees	(0.36)	(0.24)
Proceeds from maturity / (placement) of bank deposits (net)	9.72	(6.47)
Interest received	1.20	1.45
Net cash used in investing activities	(42.85)	(74.38)

Consolidated Statement of Cash Flows

for the year ended 31 March 2024

(Amount in INR crore)

	Year ended 31 March 2024	Year ended 31 March 2023
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity share capital on exercise of employee stock options (including securities premium)	2.09	96.00
Share application money pending allotment	-	0.33
Proceeds from long-term borrowings	31.42	57.42
Repayment of long-term borrowings	(33.90)	(51.21)
Proceeds from / (repayment of) short-term borrowings (net)	110.35	(43.38)
Repayment of principal portion of lease liabilities	(5.90)	(4.49)
Payment of interest on lease liabilities	(1.62)	(1.11)
Interest paid	(21.95)	(17.51)
Dividend paid	(78.01)	(45.41)
Net cash generated from / (used in) financing activities	2.48	(9.36)
Net increase in cash and cash equivalents (A+B+C)	80.82	6.17
Cash and cash equivalents at the beginning of the year	16.37	10.20
Cash and cash equivalents at the end of the year	97.19	16.37

Notes:

- The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7), Statement of Cash Flows.
- Additions include movements of capital work-in-progress, capital advances and liabilities for capital goods, including intangible assets

This is the Consolidated Statement of Cash Flows referred to in our audit report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants
Firm Registration No. 001076N / N500013

Rakesh R. Agarwal

Partner
Membership No.109632

Place: Mumbai
Date: 8 May 2024

For and on behalf of Board of Directors of

Sula Vineyards Limited

Rajeev Samant

CEO and Managing Director
DIN: 00020675

Abhishek Kapoor

Chief Financial Officer
ACA: 98459
Place: Mumbai
Date: 8 May 2024

Chetan Desai

Chairman and Director
DIN: 03595319

Ruchi Sathe

Company Secretary
Membership No. A33566

Consolidated Statement of Changes in Equity

as at and for the year ended 31 March 2024
(Amount in INR crore, unless otherwise stated)

a) Equity share capital

Particulars	Number	INR Crore
Equity shares of face value INR 2 per share issued, subscribed and fully paid-up		
As at 1 April 2022	78,598,091	15.72
Share warrants converted during the period	3,002,784	0.60
Employee stock options exercised during the year	2,656,923	0.53
As at 31 March 2023	84,257,798	16.85
Employee stock options exercised during the year	141,831	0.03
As at 31 March 2024	84,399,629	16.88

b) Other equity

Particulars	Share application money received pending allotment (A)	Reserves and surplus (B)			Money received against share warrants (C)	Other Comprehensive income/(loss) (D)	Total (A+B+C+D)
		Securities premium	Share option outstanding account	General reserve			
As at 1 April 2022	-	220.39	2.35	3.60	0.22	(0.01)	379.50
Net profit for the year	-	-	-	-	-	-	84.05
Other comprehensive gain for the year	-	-	-	-	-	-	0.81
Conversion of warrants into equity shares	-	50.45	-	-	(0.22)	-	50.23
Issue of equity shares	-	47.70	-	-	-	-	47.70
Share based payment expense	-	-	1.04	-	-	-	1.04
Exercise of employee stock options	-	-	(3.06)	-	-	-	(3.06)
Cancellation of employee stock options	-	-	(0.08)	0.08	-	-	-
Share application money received pending allotment	0.33	-	-	-	-	-	0.33
Payment of dividend	-	-	-	-	-	-	(45.41)

Consolidated Statement of Changes in Equity

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

b) Other equity (Contd..)

Particulars	Share application money received pending allotment (A)	Reserves and surplus (B)			Money received against share warrants (C)	Other Comprehensive income/(loss) (D)		Total (A+B+C+D)
		Securities premium	Share option outstanding account	General reserve		Currency fluctuation reserve		
As at 31 March 2023	0.33	318.54	0.25	3.68	192.40	(0.01)		515.19
Net profit for the year	-	-	-	-	93.31	-		93.31
Other comprehensive loss for the year	-	-	-	-	(0.66)	-		(0.66)
Share based payment expense	-	-	1.23	-	-	-		1.23
Transfer to retained earnings	-	-	-	-	(0.01)	0.01		-
Exercise of employee stock options	(0.33)	2.42	(0.03)	-	-	-		2.06
Cancellation of employee stock options	-	-	(0.26)	0.26	-	-		-
Payment of dividend	-	-	-	-	(78.01)	-		(78.01)
As at 31 March 2024	-	320.96	1.19	3.94	207.03	-		533.12

This is the Consolidated Statement of Changes in Equity referred to in our audit report of even date

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No. 001076N / N5000013

Rakesh R. Agarwal

Partner

Membership No. 109632

Place: Mumbai

Date: 8 May 2024

For and on behalf of Board of Directors of

Sula Vineyards Limited

Rajeev Samant

CEO and Managing Director

DIN: 00020675

Abhishek Kapoor

Chief Financial Officer

ACA: 98459

Place: Mumbai

Date: 8 May 2024

Chetan Desai

Chairman and Director

DIN: 03595319

Ruchi Sathe

Company Secretary

Membership No. A33566

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 1 Corporate Information

Sula Vineyards Limited (the "Holding Company", or the "Parent Company") is a Company domiciled and headquartered in Mumbai, Maharashtra, India and was incorporated under the provisions of the erstwhile Companies Act, 1956.

The Holding Company has completed its Initial Public Offer ('IPO') of its equity shares and the equity shares got listed on the National Stock Exchange of India Limited ('NSE') and BSE Limited on 22 December 2022. The Holding Company having CIN L15549MH2003PLC139352 has its registered office located at 901 Solaris One, N.S. Phadke Marg, Andheri East, Mumbai, Maharashtra, India, 400069.

The Holding Company and its subsidiaries (the Holding Company and its subsidiaries collectively referred to as the "Group"). The Group is principally engaged in the business of manufacture, purchase and sale of premium wine and other alcoholic beverages. This Consolidated financial statements of the Group for the year ended 31 March 2024 were authorised for issue in accordance with resolution of the Board of Directors on 8 May 2024.

Note 2.1 Material Accounting Policies

i. Basis of Preparation

The Consolidated financial statements of the Group have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules as amended from time to time notified under the Companies (Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India.

The Consolidated financial statements are also compliant with the disclosure requirements as made applicable to companies with effect from 1 April 2021 vide amendments to Schedule III to the Act dated 24 March 2021.

The Consolidated financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities, defined benefit plan and share based payments which have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013, (as amended from time to time) and Presentation and disclosure requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III) as amended from time to time.

The Group's Consolidated financial statements are reported in Indian Rupees, which is also the Group's functional currency, and all values are presented in INR crore, except when otherwise indicated. Further, "0.00" denotes amounts less than fifty thousand rupees.

ii. Principles of Consolidation

The Consolidated financial statements have been prepared on the following basis:

a. Subsidiary

Subsidiary is the entity which is, directly or indirectly, controlled by the Holding Company. Controls exists when the Holding Company, directly or indirectly, has power over the investee, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Consolidation of a subsidiary begins when the Holding Company, directly or indirectly, obtains control over the subsidiary and ceases when the Holding Company, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Statement of Profit and Loss from the date the Holding Company, directly or indirectly, gains control until the date when the Holding Company, directly or indirectly, ceases to control the subsidiary.

The Group combines the separate financial statements of the parent and its subsidiary line by line by adding together like items of assets, liabilities, contingent liability, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. The accounting policies of subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Holding Company.

- b. The Consolidated financial statements have been presented to the extent possible, in the same manner as Holding Company's standalone financial statements.
- c. The gains/losses in respect of part divestment/dilution of stake in subsidiary companies not resulting in ceding of control, are recognised directly in other equity attributable to the owners of the Parent Company.
- d. The gains/losses in respect of divestment of stake resulting in ceding of control in subsidiary companies are recognised in the Consolidated statement of Profit and Loss. The investment representing the interest retained in a former subsidiary, if any, is initially recognised at its fair value with the corresponding effect recognised in the Consolidated statement of Profit and Loss as on the date the control is ceded.

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Such retained interest is subsequently accounted as an associate or a joint venture or a financial asset.

- e. The Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's separate financial statements in preparing the Consolidated financial statements to ensure conformity with the Group's accounting policies, wherever necessary and practicable.
- f. Notes to the consolidated financial statements represent notes involving items which are considered material and accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and/or a parent having no bearing on the true and fair view of the financial statements has not been disclosed in this consolidated financial statements.

iii. Operating cycle and current, non-current classification

Based on the nature of services and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities. The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is current when:

- It is expected to be realised in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is expected to be realised within twelve months after the reporting period, or
- It is cash or cash equivalent.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities respectively.

iv. Accounting Estimates

The preparation of the consolidated financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

v. Key accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the Consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the Consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Consolidated financial statements.

Critical estimates and judgements

Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Examples of such estimates include estimation of useful lives of property plant and equipment, employee costs, assessments of recoverable amounts of deferred tax assets, trade receivables and cash generating units, and provisions against litigations and contingencies.

Estimates

a) Useful lives of property, plant and equipment and intangible assets

The Group has estimated the useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Group reviews the estimated useful lives and residual values of the assets at each reporting period. This reassessment

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

may result in change in depreciation and amortisation expense in the future periods.

b) Current income taxes

The tax jurisdictions for the Group is India. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

c) Provision and contingencies

Contingent Liability may arise from the ordinary course of business in relation to claims against the Group. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

d) Accounting for defined benefit plans

In accounting for post-retirement benefits, several statistical and other factors that attempt to anticipate future events are used to calculate plan expenses and liabilities. These factors include expected discount rate assumptions and rate of future compensation increases. To estimate these factors, actuarial consultants also use estimates such as withdrawal, turnover, and mortality rates which require significant judgment. The actuarial assumptions used by the Group may differ materially from actual results in future periods due to changing market and economic conditions, regulatory events, judicial rulings, higher or lower withdrawal rates, or longer or shorter participant life spans.

e) Impairment of financial/ non-financial assets

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount to determine the recoverable amount, management estimates expected future cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to

future events and circumstances. The actual results may vary, and may cause significant adjustments to the Group's assets. In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

vi. Fair Value Measurement

The Group measures financial instruments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

vii. Property, Plant and Equipment.

Property, Plant and Equipment ('PPE') are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Consolidated Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Consolidated Statement of Profit and Loss.

Bearer plants comprising of grapevines are stated at cost less accumulated depreciation and accumulated impairment losses. Immature bearer plants, including the cost incurred for procurement of new seeds and maintenance of nurseries, are carried at cost less any recognized impairment losses under capital work-in-progress. Cost includes the cost of land preparation, new planting and maintenance of newly planted bushes until maturity. On maturity, these costs are classified under bearer plants.

viii. Capital work-in-progress

Capital work-in-progress representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

ix. Goodwill and Other Intangible Assets

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess

of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

Brands acquired in a business combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition value (which is regarded as their cost). Subsequent to initial recognition, these are reported at cost less accumulated amortisation and accumulated impairment losses, if any.

Other Intangible assets are stated at cost, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably, less accumulated amortisation and accumulated impairment losses, if any. Other Intangible assets mainly comprise of implementation cost for software and other application software acquired and brand acquired through business combination.

x. Depreciation and Amortisation

Depreciation on Property, plant and equipment is calculated using the straight line method as per the estimated useful lives of assets as below:

Asset category	Useful life (in years)	Basis of determination of useful lives
Building	30 – 60	Assessed to be in line with Schedule II to the Act
Leasehold improvement	Over the lease period	-
Plant and equipment	10 – 25	Assessed to be in line with Schedule II to the Act
Furniture and fixtures	5 – 10	Management estimate [^]
Vehicles	8 – 10	Assessed to be in line with Schedule II to the Act
Office equipment	3 – 10	Management estimate [^]
Computers	3 – 6	Assessed to be in line with Schedule II to the Act
Oak barrels	4 - 15	Management estimate [^]
Bearer plants	20	Management estimate [^]

[^] Useful lives of asset classes determined by management estimate, which are generally lower than those prescribed under Schedule II to the Act are supported by internal technical assessment of the useful lives.

The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

Depreciation on additions is provided on a pro-rata basis i.e. from the date on which asset is ready for use.

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Gains and losses on disposals are determined by comparing proceeds with the carrying amounts. These are accounted in Consolidated statement of profit and loss within Other income/ Other expenses.

Amortisation on Intangible Assets

Intangible assets are amortised on a straight line basis, from the date they are available for use, over their estimated useful lives that is a period of three to ten years.

Asset category	Useful life (in years)	Basis of determination of useful lives
Brand	5-10	Management estimate
Computer software	3 – 6	Assessed to be in line with Schedule II to the Act

xi. Borrowing

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 the Consolidated Statement of Profit and Loss over the period of the borrowings using the effective interest method. Borrowings are derecognised from the Consolidated 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 Consolidated Statement of Profit and Loss as other gains/(losses). Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

xii. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial Assets

(i) Initial Recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset except for trade receivables which are initially measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way

trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

(ii) Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

• Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Consolidated Statement of Profit and Loss.

• Financial Assets Measured at Fair Value

Financial assets are measured at fair value through Other Comprehensive Income ('OCI') if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Consolidated Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL. In respect of equity investments (other than for investment in subsidiaries) which are not held for trading, the Group has made an irrevocable election to

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present subsequent changes in the fair value of such instruments in Consolidated Statement of Profit and Loss. Such an election is made by the Group on an instrument by instrument basis at the time of transition for existing equity instruments/ initial recognition for new equity instruments.

(iii) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. The Group has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of Profit and Loss.

The equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognize changes in fair value through OCI rather than profit or loss as these are strategic investments and the Group considered this to be more relevant.

(iv) Impairment of financial assets

In accordance with Ind AS 109, the Group applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group

determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity 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 Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Consolidated Statement of Profit and Loss.

(v) De-recognition of financial assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

b) Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into

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and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Financial liabilities

(i) Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below

Financial liabilities at FVPL:

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Consolidated Statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Statement of profit and loss.

(iii) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial

liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Statement of Profit and Loss.

(iv) Offsetting 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.

xiii. Employee Benefits

a) Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Group's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Consolidated Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Group has no further obligations beyond the monthly contributions.

b) Defined Benefit Plan

The Group provides for gratuity which is a defined benefit plan the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur and is not eligible to be reclassified to the Consolidated Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Consolidated Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Group's obligation into current and non-current is as per the actuarial valuation report.

c) Leave entitlement and compensated absences

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than

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short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. However, as the Group does not have an unconditional right to defer settlement for these obligations, the above liabilities are presented as current. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Consolidated Statement of Profit and Loss in the period in which they occur.

d) Short-term benefits

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Consolidated Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

xiv. Inventories

Inventories which comprise of raw materials, work-in-progress / semi-finished goods, finished goods, stock-in-trade, packing materials and consumables, stores and spares are carried at the lower of cost or net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

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. Costs of purchased inventory are determined after deducting rebates and discounts. The cost is determined as follows:

- Raw Materials, Traded goods, Packing Materials and Consumables, chemicals, stores and spares are valued using the weighted average method.
- Finished goods and work-in-progress / semi-finished goods are valued at the cost of raw materials along with fixed production overheads being allocated on the basis of normal capacity of production facilities.

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.

xv. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Group as single segment of "Manufacture,

purchase and sale of alcoholic wines and spirits". Thus, as defined in Ind AS 108 "Operating Segments", the Group's entire business falls under this one single operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

xvi. Revenue Recognition

Revenue from contracts with customers is recognised at a point in time when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue from sale of goods is inclusive of excise duties and is net of returns, trade allowances, rebates, value added taxes and such amounts collected on behalf of third parties.

Based on the Educational Material on Ind AS 115 issued by the Institute of Chartered Accountants of India ("ICAI"), the Group has assumed that recovery of excise duty flows to the Group on its own account and hence is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Therefore, revenue includes excise duty. However, sales tax/value added tax (VAT) and goods and services tax (GST) is not received by the Group on its own account and are taxes collected on value added to the commodities by the seller on behalf of the government. Accordingly, these are excluded from revenue.

(a) Revenue from sale of products

Revenue from sale of products is recognised at a point in time when control of the product transfers and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Taxes or duties collected on behalf of governments are excluded from revenue except for excise duty.

(b) Revenue from sale of services

Revenue from sale of services represents revenue from hospitality services which mainly comprise of sale of room nights, food and beverages and allied services relating to the resort and winery. Revenue is recognized at a point in time when the services are rendered. Revenue is measured at the fair value of the consideration received or receivable (net of allowances or discounts) excluding taxes or duties collected on behalf of the government.

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(c) Interest Income

Interest income is recognized using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. Interest income is included under the head "other income" in the Consolidated Statement of Profit and Loss.

(d) Other Income

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

xvii. Government Grants

Grants and subsidies from the Government are recognised when there is reasonable assurance that the grant / subsidy will be received and all attaching conditions are complied with. Government grants related to revenue under Wine Industry Promotion Subsidy linked with value added tax, are recognised in the Consolidated Statement of Profit and Loss in the period in which they become receivable. Government grants related to assets (Ministry of Food Processing Industry and Electric Vehicles) are treated as deferred income and are recognized in the net profit in the Consolidated Statement of Profit and Loss on a systematic and rational basis over the useful life of the assets.

xviii. Share Based Payments

Share based compensated benefits are provided to certain grades of employees in consideration of the services rendered. Under the equity settled share-based payment, the fair value on the grant date of the instrument given to employees is recognised as 'employee benefits expenses' with a corresponding increase in equity over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. The fair value of the options at the grant date is calculated by an independent valuer basis Black Scholes model. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. Upon exercise of share options, the proceeds received are allocated to share capital up to the par value of the shares issued with any excess being recorded as share premium.

xix. Leases

The Group's lease asset classes primarily consist of leases for land, building, vehicles and furniture. The Group assesses whether a contract contains a lease, at inception

of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of the consideration.

At the date of the commencement of the lease, the Group recognises a right-of-use asset representing its right to use the underlying asset for the lease term and a corresponding lease liability for all the lease arrangements in which it is a lease, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the period of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful life of the assets are determined on the same basis as those of property, plant and equipment.

Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Carrying amount of right-of-use asset is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The future lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. For a lease with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Right-of-use assets and lease liabilities have been separately presented in the Balance Sheet. Further, lease payments have been classified as financing cash flows.

xx. Impairment of non-financial assets

As at each Balance Sheet date, the Group assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Group determines the recoverable amount and impairment loss is recognised

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when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a Group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used. Impairment losses of continuing operations, including impairment on inventories, are recognised in the Consolidated Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Consolidated Statement of Profit and Loss.

xxi. Income Tax

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Consolidated Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

a) Current income tax

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

b) Deferred Income Tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are

recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

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.

xxii. Foreign currency transactions and balances

(a) Initial Recognition

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(b) Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(c) Treatment of Exchange Difference

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

xxiii. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity

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and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

The Group recognises a provision in respect of an onerous contract when the expected benefits to be derived from a contract is lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at lower of the expected cost of terminating the contract and the expected net cost of fulfilling the contract. Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably. Contingent assets are disclosed where an inflow of economic benefits is probable.

xxiv. Earnings per share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Group and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

xxv. Earnings Before Interest, Tax, Depreciation and amortisation (EBIDTA)

Earnings Before Interest, Tax, Depreciation and amortization (EBIDTA) is computed by adding interest (finance cost), tax expenses and depreciation and amortization expense to net profit for the period/year

Note 2.2 Recent accounting pronouncements

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Group applied for the first-time these amendments.

(i) Definition of Accounting Estimates – Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Group's consolidated financial statements.

(ii) Disclosure of Accounting Policies – Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition, or presentation of any items in the Group's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Group previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022.

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Note 3 Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Oak Barrels	Bearer Plant	Total
Gross carrying value (at deemed cost)										
As at 1 April 2022	95.02	153.30	136.74	14.55	6.46	8.75	3.63	9.19	0.29	427.93
Additions	0.36	27.16	35.33	1.98	1.85	3.48	0.71	2.95	-	73.82
Disposals	-	(0.06)	(1.11)	(0.22)	(0.10)	(0.38)	(0.27)	(0.07)	(0.01)	(2.22)
As at 31 March 2023	95.38	180.40	170.96	16.31	8.21	11.85	4.07	12.07	0.28	499.53
Additions	4.72	9.17	30.20	2.44	2.05	3.14	0.60	2.44	-	54.76
Disposals	-	(0.12)	(2.75)	(0.24)	(1.27)	(0.51)	(0.26)	-	(0.14)	(5.29)
As at 31 March 2024	100.10	189.45	198.41	18.51	8.99	14.48	4.41	14.51	0.14	549.00
Accumulated depreciation										
As at 1 April 2022	-	25.76	35.24	6.14	3.34	5.32	2.58	5.04	0.10	83.52
Depreciation charge	-	5.81	8.84	1.60	0.82	1.35	0.49	1.44	0.02	20.37
Accumulated depreciation on disposals	-	(0.06)	(0.49)	(0.13)	(0.09)	(0.35)	(0.26)	(0.06)	-	(1.44)
As at 31 March 2023	-	31.51	43.59	7.61	4.07	6.32	2.81	6.42	0.12	102.45
Depreciation charge	-	7.02	10.48	1.76	0.75	1.79	0.64	1.71	0.01	24.16
Accumulated depreciation on disposals	-	(0.12)	(1.13)	(0.09)	(0.72)	(0.17)	(0.24)	-	(0.06)	(2.53)
As at 31 March 2024	-	38.41	52.94	9.28	4.10	7.94	3.21	8.13	0.07	124.08
Net carrying value										
As at 31 March 2023	95.38	148.89	127.37	8.70	4.14	5.53	1.26	5.65	0.16	397.08
As at 31 March 2024	100.10	151.04	145.47	9.23	4.89	6.54	1.20	6.38	0.07	424.92

Notes:

- Refer note 16 for information of property, plant and equipment pledged as security against borrowings of the Group.
- Refer note 32(B) for disclosure of contractual commitments for acquisition of property, plant and equipment.
- The title deeds of all immovable properties (other than properties where the Group is the lessee and lease arrangements are duly exercised in favour of the lessee) are held in the name of the Group.

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Note 3 Property, plant and equipment (Contd..)

Note 3A Right-of-use assets

Particulars	Land	Buildings	Vehicles	Furniture	Total
Gross carrying value					
As at 1 April 2022	5.44	15.08	0.16	-	20.68
Additions	4.13	0.43	0.03	-	4.59
Disposals	(2.73)	(0.83)	(0.10)	-	(3.66)
As at 31 March 2023	6.84	14.68	0.09	-	21.61
Additions	0.28	22.63	-	0.40	23.31
Disposals	(0.06)	(14.54)	-	-	(14.60)
As at 31 March 2024	7.06	22.77	0.09	0.40	30.32
Accumulated depreciation					
As at 1 April 2022	3.60	7.64	0.14	-	11.38
Depreciation charge	1.32	3.08	0.03	-	4.43
Accumulated depreciation on disposals	(2.73)	(0.64)	(0.10)	-	(3.47)
As at 31 March 2023	2.19	10.08	0.07	-	12.34
Depreciation charge	1.40	4.95	0.02	0.07	6.44
Accumulated depreciation on disposals	-	(11.74)	-	-	(11.74)
As at 31 March 2024	3.59	3.29	0.09	0.07	7.04
Net carrying value					
As at 31 March 2023	4.65	4.60	0.02	-	9.27
As at 31 March 2024	3.47	19.48	-	0.33	23.28

Note: Refer note 39 for leases and related disclosures.

Note 3B Capital work-in-progress ('CWIP')

Particulars	Projects in progress
As at 1 April 2022	0.98
Additions	66.39
Transferred to property, plant and equipment	(65.46)
As at 31 March 2023	1.91
Additions	4.82
Transferred to property, plant and equipment	(1.91)
As at 31 March 2024	4.82

Note:

- (i) As at the reporting date, there are no project which are temporarily suspended.
- (ii) CWIP mainly comprises of solar panels, bearer plants and biogas plant.

CWIP ageing schedule:

Particulars	As at 31 March 2024	As at 31 March 2023
Less than 1 year	4.82	1.91
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	4.82	1.91

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Note 4 Intangible assets

Particulars	Brands (A)	Computer softwares (B)	Other intangible assets (C = A + B)	Goodwill (D)	Total intangible assets (E = C + D)
Gross carrying value (at deemed cost)					
As at 1 April 2022	22.19	5.19	27.38	1.35	28.73
Additions	-	0.42	0.42	-	0.42
Disposals	-	(0.07)	(0.07)	-	(0.07)
As at 31 March 2023	22.19	5.54	27.73	1.35	29.08
Additions	-	0.29	0.29	-	0.29
Disposals	(16.16)	(0.01)	(16.17)	-	(16.17)
As at 31 March 2024	6.03	5.82	11.85	1.35	13.20
Accumulated amortisation / impairment					
As at 1 April 2022	16.65	4.05	20.70	0.50	21.20
Amortisation charge	0.73	0.36	1.09	-	1.09
Reversal on disposal	-	(0.06)	(0.06)	-	(0.06)
As at 31 March 2023	17.38	4.35	21.73	0.50	22.23
Amortisation charge	0.73	0.30	1.03	-	1.03
Reversal on disposal	(16.16)	(0.01)	(16.17)	-	(16.17)
As at 31 March 2024	1.95	4.64	6.59	0.50	7.09
Net carrying value					
As at 31 March 2023	4.81	1.19	6.00	0.85	6.85
As at 31 March 2024	4.08	1.18	5.26	0.85	6.11

(a) Impairment testing for Brand

Brands are tested for impairment periodically in accordance with the Group procedure for determining the recoverable amount of such assets. The recoverable amount of the assets is based on value-in-use. The value-in-use is determined based on Royalty Relief Method.

(b) Impairment testing for Goodwill

Goodwill is tested for impairment periodically in accordance with the Group procedure for determining the recoverable amount of such assets. The recoverable amount of the CGU is based on value-in-use. The value-in-use for goodwill is determined based on discounted cash flow projections.

(c) Key assumptions used for value-in-use :

- Rate of royalty
- Discount rate
- Growth rate used to extrapolate cash flows
- Terminal growth rate

Note 5 Investments

Particulars	As at 31 March 2024	As at 31 March 2023
Investments in equity shares valued at fair value through other comprehensive income, unquoted fully paid-up		
The Saraswat Co-operative Bank	0.00	0.00
2,500 (31 March 2023: 2,500) equity shares of face value INR 10 each (31 March 2023: INR 10 each)		
Total	0.00	0.00

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(Amount in INR crore, unless otherwise stated)

Note 6 Loans

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current		
Loans		
- to employees	1.92	1.71
Total non-current loans	1.92	1.71
Current		
Loans		
- to employees	1.75	1.47
- to others	-	0.13
Total current loans	1.75	1.60
Total loans	3.67	3.31
Break-up of security details		
Loans receivable considered good - secured	-	-
Loans receivable considered good - unsecured	3.67	3.31
Loans receivable which have significant increase in credit risk	-	-
Loans receivable - credit impaired	-	-
Total	3.67	3.31

Note 7 Other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current		
Government grants receivable (Refer note 45)	52.75	32.45
Security deposits	4.57	4.27
Banks deposits with maturity of more than 12 months (pledged with excise authorities or earmarked against bank guarantees taken by the Group)	0.03	0.07
Total non-current financial assets	57.35	36.79
Current		
Government grants receivable (Refer note 45)	20.31	81.25
Security deposits	0.41	4.44
Interest accrued	0.02	0.09
Share issue expenses recoverable (Refer note 7.2)	-	2.81
Total current financial assets	20.74	88.59
Total other financial assets	78.09	125.38

Note 7.1 : Refer note 16 for information on government grant pledged as security against borrowings of the Group.

Note 7.2 : Share issue expenses recoverable represents amounts incurred by the Holding Company towards Initial Public Offer ('IPO') of the equity shares held by the selling shareholders. As per the Offer Agreement, these expenses are entirely recoverable from the selling shareholders in proportion to the shares that are offered and the same has been realised during the year ended 31 March 2024.

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(Amount in INR crore, unless otherwise stated)

Note 8A Non-current tax assets / Current tax liabilities (net)

i. The following table provide the details of income tax liabilities and tax assets:

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Income tax liabilities	91.68	60.28
(b) Income tax assets	(92.28)	(57.84)
Net Income tax (assets) / liabilities	(0.60)	2.44
Amount recognised in balance sheet		
Current income tax liabilities in case of an entity	-	2.62
Non-current tax assets in case of an entity	(0.60)	(0.18)
Net Income tax (assets) / liabilities	(0.60)	2.44

ii. The gross movement in the current income tax liabilities / income tax assets is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Net income tax liabilities at the beginning	2.44	1.24
Income tax paid (net)	(34.44)	(27.77)
Current tax expense	31.40	28.88
Interest on tax payable	-	0.09
Net income tax (assets) / liability at the end	(0.60)	2.44

iii. Income tax expense in the Consolidated Statement of Profit and Loss comprises:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current tax expense	31.40	28.88
Deferred tax expense	1.07	1.06
Income tax expenses (net) recognised in Consolidated Statement of Profit and Loss	32.47	29.94
Deferred tax credit in other comprehensive Income	(0.22)	0.24
Income tax expenses (net)	32.25	30.18

iv. A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before tax is as below:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Profit before income tax	125.78	113.99
Applicable income tax rate	25.17%	25.17%
Computed expected tax expense	31.66	28.69
Effect of expenses that are not deductible for determining taxable profits	0.33	0.17
Effect of deferred tax assets on loss of subsidiaries	0.17	1.06
Tax impact on consolidated adjustment	0.18	0.02
Other impact	0.13	-
	32.47	29.94
Earlier year tax adjustments	-	-
Income tax expense charged to the Consolidated Statement of Profit and Loss	32.47	29.94



Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

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(Amount in INR crore, unless otherwise stated)

Note 8B Deferred tax liabilities (net)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Deferred tax liabilities		
- Difference between book base and tax base of PPE and intangible assets	33.91	29.35
	33.91	29.35
(b) Deferred tax assets		
- Expenses allowable on payment basis	4.80	4.34
- Business loss / unabsorbed depreciation	4.81	0.62
- Impairment allowance on financials assets	2.41	2.58
- Others	2.88	3.65
	14.90	11.19
Total deferred tax liabilities (net)	19.01	18.16

Movement in components of (deferred tax assets) and deferred tax liabilities are as follows:

Particulars	Difference between book base and tax base of PPE and intangible assets	Expenses allowable on payment basis	Business loss / unabsorbed depreciation	Impairment allowance on financials assets	Others	Net deferred tax liabilities
	(A)	(B)	(C)	(D)	(E)	(A)-(B)-(C)- (D)-(E)
As at 1 April 2022	27.76	(4.04)	(0.33)	(2.88)	(3.65)	16.87
Charged / (credited)						
- to profit or loss	1.59	(0.54)	(0.29)	0.30	(0.00)	1.06
- to other comprehensive income	-	0.24	-	-	-	0.24
As at 31 March 2023	29.35	(4.34)	(0.62)	(2.58)	(3.65)	18.16
Charged / (credited)						
- to profit or loss	4.56	(0.24)	(4.19)	0.17	0.77	1.07
- to other comprehensive income	-	(0.22)	-	-	-	(0.22)
As at 31 March 2024	33.91	(4.80)	(4.81)	(2.41)	(2.88)	19.01

Note 8.1: In the absence of convincing evidence of future taxable profits against which unused tax losses (including unabsorbed depreciation) can be utilised, the Subsidiary Company, Artisan Spirits Private Limited has recognized deferred tax assets in respect of the below mentioned temporary differences only to the extent of deferred tax liabilities.

Loss incurred in assessment year	Losses carried forward				Carried forward valid Upto	
	As at 31 March 2024		As at 31 March 2023			
	Business loss	Unabsorbed depreciation	Business loss	Unabsorbed depreciation	Business loss	Unabsorbed depreciation
2012-13	-	0.02	-	0.02	-	Indefinite
2013-14	-	0.80	-	0.80	-	Indefinite
2014-15	-	0.71	-	0.71	-	Indefinite
2015-16	-	0.63	-	0.63	-	Indefinite
2016-17	-	0.55	-	0.55	-	Indefinite
2017-18	-	0.50	-	0.50	-	Indefinite
2018-19	0.76	0.38	0.76	0.38	2026-27	Indefinite
2019-20	2.04	0.30	2.04	0.30	2027-28	Indefinite
2020-21	2.49	0.21	2.49	0.21	2028-29	Indefinite
2023-24	12.32	2.85	12.32	2.85	2031-32	Indefinite
2024-25	-	1.48	-	-	2032-33	Indefinite

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 9 Other assets

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current		
Capital advances	3.87	1.42
Balances with government authorities	0.96	1.32
Gratuity assets (Refer note 33)	-	0.04
Prepaid expenses	0.25	0.32
Total other non-current assets	5.08	3.10
Current		
Advance to suppliers	3.35	2.75
Balances with government authorities	1.09	1.46
Prepaid expenses	2.98	2.91
Total other current assets	7.42	7.12
Total other assets	12.50	10.22

Note 10 Inventories

Particulars	As at 31 March 2024	As at 31 March 2023
Work-in-progress / Semi-finished goods	148.95	133.03
Finished goods [including provision for excise duty INR 5.13 crore (31 March 2023: INR 6.58 crore)]	24.06	24.39
Stock-in-trade [including goods-in-transit of INR 0.30 crore (31 March 2023: INR 0.33 crore)]	4.69	4.45
Consumables, stores and spares	9.18	6.58
Packing materials	10.96	10.41
Total inventories	197.84	178.86

Note 10.1: Allowance for obsolete and non moving inventories amounting to INR 0.43 crore (31 March 2023 : INR 1.61 crore) has been recognised as an expense in Consolidated Statement of Profit and Loss

Note 10.2: Refer note 16 for details on inventory pledged as security against borrowings of the Group

Note 11 Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables	169.60	114.54
Total trade receivables	169.60	114.54
Breakup of security details:		
Trade receivables considered good - secured	1.54	1.54
Trade receivables considered good - unsecured	168.06	113.00
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	5.33	8.81
	174.93	123.35
Less: Loss allowance	(5.33)	(8.81)
Total trade receivables	169.60	114.54

Notes:

11.1: Trade receivables are non-interest bearing and generally on terms of 30 to 90 days.

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 11 Trade receivables (Contd..)

11.2: There are no trade receivables due from any director or any officer of the Group, either severally or jointly with any other person, or from any firms or private companies in which any director is a partner, a director or a member.

11.3: The Group holds security deposit in respect of trade receivables.

11.4: Trade receivable ageing schedule

As at 31 March 2024	Outstanding for following periods from the transaction date						Total
	Unbilled dues	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables- considered good	0.12	152.56	13.98	1.52	0.80	0.62	169.60
(ii) Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	0.28	0.03	-	-	-	0.31
(iv) Disputed trade receivables- considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	0.71	-	0.48	2.15	1.68	5.02
	0.12	153.55	14.01	2.00	2.95	2.30	174.93

As at 31 March 2023	Outstanding for following periods from the transaction date						Total
	Unbilled dues	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables- considered good	0.04	112.07	1.93	0.34	0.14	0.01	114.53
(ii) Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	0.11	0.08	0.05	0.03	0.01	0.28
(iv) Disputed trade receivables- considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	0.69	-	2.16	2.54	3.15	8.54
	0.04	112.87	2.01	2.55	2.71	3.17	123.35

Note 12 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with banks in current accounts	97.12	16.35
Cash on hand	0.07	0.02
Total cash and cash equivalents	97.19	16.37

Note 12.1: There are no repatriation restriction with regard to cash and cash equivalents as at the end of the respective reporting periods.

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 13 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Earmarked balances with banks		
Unpaid dividend account	0.02	-
Gratuity account	0.04	-
Bank deposits with maturity of more than 3 months but less than 12 months (Represent margin money or security against borrowings, guarantee and other commitments)	7.67	17.39
Total bank balances other than cash and cash equivalents	7.73	17.39

Note 14 Equity share capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised share capital		
101,030,000 Equity shares of face value INR 2 each (31 March 2023: face value INR 2 each) (31 March 2023: 101,030,000)	20.21	20.21
Total authorised share capital	20.21	20.21
Issued, subscribed and fully paid-up equity share capital:		
84,399,629 Equity shares of face value INR 2 each (31 March 2023: face value INR 2 each) (31 March 2023: 84,257,798)	16.88	16.85
Total issued, subscribed and fully paid-up equity share capital	16.88	16.85

a. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

Particulars	Number	INR crore
As at 1 April 2022	78,598,091	15.72
Shares warrants converted during the year [Refer note 14(f)]	3,002,784	0.60
Add: Employee stock options exercised during the year [Refer note 42]	2,656,923	0.53
As at 31 March 2023	84,257,798	16.85
Add: Employee stock options exercised during the year [Refer note 42]	141,831	0.03
As at 31 March 2024	84,399,629	16.88

b. Terms/rights attached to equity shares:

The Holding Company has only one class of equity shares having a par value of INR 2 per share. Each holder of equity share is entitled to one vote per share. The Holding Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend, if any.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shareholding of more than 5%:

Name of the Shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% held	No. of shares	% held
Rajeev Samant	2,10,04,764	24.89%	2,19,21,416	26.02%
Verlinvest Asia Pte Ltd.	-	-	1,76,42,275	20.94%
HDFC Small Cap Fund	59,12,609	7.01%	10,71,459	1.27%

As per records of the Holding Company, including its register of shareholders/members the above shareholding represents both legal and beneficial ownership of shares.

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

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(Amount in INR crore, unless otherwise stated)

Note 14 Equity share capital (Contd..)

d. Shares reserved for issue under Employee Stock Options Scheme (ESOS):

As at 31 March 2024, the Holding Company has 659,400 (31 March 2023: 155,757) employee stock options issued under the Employee stock option scheme of the Holding Company to its employees. [refer note 42]

e. Bonus shares / buy back / shares for consideration other than cash issued during past five years including current year

(i) Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash

FY 2020-21 : 2,012 equity shares (face value INR 10 per share) at a premium of INR 716.93 per share

FY 2019-20 : 2,746 equity shares (face value INR 10 per share) at a premium of INR 921.76 per share

FY 2018-19 : 2,441 and 2,118 equity shares (face value INR 10 per share) at a premium of INR 750 and INR 840 per share, respectively.

(ii) Aggregate number and class of shares allotted as fully paid up by way of bonus shares - Nil

(iii) Aggregate number and class of shares bought back - Nil

f. Share warrants issued and converted

(i) As at 31 March 2023, the Holding Company issued equivalent number of equity shares of INR 2 each against convertible share warrants as follows:

Financial year in which warrants have been issued	Number of warrants outstanding as at 1 April 2022	Exercise price	Number of warrants converted during the year	No of warrants outstanding as at 31 March 2023
2018-19	1,094,759	170	1,094,759	-
2021-22	1,908,025	170	1,908,025	-
Total	3,002,784		3,002,784	-

(ii) The above warrants on conversion shall rank pari passu in all respects with the existing fully paid up equity shares of the Holding Company except for dividend which shall be pro-rata from the date of conversion.

g. Shareholding of promoters:

As on 31 March 2024

Particulars	Name of promoter	No. of shares at the beginning of the year	% of total shares	No. of shares at the end of the year	% of total shares	% change during the year
Equity shares of face value INR 2 each, fully paid-up	Rajeev Samant	2,19,21,416	26.02%	2,10,04,764	24.89%	-1.14%

As on 31 March 2023

Particulars	Name of promoter	No. of shares at the beginning of the year	% of total shares	No. of shares at the end of the year	% of total shares	% change during the year
Equity shares of face value INR 2 each, fully paid-up	Rajeev Samant	20,091,660	25.56%	2,19,21,416	26.02%	0.44%

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(Amount in INR crore, unless otherwise stated)

Note 15 Other Equity

Particulars	As at 31 March 2024	As at 31 March 2023
Reserves and Surplus		
- Securities Premium	320.96	318.54
- Share option outstanding account	1.19	0.25
- General Reserve	3.94	3.68
- Retained earnings	207.03	192.40
- Currency Fluctuation Reserve	-	(0.01)
Money received against share warrants	-	-
Share application money received pending allotment	-	0.33
	533.12	515.19

Nature and purpose of reserves

i. Securities premium

Securities premium is used to record the premium on issue of shares. The account is utilised in accordance with the provisions of the Companies Act, 2013.

ii. Share option outstanding account

The share option reserve represents reserve in respect of equity settled share options granted to the Group's employees in pursuance of the Employee Stock Option Plans.

iii. General reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn.

iv. Retained earnings

Retained earnings represents the profits / losses that the Group has earned / incurred till date including gain / (loss) on remeasurement of defined benefits plans as adjusted for distributions to owners, transfer to other reserves etc.

v. Currency fluctuation reserve

The Group recognise exchange differences arising on translation of the foreign operations in other comprehensive income and accumulated in 'Currency fluctuation reserve'.

vi. Money received against share warrants

Money received against share warrants represents the subscription amount received at the time of issue of share warrants less utilised for conversion of warrants into equity shares.

vii. Share Application money pending allotment

Represents share application money received towards equity shares of the Holding Company for which allotment is yet to be done.

Note 16 Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
I Non-current borrowings		
Secured		
Term loan from banks (Refer note 16.1)	83.03	102.02
Less: Current maturities of long-term borrowings	(31.23)	(47.74)
	51.80	54.28

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as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 16 Borrowings (Contd..)

Particulars	As at 31 March 2024	As at 31 March 2023
II Current borrowings		
Secured		
Loans from banks		
- Working capital demand loans (repayable on demand) (Refer note 16.2)	180.00	64.00
- Current maturities of long-term borrowings	31.23	47.74
	211.23	111.74
Unsecured		
- Other bank loans (Refer note 16.3)	36.60	25.74
	36.60	25.74
Total current borrowings	247.83	137.48
Total borrowings (I+II)	299.63	191.76

Note 16.1: Details of security and terms of repayment of non-current borrowings

As at 31 March 2024

Particulars	Number of installments outstanding	Amount per installment	Rate of Interest	Security
Rupee Term loan	10 Quarterly Installments	1.09	8.55% to 9.60%	First pari passu charge on Holding Company's existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	30 Monthly Installments	0.42	7.95% to 9.10%	Exclusive charge on Holding Company's assets funded out of the term loan and first pari passu charge on all the existing and future movable property, plant and equipment and charge on immovable assets.
Rupee Term loan	48 Monthly Installments	0.18	8.30% to 8.79%	First pari passu charge on all of Holding Company's existing and future movable property, plant and equipment and charge on immovable assets.
Rupee Term loan	48 Monthly Installments	0.08	8.30%	First pari passu charge on all of Holding Company's existing and future movable property, plant and equipment and charge on immovable assets.
Rupee Term loan	48 Monthly Installments	0.12	8.30%	First pari passu charge on all of Holding Company's existing and future movable property, plant and equipment and charge on immovable assets.
Rupee Term loan	48 Monthly Installments	0.11	8.30%	First pari passu charge on all of Holding Company's existing and future movable property, plant and equipment and charge on immovable assets.
Rupee Term loan	42 Monthly Installments	0.42	8.30% to 8.84%	First pari passu charge on all of Holding Company's existing and future movable property, plant and equipment and charge on immovable assets.
Rupee Term loan	2 Quarterly Installments	1.09	8.30% to 9.60%	First pari passu charge on all of Holding Company's existing and future movable property, plant and equipment and charge on immovable assets.
Rupee Term loan	2 Quarterly Installments	0.80	8.30% to 9.60%	First pari passu charge on all of Holding Company's existing and future movable property, plant and equipment and charge on immovable assets.
Rupee Term loan	2 Quarterly Installments	0.73	8.30% to 9.65%	First pari passu charge on all of Holding Company's existing and future movable property, plant and equipment and charge on immovable assets.

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(Amount in INR crore, unless otherwise stated)

Note 16 Borrowings (Contd..)

Particulars	Number of installments outstanding	Amount per installment	Rate of Interest	Security
Rupee Term loan	6 Monthly Installments	1.05	8.70% to 9.10%	Exclusive charge on Holding Company's immovable assets - commercial unit premises (building) and Wine Industry Production Subsidy (WIPS) receivable ageing more than 180 days.
Rupee Term loan	10 Quarterly Installments	0.52	9.05% to 10.05%	First pari passu on Subsidiary Company's entire property, plant and equipment, current assets, including book debts both present and future.
Rupee Term loan	10 Quarterly Installments	0.15	9.20% to 10.15%	First pari passu on Subsidiary Company's entire property, plant and equipment, current assets, including book debts both present and future.
Rupee Term loan	6 Quarterly Installments	0.04	9.20% to 10.15%	First pari passu on Subsidiary Company's entire property, plant and equipment, current assets, including book debts both present and future.

As at 31 March 2023

Particulars	Number of installments Outstanding	Amount per installment	Rate of Interest	Security
Rupee Term loan	6 quarterly installments	1.03	7.75% to 8.60%	First pari passu charge on Holding Company's all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	2 quarterly installments	1.12	7.35% to 9.05%	First pari passu on Holding Company's all the existing and future movable property, plant and equipment and exclusive charge on immovable assets - commercial unit premises (building).
Rupee Term loan	4 quarterly installments	1.25	7.75% to 9.45%	First pari passu charge on Holding Company's all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	6 quarterly installments	0.75	7.75% to 8.60%	First pari passu charge on Holding Company's all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	6 quarterly installments	0.69	7.80% to 8.65%	First pari passu charge on Holding Company's all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	10 monthly installments	0.56	7.20% to 8.80%	Exclusive charge on Holding Company's immovable assets and Wine Industry Production Subsidy (WIPS) receivable ageing more than 180 days
Rupee Term loan	18 monthly installments	1.11	7.95% to 8.70%	Exclusive charge on Holding Company's immovable assets and Wine Industry Production Subsidy (WIPS) receivable ageing more than 180 days
Rupee Term loan	14 quarterly installments	1.09	7.80% to 8.55%	First pari passu charge on Holding Company's all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	48 monthly installments	0.42	7.95%	Exclusive charge on Holding Company's assets funded out of the term loan and First pari passu charge on all the existing and future movable property, plant and equipment and charge on immovable assets



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Note 16 Borrowings (Contd..)

Particulars	Number of installments Outstanding	Amount per installment	Rate of Interest	Security
Rupee Term loan	48 monthly installments	0.34	7.69% to 8.64%	First pari passu charge on Holding Company's all the existing and future movable property, plant and equipment and charge on immovable assets
Rupee Term loan	13 quarterly installments	0.06	8.95% to 9.20%	First pari passu on Subsidiary Company's entire fixed assets and current assets, including book debts both present and future.
Rupee Term loan	14 quarterly installments	0.67	8.95% to 9.20%	First pari passu on Subsidiary Company's entire fixed assets and current assets, including book debts both present and future.

Note 16.2: Working capital demand loans facilities of the Holding Company are repayable on demand. They carry interest rate ranging from 7.63% to 8.75% p.a. (31 March 2023: 7.25% to 8.81%) and are secured by all existing and future current assets, movable and immovable property, plant and equipment.

Working capital demand loans of subsidiary company are repayable on demand. They carry interest rate of 8.25% to 10.05% p.a. (31 March 2023: 8.60% to 8.95% p.a.) and are secured by first pari passu on entire property, plant and equipment and current assets, including trade receivables both present and future.

Note 16.3: Other Bank loans of Holding Company carry interest ranging from 7.17% to 7.50% p.a. (31 March 2023: 7.20% to 7.50% p.a.) and are repayable within 1 year.

Note 16.4: The Group is in compliance with the applicable debt covenants prescribed in the terms of borrowings. Also, there has been no default in repayment of borrowings and payment of interest during the year.

Note 16.5: Net debt reconciliation

An analysis of net debt of the Group and the movement in net debt for the years ended 31 March 2024 and 31 March 2023 is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
(A) Non-current borrowings	51.80	54.28
(B) Current borrowings	247.83	137.48
(C) Interest payable	2.61	1.70
(D) Cash and cash equivalents	(97.19)	(16.37)
Net debt (E)=(A+B+C+D)	205.05	177.09

Particulars	Liabilities from financing activities			Other assets	Net debt
	Non-current borrowings (A)	Current borrowings (B)	Interest payable (C)	Cash and cash equivalents (D)	(E) = (A+B+C+D)
Balances as at 1 April 2022	48.07	180.86	1.37	(10.20)	220.10
Net increase in cash and cash equivalents	-	-	-	(6.17)	(6.17)
Proceeds from long-term borrowings	57.42	-	-	-	57.42
Repayment of long-term borrowings	(51.21)	-	-	-	(51.21)
Net repayment of short-term borrowings	-	(43.38)	-	-	(43.38)
Interest expense	-	-	17.84	-	17.84
Interest paid	-	-	(17.51)	-	(17.51)

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Note 16 Borrowings (Contd..)

Particulars	Liabilities from financing activities			Other assets	Net debt
	Non-current borrowings (A)	Current borrowings (B)	Interest payable (C)	Cash and cash equivalents (D)	(E) = (A+B+C+D)
Balances as at 31 March 2023	54.28	137.48	1.70	(16.37)	177.09
Net increase in cash and cash equivalents	-	-	-	(80.82)	(80.82)
Proceeds from long-term borrowings	31.42	-	-	-	31.42
Repayment of long-term borrowings	(33.90)	-	-	-	(33.90)
Net repayment of short-term borrowings	-	110.35	-	-	110.35
Interest expense	-	-	22.86	-	22.86
Interest paid	-	-	(21.95)	-	(21.95)
Balances as at 31 March 2024	51.80	247.83	2.61	(97.19)	205.05

Refer note 39 for reconciliation of lease liabilities.

Note 16.7: Disclosures pursuant to the requirement as specified under Paragraph 6(L)(ix) (a) and (b) of the General Instructions for preparation of Balance Sheet of Schedule III to the Act:

Sula Vineyards Limited (Holding Company)

Year ended 31 March 2024

During the year ended 31 March 2024, the quarterly statements of current assets filed by the Holding Company with banks are in agreement with the books of account.

Year ended 31 March 2023

During the year ended 31 March 2023, the quarterly statements of current assets filed by the Holding Company with banks are in agreement with the books of account except for the following;

Quarter ended	Name of Bank	Particulars	Amount as per books	Amount reported in the quarterly return/ statement	Differences	Reason for variances
March 2023	HDFC Bank	Inventories	169.24	169.57	(0.33)	The difference is due to submissions being made basis provisional financial information prior to the Holding Company's financial reporting closure process.
	Axis Bank					
	Saraswat Bank					
	Kotak Mahindra Bank					
	Yes bank					
	HDFC Bank	Trade	104.74	105.01	(0.27)	
	Axis Bank	Receivables				
	Saraswat Bank					
June 2022	Kotak Mahindra Bank					The difference is due to submissions being made basis provisional financial information prior to the Holding Company's financial reporting closure process.
	Yes bank					
	HDFC Bank	Inventories	143.77	140.41	3.36	
	Axis Bank					
	Saraswat Bank					
	Kotak Mahindra Bank					
	Yes Bank					
	HDFC Bank	Trade	74.38	75.32	(0.94)	
	Axis Bank	Receivables				
	Saraswat Bank					
	Kotak Mahindra Bank					
	Yes Bank					

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(Amount in INR crore, unless otherwise stated)

Note 16 Borrowings (Contd..)

Artisan Spirits Private Limited (subsidiary)

Year ended 31 March 2024

During the year ended 31 March 2024, the quarterly statements of current assets filed by the subsidiary with banks are in agreement with the books of account except for the following;

Quarter ended	Name of Bank	Particulars	Amount as per books of accounts	Amount reported in the quarterly return/ statement	Differences	Reason for variances
March 2024	SBM Bank	Trade	12.31	12.13	0.18	The difference is due to submissions being made basis provisional financial information prior to the financial reporting closure process by the subsidiary.
	HDFC Bank	Receivables				
December 2023	SBM Bank	Trade	12.00	12.09	(0.09)	
	HDFC Bank	Receivables				
September 2023	SBM Bank	Trade	8.90	7.42	1.48	
		Receivables				
June 2023	SBM Bank	Trade	7.51	7.45	0.06	
		Receivables				

Year ended 31 March 2023

During the year ended 31 March 2023, the quarterly statements of current assets filed by the subsidiary with banks are in agreement with the books of account except for the following;

Quarter ended	Name of Bank	Particulars	Amount as per books of accounts	Amount reported in the quarterly return/ statement	Differences	Reason for variances
March 2023	SBM Bank	Inventories	9.68	9.87	(0.19)	The difference is due to submissions being made basis provisional financial information prior to the financial reporting closure process by the subsidiary.
		Trade Receivables	9.95	9.74	0.21	
June 2022	SBM Bank	Inventories	12.67	12.40	0.27	

Note 17 Lease Liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current	18.25	5.79
Current	6.39	5.08
Total lease liabilities	24.64	10.87

Note: Refer note 39 for Leases and related disclosures

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(Amount in INR crore, unless otherwise stated)

Note 18 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current		
Provision for employee benefits (Refer note 33)		
- Gratuity	2.15	-
Total non-current provisions	2.15	-
Current		
Provision for employee benefits (Refer note 33)		
- Gratuity	0.10	0.03
- Compensated absences	1.65	2.19
Total current provisions	1.75	2.22
Total provisions	3.90	2.22

Note 19 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises (Refer note 19.2)	4.45	3.07
Total outstanding dues of creditors other than micro enterprises and small enterprises	79.05	78.98
Total trade payables	83.50	82.05

Note 19.1 : Trade payables are non-interest bearing and are normally settled as per the payment terms stated in the contract.

Note 19.2 : Dues to micro, small and medium enterprises to the extent information available with the Group is given below:

Details of amount due under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are as under:

Particulars	As at 31 March 2024	As at 31 March 2023
(a) The principal amount and the interest due thereon remaining unpaid to supplier as at the end of year		
- Principal amount due to micro and small enterprises	4.45	3.07
- Interest due	-	0.01
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	0.09	0.15
(d) The amount of interest accrued and remaining unpaid at the end of the year	0.09	0.17
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	0.50	0.42



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Note 19 Trade payables (Contd..)

Note 19.3: Trade payable ageing schedule

As at 31 March 2024	Outstanding from following year from the due date						Total
	Unbilled dues	Not due	Less than one year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1.32	3.13	-	-	-	4.45
(ii) Others	18.97	8.84	48.76	2.11	0.28	0.09	79.05
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-
	18.97	10.16	51.89	2.11	0.28	0.09	83.50

As at 31 March 2023	Outstanding from following year from the due date						Total
	Unbilled dues	Not due	Less than one year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1.29	1.78	-	-	-	3.07
(ii) Others	17.62	10.70	49.87	0.50	0.08	0.20	78.96
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	0.02	0.02
	17.62	11.99	51.65	0.50	0.08	0.22	82.05

Note 20 Other current financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Interest accrued and due to MSME vendors	0.50	0.42
Interest accrued but not due	2.61	1.70
Others		
- Liability for capital goods	8.02	9.42
- Security deposits	3.00	3.03
- Due to employees	6.61	7.16
- Dividend payable	0.02	-
- Purchase consideration payable towards business combination	0.15	0.15
Total other current financial liabilities	20.91	21.88
Other financial liabilities carried at amortised cost	20.91	21.88
Other financial liabilities carried at FVTPL	-	-

Note 21 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Advance from customers	1.30	0.92
Statutory dues payable	18.65	18.84
Deferred government grant (refer note 45)	4.81	-
Total other current liabilities	24.76	19.76

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Note 22 Revenue from operations

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(a) Sale of products (including excise duty)	504.06	462.75
(b) Sale of services	54.72	44.96
(c) Other operating revenues	49.87	45.76
Total revenue from operations (a+b+c)	608.65	553.47

Note 22.1: Information of disaggregated revenue as per Ind AS 115

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(A) Based on nature of product or service:		
(a) Sale of products		
- Manufactured goods	449.52	405.05
- Traded goods	54.54	57.70
	504.06	462.75
(b) Sale of services	54.72	44.96
(c) Other operating revenues		
- Government grant	47.06	43.93
- Provisions no longer required written back (net)	2.10	1.41
- Others	0.71	0.42
	49.87	45.76
Total revenue from operations (a+b+c)	608.65	553.47
(B) Based on timing of revenue recognition:		
Products transferred at a point of time	504.06	462.75
Services transferred at a point of time	54.72	44.96

The amounts receivable from customers become due after expiry of credit year which on an average ranges between 30-90 days. There is no significant financing component in any transaction with the customers. The Group does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. Further, the Group's entire business falls under single operating segment of "Manufacture, purchase and sale of alcoholic beverages (wine and spirits)" (Refer note 44).

Reconciliation of revenue from operations with contract price as required by Ind AS 115

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Contract price	647.99	584.66
Add: Excise duty	40.92	36.97
Less: Items offset against revenue from contracts with customers as required under Ind AS 115	(130.13)	(113.92)
Revenue from sale of products and services	558.78	507.71

Note 22.2: The following table gives details in respect of contract revenues generated from the top customer and top 5 customers

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from top customer	93.26	82.74
Revenue from top five customers	224.11	199.09

For the year ended 31 March 2024, single customer (31 March 2023: single customer), individually accounted for more than 10% of sale of products and services amounting to INR 93.26 crore (31 March 2023: INR 82.74 crore)

Note 22.3: Refer note 45 for disclosure on government grants

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Note 23 Other income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(a) Interest income		
- on financial assets measured at amortised cost	4.45	1.42
- on bank deposits	0.79	0.94
- on tax refund	-	0.01
- on others	0.34	0.37
	5.58	2.74
(b) Other non-operating income		
- Insurance claim	0.27	0.25
- Exchange gain (net)	0.03	0.31
- Rent Income	0.06	0.05
- Profit on cancellation of lease agreement	0.78	-
- Profit on disposal of property, plant and equipment (net)	0.62	-
- Government grant	0.39	-
- Miscellaneous income	(0.00)	0.15
	2.14	0.75
Total other income	7.72	3.49

Note 24 Cost of materials consumed

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(a) Stock as at the beginning of the year		
- Raw materials	-	-
- Packing materials	10.41	7.81
	10.41	7.81
(b) Add: Purchases		
- Raw materials	78.14	71.53
- Packing materials	56.26	51.52
	134.40	123.05
(c) Less: Stock at the end of the year		
- Raw materials	-	-
- Packing materials	10.96	10.41
	10.96	10.41
(d) Total cost of materials consumed (a+b-c)		
- Raw materials	78.14	71.53
- Packing materials	55.71	48.92
Total cost of materials consumed	133.85	120.45

Note 25 Changes in inventories of finished goods, work-in-progress / semi finished goods and stock-in-trade

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(a) Opening stock		
- Finished goods	24.39	21.27
- Work-in-progress/ Semi-finished goods	133.03	120.24
- Stock-in-trade	4.45	8.65
	161.87	150.16

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Note 25 Changes in inventories of finished goods, work-in-progress / semi finished goods and stock-in-trade (Contd..)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(b) Closing stock		
- Finished goods	24.06	24.39
- Work-in-progress/ Semi-finished goods	148.95	133.03
- Stock-in-trade	4.69	4.45
	177.70	161.87
(c) (Increase) / decrease in excise duty on finished goods	(1.45)	3.24
	(1.45)	3.24
Total changes in inventories of finished goods, work-in-progress and stock-in-trade (a-b+c)	(17.28)	(8.47)

Note 26 Employee benefits expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	77.98	70.16
Contribution to provident and other fund (Refer note 33)	2.40	1.87
Director sitting fees (net of reversal) (Refer note 35)	0.60	0.76
Defined benefit plans (Refer note 33)	1.41	1.57
Share based payment expenses	1.23	1.04
Staff welfare expenses	3.33	2.82
Total employee benefits expense	86.95	78.22

Note 27 Selling, distribution and marketing expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Sales promotion expenses	50.42	41.81
Commission expenses	9.75	7.61
Marketing expense	7.47	5.89
Total selling, distribution and marketing expenses	67.64	55.31

Note 28 Other expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Consumption of stores, spares and consumables	15.26	13.68
Power and fuel	10.22	9.07
Repairs and maintenance		
- Building	1.04	0.90
- Plant and Machinery	3.49	2.87
- Others	6.22	4.46
Rates and taxes	6.52	6.88
Insurance	0.95	0.92
Security charges	3.35	2.66
Travelling and conveyance	7.11	4.96
Rent (Refer note 39)	1.12	1.16
Payment to auditor (Refer note below)	0.92	0.78

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Note 28 Other expenses (Contd..)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Legal and professional fees	7.40	8.67
Commission	0.12	0.12
Restaurant expenses	9.56	8.18
Resort maintenance expenses	8.06	5.93
Freight and handling charges	10.46	9.76
Loss allowance on financial and non-financial assets (net)	1.29	2.25
Loss on disposal of property, plant and equipment (net)	-	0.60
Corporate social responsibility expenses	1.44	0.72
Printing, stationary, postage and telephone expenses	1.69	1.58
Office expenses	2.70	1.98
Miscellaneous expenses	4.52	4.25
Total other expenses	103.44	92.38

Note 28.1: Payment to auditor *

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
- for statutory audit	0.65	0.61
- for limited review	0.25	0.09
- for other services (certification)	0.01	0.06
- for reimbursement of expenses	0.01	0.02
	0.92	0.78

* Excluding Nil (31 March 2023: INR 1.84 crore) towards attest services in connection with Initial Public Offering

Note 29 Finance costs

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest on:		
- loan from banks	21.18	16.78
- lease liabilities (Refer note 39)	1.62	1.11
- income tax	-	0.09
- others	1.68	1.06
	24.48	19.04
Other borrowing costs	1.68	2.04
Total finance costs	26.16	21.08

Note 30 Depreciation and amortisation expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation on PPE (Refer note 3)	24.16	20.37
Depreciation on right-of-use assets (Refer note 3A)	6.44	4.43
Amortisation of intangible assets (Refer note 4)	1.03	1.09
Total depreciation and amortisation expense	31.63	25.89

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Note 31 Earnings per share (EPS)

Basic and diluted EPS

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A. Profit computation for basic earnings per share of INR 2 each:		
Net profit as per the Consolidated Statement of Profit and Loss available for equity shareholders of parent (INR crore)	93.31	84.05
B. Weighted average number of equity shares for calculating basic earning per share	8,43,89,018	8,24,61,907
Add: Effect of dilution on account of employee stock options outstanding	60,085	81,387
Weighted average number of equity shares adjusted for calculating diluted earning per share	8,44,49,103	8,25,43,294
Nominal Value	2	2
C. Earnings per share		
- Diluted EPS (INR)	11.06	10.19
- Diluted EPS (in INR)	11.05	10.18

Note 32 Contingent liabilities and commitments

A. Contingent liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
i) Disputed liability related to stamp duty	1.54	1.54
ii) Others	0.10	0.24

iii) Provident Fund:

Based on the judgement by the Honorable Supreme Court dated 28 February 2019, past provident fund liability, is not determinable at present, in view of uncertainty on the applicability of the judgement to the Group with respect to timing and the components of its compensation structure. In absence of further clarification, the Group has been legally advised to await further developments in this matter to reasonably assess the implications on its consolidated financial statements, if any.

Note: It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. The Group does not expect any reimbursements in respect of the above contingent liabilities. Future cash outflows in respect of the above are determinable only on receipt of judgments / decisions pending with various forums/ authorities. The Group does not expect any outflow of economic resources in respect of the above and therefore no provision is made in respect thereof.

B. Other Commitments

Particulars	As at 31 March 2024	As at 31 March 2023
Capital commitments (net of capital advances)	17.59	4.29

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Note 33 Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

I Defined benefit obligations - Gratuity (funded)

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

Particulars	31 March 2024	31 March 2023
a) Changes in defined benefit obligations		
Present value of the obligation as at the beginning of the year	14.66	14.15
Current service cost	1.41	1.41
Interest cost	1.00	0.90
Remeasurements - Net actuarial (gain) /loss	1.36	(1.22)
Benefits paid	(0.72)	(0.58)
Present value of the obligation as at the end of the year	17.71	14.66
b) Changes in fair value of plan assets of the gratuity plan		
Plan assets at the beginning of the year	14.67	11.56
Interest income	1.00	0.74
Contribution by employer	0.03	3.12
Benefits paid	(0.72)	(0.57)
Remeasurements - Net actuarial (gain) /loss	0.48	(0.17)
Actual return on plan assets (excluding interest income)	0.00	(0.01)
Fair value of the plan assets at the end of the year	15.46	14.67
Net amount recognised in Consolidated Balance Sheet		
Present value of the obligation as at the end of the year	17.71	14.66
Fair value of the plan assets at the end of the year	15.46	14.67
Net gratuity liability recognised in Consolidated Balance Sheet	2.25	0.03
Net gratuity assets recognised under other non-current assets in Consolidated Balance Sheet	-	0.04
Classification under liabilities in Consolidated Balance Sheet:		
Current provisions	0.10	0.03
Non-current provisions	2.15	-
c) Expenses (net) recognised in the Consolidated Statement of Profit and Loss		
Interest cost (net)	0.00	0.16
Current service cost	1.41	1.41
Total	1.41	1.57
d) Remeasurement losses / (gain) recognised in OCI		
Remeasurement - Net actuarial gain/(loss) on defined benefit obligations	1.36	(1.22)
Remeasurement - Net actuarial gain/(loss) on plan assets	(0.48)	0.16
Adjustment to recognize asset ceiling	-	0.01
	0.88	(1.05)
Tax effect on above	(0.22)	0.24
Total	0.66	(0.81)

Note: Expected contribution payable to the plan in next year is INR 0.10 crore (31 March 2023: INR 0.03 crore)

e) Movement in asset ceiling

Particulars	31 March 2024	31 March 2023
Opening value of asset ceiling	-	-
Interest on opening balance of asset ceiling	-	-
Remeasurements due to changes in deficit	-	-
Closing value of asset ceiling	-	-

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(Amount in INR crore, unless otherwise stated)

Note 33 Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits (Contd..)

f) Actuarial assumptions

Particulars	31 March 2024	31 March 2023
(i) Economic assumptions:		
Discount rate	7.20%	7.45%
Salary escalation rate	Staff: 10%, until year 1 inclusive, then 11.00% Director: 15.00%	Staff: 11%, Director: 15.00% until year 1 inclusive, then 11.00%
(ii) Demographic assumptions:		
Mortality rate	Indian Assured Lives Mortality (2012-2014)	Indian Assured Lives Mortality (2012-2014)
Attrition rate:		
- For ages 21-30 years	15.50% p.a.	13.50% p.a.
- For ages 31-40 years	5.50% p.a.	8.50% p.a.
- For ages 41-50 years	9.50% p.a.	8.50% p.a.
- For ages 51-57 years	9.50% p.a.	12.00% p.a.

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 in the employment market.

g) Investment details of plan assets

Major Categories of Plan Assets:	31 March 2024	31 March 2023
Insurer managed funds	100%	100%

The Gratuity Scheme is invested in a New Group Gratuity Cash Accumulation Plan Policy offered by Life Insurance Corporation of India (LIC) and Aditya Birla Sunlife Insurance Company Limited. The expected rate of return on plan assets is based on market expectations, at the beginning of the year, for returns over the entire life of the related obligation.

h) Sensitivity analysis for significant assumption is as below:

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant. The significant actuarial assumptions are discount rate and salary escalation rate.

Particulars	For the Year ended	
	31 March 2024	31 March 2023
i. Impact of change in discount rate on defined benefit obligations:		
Present value of obligation at the end of the year		
a) Impact due to increase by 0.50%	(0.64)	(0.41)
b) Impact due to decrease by 0.50%	0.70	0.43
ii. Impact of change in salary on defined benefit obligations:		
Present value of obligation at the end of the year		
a) Impact due to increase by 0.50%	0.57	0.36
b) Impact due to decrease by 0.50%	(0.54)	(0.35)

Sensitivities due to mortality and withdrawals are not material and hence the impact of change due to these are not calculated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied when calculating the provision for defined benefit plan recognised in the Consolidated Balance Sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

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(Amount in INR crore, unless otherwise stated)

Note 33 Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits (Contd..)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it provides an approximation of the sensitivity of the assumptions shown.

Risk exposure:

The defined benefit plan is exposed to a number of risks, the most significant of which are detailed below:

- a) **Salary increases** - Actual salary increases will increase the obligation. Increase in salary escalation rate assumption in future valuations will also increase the obligation.
- b) **Investment risk** - If plan is funded then assets/liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the obligation.
- c) **Discount rate** - Reduction in discount rate in subsequent valuations can increase the obligation.
- d) **Mortality and disability** - Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the obligation.
- e) **Withdrawals** - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact obligation.

i) Maturity analysis of defined benefit obligation

Particulars	As at 31 March 2024	As at 31 March 2023
Within the next 12 months	4.49	2.32
Between 2 and 5 years	4.88	8.05
Beyond 5 years	25.93	14.65
Total expected payments	35.30	25.02

Note :

- (i) The weighted average duration to the payment of these cash flows for the Holding Company is 7.45 years (31 March 2023 : 5.42 years)
- (ii) The weighted average duration to the payment of these cash flows for the Subsidiary Company is 10.30 years (31 March 2023 : 14.44 years)

II Defined contribution plans

The Group also has certain defined contribution plans. The contributions are made to registered provident fund, Employees State Insurance Corporation ('ESIC') administered by the Government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plans are as follows.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
a) Following amounts have been charged in the Consolidated Statement of Profit and Loss for the year:		
(i) Contribution to provident fund	2.35	1.83
(ii) Contribution to ESIC	0.05	0.04
	2.40	1.87

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(Amount in INR crore, unless otherwise stated)

Note 33 Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits (Contd..)

III Compensated absences

The leave obligations (compensated absences) cover the Groups' liability for sick and privilege leaves. The amount of provision with respect to leave obligation of INR 1.65 crore (31 March 2023 : INR 2.19 crore) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The reversal of provision recognised during the year is INR 0.54 crore [31 March 2023 : expense recognised of INR 0.83 crore].

IV Current/ non-current classification as at end of the year

Particulars	As at 31 March 2024	As at 31 March 2023
a) Gratuity		
(i) Current provisions	0.10	0.03
(ii) Non-current provisions	2.15	-
	2.25	0.03
(iii) Non-current prepaid gratuity (under other non-current assets)	-	(0.04)
Net gratuity liability / (assets) recognised in Consolidated Balance Sheet	2.25	(0.01)
b) Compensated absences		
Current	1.65	2.19
	1.65	2.19

Note 34 Financial instruments

The fair value of the financial assets are included at amounts at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair value:

- Fair value of cash and cash equivalents and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments
- Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

A Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2024 were as follows:

Particulars	Refer note	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Financial assets / liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:						
Investments	5	-	-	0.00	0.00	0.00
Loans	6	3.67	-	-	3.67	3.67
Trade receivables	11	169.60	-	-	169.60	169.60
Cash and cash equivalents	12	97.19	-	-	97.19	97.19
Bank balances other than cash and cash equivalents	13	7.73	-	-	7.73	7.73
Other financial assets	7	78.09	-	-	78.09	78.09
Liabilities:						
Borrowings	16	299.63	-	-	299.63	299.63
Lease Liabilities	17	24.64	-	-	24.64	24.64
Trade payables	19	83.50	-	-	83.50	83.50
Other financial liabilities	20	20.91	-	-	20.91	20.91

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 34 Financial instruments (Contd..)

The carrying value and fair value of financial instruments by categories as at 31 March 2023 were as follows:

Particulars	Refer note	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Financial assets / liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:						
Investments	5	-	-	0.00	0.00	0.00
Loans	6	3.31	-	-	3.31	3.31
Trade receivables	11	114.54	-	-	114.54	114.54
Cash and cash equivalents	12	16.37	-	-	16.37	16.37
Bank balances other than cash and cash equivalents	13	17.39	-	-	17.39	17.39
Other financial assets	7	125.38	-	-	125.38	125.38
Liabilities:						
Borrowings	16	191.76	-	-	191.76	191.76
Lease Liabilities	17	10.87	-	-	10.87	10.87
Trade payables	19	82.05	-	-	82.05	82.05
Other financial liabilities	20	21.88	-	-	21.88	21.88

B Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at:

Particulars	31 March 2024			31 March 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Investments in equity shares	-	-	0.00	-	-	0.00

Note 35 Disclosure in accordance with Ind AS 24 Related Party Disclosures

A. Names of related parties and nature of relationship

(a) Holding Company (having control over the entity)

Verlinvest Group SA (Until 19 December 2022)

(b) Fellow subsidiaries

Verlinvest Asia Pte Ltd. (Until 19 December 2022)

Verlinvest S.A (Until 19 December 2022)

Cofintra S.A. (Until 19 December 2022)

Verlinvest France S.A (Until 19 December 2022)

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 35 Disclosure in accordance with Ind AS 24 Related Party Disclosures (Contd..)

(c) Key management personnel (KMP)

Rajeev Samant	Chief Executive Officer and Managing Director
Chetan Desai	Chairman and Independent Director
Arjun Anand	Independent Director
Roberto Italia	Director (resigned w.e.f 29 February 2024)
Alok Vajpeyi	Independent Director
Sangeeta Pendurkar	Independent Director
Riyaaz Amlani	Independent Director (appointed w.e.f 19 April 2023)
Nicholas Cator	Director (appointed w.e.f 9 November 2023)
Chaitanya Rath	Chief Operating Officer (resigned w.e.f 30 September 2023)
Karan Vasani	Chief Operating Officer (appointed w.e.f 1 October 2023)
Bittu Varghese	Chief Financial Officer (resigned w.e.f 9 June 2023)
Abhishek Kapoor	Chief Financial Officer (appointed w.e.f 28 August 2023)
Ruchi Sathe	Company Secretary
Kinjal Govani	Company Secretary of Subsidiary Company

(d) Relatives of Key Management Personnel:

Bharat Samant ^^	Brother of Rajeev Samant
Suresh Samant ^^	Father of Rajeev Samant
Sulabha Samant ^^	Mother of Rajeev Samant

^^ During the year ended 31 March 2023, Rajeev Samant (CEO and Managing Director) had entered into a Family Settlement cum Separation Agreement with the aforementioned relatives along with certain other members of the family. However, these parties continue to be considered as 'Relatives' in accordance with section 2(77) of the Companies Act, 2013.

B. Nature of Transactions

Transactions with related parties:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Sale of products		
Rajeev Samant	0.02	0.01
Purchase of property, plant and equipment		
Rajeev Samant	3.34	-
Purchase of raw materials		
Rajeev Samant	1.12	0.60
Conversion of share warrants into equity shares		
Rajeev Samant	-	47.04
Alok Vajpeyi	-	3.84
	-	50.88

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Director's sitting fees		
Arjun Anand	0.17	0.20
Chetan Desai	0.13	0.17
Alok Vajpeyi	0.14	0.19
Roberto Italia	-	0.07
Sangeeta Pendurkar	0.14	0.13
Riyaaz Amlani	0.07	-
Nicholas Cator	0.02	-
	0.67	0.76

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 35 Disclosure in accordance with Ind AS 24 Related Party Disclosures (Contd..)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Reversal of director sitting fees		
Roberto Italia	0.07	-
Repayment of lease liabilities		
Rajeev Samant	0.29	0.31
Commission expense		
Chetan Desai	0.12	0.12
Compensation to key managerial personnel[^]		
Rajeev Samant	4.53	3.99
Chaitanya Rathi	1.16	2.32
Bittu Varghese	0.16	1.16
Ruchi Sathe	0.31	0.27
Abhishek Kapoor	0.79	-
Karan Vasani	0.54	-
Kinjal Govani	0.11	0.08
	7.60	7.82

Note : The transactions with related parties are made on terms equivalent to those prevailing in arm's length transaction.

C) Outstanding balances:

Particulars	As at 31 March 2024	As at 31 March 2023
Trade and other payables		
Rajeev Samant	0.49	0.03
Roberto Italia	-	0.08
Chetan Desai	0.11	0.11
	0.60	0.22
Other receivables		
IPO expense recoverable from selling shareholder ^{**}	-	2.81
	-	2.81
Payable towards compensation to key managerial personnel		
Rajeev Samant	0.88	0.78
Chaitanya Rathi	-	0.33
Bittu Varghese	0.01	0.19
Ruchi Sathe	0.03	0.04
Abhishek Kapoor	0.09	-
Karan Vasani	0.11	-
Kinjal Govani	0.01	-
	1.13	1.34

[^] Compensation to key managerial personnel does not include (i) provisional gratuity liability and compensated absences valued by an actuary, as separate figures are not available and (ii) reimbursement of expenses related to business.

^{**} The Holding Company had completed its Initial Public Offer (IPO) of 26,900,530 equity shares of face value of INR 2 each at an issue price of INR 357 per share (including a share premium of INR 355 per share) that were listed on National Stock Exchange of India Limited (NSE) and Bombay Stock exchange Limited (BSE) on 22 December 2022. Entire IPO comprised of offer to sale of 26,900,530 equity shares by selling shareholders.

During the previous year ended 31 March 2023 the Holding Company has incurred expenses aggregating to INR 52 crores towards various services availed in connection with aforesaid IPO under the terms of agreement executed between the Holding Company and respective service providers. Such expenses have been recovered from the selling shareholders during the year ended 31 March 2023 and the balance recoverable amount of INR 2.81 crore from selling shareholders has been presented under other current financial assets in these financial statements as at 31 March 2023. The aforesaid balance has been recovered during the current year.

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

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(Amount in INR crore, unless otherwise stated)

Note 36 Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

i Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk and foreign currency risk. Major financial instruments affected by market risk includes loans and borrowings.

a. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's total debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Group's profit before tax and other equity is affected by change in interest rate by 50 bps on floating rate borrowings, as follows:

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	0.50% increase	0.50% decrease	0.50% increase	0.50% decrease
Impact on profit before tax and other equity	(0.90)	0.90	(0.32)	0.32

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

b. Foreign currency risk

Although, the exchange rate between the rupee and foreign currencies has changed in recent years, it has not affected the results of the Group. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies. There are earnings from customers in foreign currency which act as a natural hedge against foreign currency risk.

The following table analysis foreign currency risk from financial instruments as at 31 March 2024:

Particulars	USD	EUR	GBP	AUD	Others *
Assets					
Trade receivables	0.53	1.38	-	-	-
	0.53	1.38	-	-	-
Liabilities					
Trade payables	0.01	0.73	-	0.40	-
Liabilities for capital goods	-	0.07	-	-	-
	0.01	0.80	-	0.40	-
Net assets / (liabilities)	0.52	0.58	-	(0.40)	-

The following table presents the foreign currency risk from financial instruments as at 31 March 2023:

Particulars	USD	EUR	GBP	AUD	Others **
Assets					
Trade receivables	0.87	1.31	0.21	-	-
	0.87	1.31	0.21	-	-

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

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(Amount in INR crore, unless otherwise stated)

Note 36 Financial risk management objectives and policies (Contd..)

Particulars	USD	EUR	GBP	AUD	Others **
Liabilities					
Trade payables	0.45	0.60	-	0.02	0.00
Liabilities for capital goods	-	0.48	-	-	-
	0.45	1.08	-	0.02	0.00
Net assets / (liabilities)	0.42	0.23	0.21	(0.02)	(0.00)

** Includes Emirates Dirham

Note:

The Group's exposure of foreign currency financial instruments as at respective reporting dates is not material and consequentially the impact on Statement of Profit and Loss and other equity due to fluctuation in exchange rates would also be immaterial. Therefore, the disclosure for sensitivity analysis not been included in the consolidated financial statements.

ii Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, financial assets. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

a Trade receivables (net of loss allowance)

Trade receivables are unsecured and mainly includes two types of customer i.e. receivables from sales to government corporations and receivables from sales to private parties. A substantial portion of the Group's trade receivables are from government corporation customers having strong credit worthiness. Considering Group's historical experience of collecting receivable, credit risk is low. Hence, trade receivables are considered to be a single class of financial assets.

Particulars	As at 31 March 2024		As at 31 March 2023	
	INR crore	%	INR crore	%
Trade receivables				
- from government corporation	96.40	56.84%	57.75	50.42%
- from private parties	73.20	43.16%	56.79	49.58%
Total trade receivables (Refer note 11)	169.60	100.00%	114.54	100.00%

The movement of the allowance for lifetime expected credit loss is stated below:

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	8.81	7.84
Reversal of provision (net)	(0.08)	2.02
Bad debts written off during the year	(3.40)	(1.05)
Balance at the end of the year	5.33	8.81

b Financial assets other than trade receivables

Financial assets other than trade receivables comprise of cash and cash equivalents, bank balances other than cash and cash equivalents, government grant receivables and loan to employees. The Group monitors the credit exposure on these financial assets on a case-to-case basis. In case of bank balances and deposits, risk is considered low since the counterparties are reputed organisations with no history of default to the Group.

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(Amount in INR crore, unless otherwise stated)

Note 36 Financial risk management objectives and policies (Contd..)

iii Liquidity risk

Liquidity is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities:

As at 31 March 2024	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
Borrowings	180.00	67.83	51.80	-	299.63
Trade payables	-	83.50	-	-	83.50
Lease liabilities	-	8.44	20.78	-	29.22
Other financial liabilities	-	20.91	-	-	20.91
	180.00	180.68	72.58	-	433.26

As at 31 March 2023	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
Borrowings	64.00	73.48	54.28	-	191.76
Trade payables	-	82.05	-	-	82.05
Lease liabilities	-	5.83	6.35	-	12.17
Other financial liabilities	-	21.88	-	-	21.88
	64.00	183.24	60.63	-	307.86

Note 37 Capital management

The primary objective of the Group's capital management is to maximise the shareholder's wealth. The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors of the Holding Company monitor the return on capital employed as well as the level of dividend to shareholders.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a debt equity ratio, which is total debt divided by total capital.

Particulars	As at 31 March 2024	As at 31 March 2023
Total debt	299.63	191.76
Total equity	550.00	532.04
Total debts to equity ratio (Gearing ratio)	0.54	0.36

In the long run, the Group's strategy is to continue to maintain the gearing ratio of less than 0.75. In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current or previous financial year.

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

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(Amount in INR crore, unless otherwise stated)

Note 38 Interest in other entities - Subsidiaries

The Group's subsidiaries are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

Name of the entity	Country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests		Principal activities
		31 March 2024	31 March 2023	31 March 2024	31 March 2023	
Artisan Spirits Private Limited	India	100.00%	100.00%	-	-	Business of manufacturing of wines and trading of alcoholic beverages
Sula International Limited^	United Kingdom	-	-	-	-	Business of trading of alcoholic beverages

^Sula International Limited, a wholly owned subsidiary had been struck off w.e.f 19 April 2022.

Note 39 Leases - Ind AS 116

Right-of-use Assets:

- (i) The net carrying value of right-of-use assets as at 31 March 2024 amounts to INR 23.28 crore (31 March 2023: INR 9.27 crore) have been presented on the face of the Consolidated Balance Sheet (Refer note 3A)

Lease liabilities:

The carrying value of lease liabilities disclosed in Consolidated Balance Sheet is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Current lease liabilities	6.39	5.08
Non-current lease liabilities	18.25	5.79
Total lease liabilities	24.64	10.87

- (ii) The following is the movement in lease liabilities:

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at the beginning of the year	10.87	10.98
Additions during the year	23.31	4.59
Interest accrued on lease liabilities during the year	1.62	1.11
Payment of lease liabilities	(7.52)	(5.60)
Termination during the year	(3.64)	(0.21)
Closing balance	24.64	10.87

- (iii) The table below provides details regarding the contractual maturities of lease liabilities (undiscounted):

Lease liabilities	Carrying amount	Contractual cash flows (undiscounted)			
		Total	0-1 year	1-5 years	5 years and above
31 March 2024	24.64	29.22	8.44	20.78	-
31 March 2023	10.87	12.17	5.83	6.35	-

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 39 Leases - Ind AS 116 (Contd..)

The Group recognised the following in the Consolidated Statement of Profit and Loss:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation on right-of-use assets (Refer notes 3A and 30)	6.44	4.43
Interest on lease liabilities (Refer note 29)	1.62	1.11
Rent expense pertaining to leases with less than or equal to 12 months of lease included under rent expenses (Refer note 28)	1.12	1.16

Note 40 Dividend on equity shares

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Dividend on equity shares		
Final dividend declared for the year ended 31 March 2023 of INR 5.25 (31 March 2022: INR 2.40) per equity share of face value INR 2 each	44.25	19.58
Interim dividend for the year ended 31 March 2024 of INR 4.00 (31 March 2023: INR 3.10) per equity share of face value INR 2 each	33.76	25.83
	78.01	45.41

Proposed dividend on equity shares not recognised as liability *

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Final dividend for the year ended 31 March 2024 of INR 4.50 per equity share (31 March 2023: INR 5.25 per share) of face value INR 2 each	37.98	44.25

*The Board of Directors at its meeting held on 8 May 2024 have recommended a payment of final dividend of INR 4.50 per equity share of INR 2 each for the financial year ended 31 March 2024. The above is subject to approval at the ensuing Annual General Meeting of the Holding Company and hence not recognised as liability.

Note 41 Unhedged foreign currency exposure

Particulars	Currencies	As at 31 March 2024		As at 31 March 2023	
		Foreign currency	Amount in INR	Foreign currency	Amount in INR
Trade receivables	USD	63,356	0.53	1,06,339	0.87
	EUR	1,52,987	1.38	1,46,269	1.31
	GBP	-	-	20,944	0.21
Trade payables	USD	729	0.01	54,802	0.45
	EUR	81,494	0.73	67,304	0.60
	AUD	73,162	0.40	4,469	0.02
	Others**	-	-	1,262	0.00
Liabilities for capital Goods	EUR	8,280	0.07	54,153	0.48

** Includes Emirates Dirham

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 42 Disclosures required pursuant to Ind AS 102 - Share Based Payment

The Holding Company has granted stock options under the employee stock option schemes. As at 31 March 2024, Employee stock option scheme, ESOS 2023 and ESOS 2021 are in existence. These options would vest based on the vesting conditions as per letter of grant executed between the Holding Company and the employee of the Holding Company. Each option when exercised would be converted into one fully paid-up equity share of face value INR 2 each of the Holding Company. The relevant details of the scheme, grant and activity under ESOS scheme are summarized below:

A. The number and weighted average exercise prices of, and movements in, share option:

Particulars	No. of Options	Weighted average exercise price
Options outstanding as at 1 April 2022	2,811,510	170.00
Options granted during the year	54,870	170.00
Options forfeited/lapsed/expired during the year	(53,700)	170.00
Options exercised during the year *	(26,56,923)	170.00
Options outstanding as at 31 March 2023 ^	1,55,757	170.00
Options outstanding as at 1 April 2023	1,55,757	170.00
Options granted during the year (ESOS 2021)	59,200	170.00
Options granted during the year (ESOS 2023)	6,05,000	470.00
Options forfeited/lapsed/expired during the year	(18,726)	170.00
Options exercised during the year *	(1,41,831)	170.00
Options outstanding as at 31 March 2024 ^	6,59,400	445.25

* The weighted average share price at the date of exercise of option was INR 454.16 (31 March 2023: INR 166.39) per share.

^ The options outstanding as at 31 March 2024 are with the weighted average exercise price of INR 445.25 per share (31 March 2023: INR 170.00 per share). The weighted average of the remaining contractual life is 2.73 years. (31 March 2023: 1.03 years)

B. Fair value of the options has been calculated using Binomial/Black Scholes Pricing Model. The following inputs were used to determine the fair value for options granted during the year:

Particulars	ESOS 2020 (2) 1 Year Vesting year	ESOS 2020 (3) 1 Year Vesting year	ESOS 2021 1 Year Vesting year	ESOS 2021 (2) 1 Year Vesting year	ESOS 2021 (3) 1 Year Vesting year	ESOS 2021 (4) ^ 2 Year Vesting year
Date of Grant	15 July 2021	19 May 2022	30 July 2021	19 May 2022	25 Mar 2023	01 June 2023
Market Price (INR)	122.8	155.10	122.8	155.10	359.25	423.35
Expected life (in years)	1.17	1.25	1.61	1.25	1.26	2.26
Volatility*	43.03%	46.91%	43.07%	46.91%	44.48%	48.73%
Risk Free rate (%)	3.78%	5.43%	4.15%	5.43%	7.03%	6.76%
Exercise Price	170	170	170	170	170	170.00
Dividend Yield (%)	2.44%	3.16%	2.44%	3.16%	1.36%	1.97%
Option Fair Value (INR)	9.68	27.20	13.54	27.20	199.96	265.3

Particulars	ESOS 2023 ^ 3 Year Vesting year	ESOS 2021 (5) ^ 1 Year Vesting year
Date of Grant	20 February 2024	01 September 2023
Market Price (INR)	569.10	489.50
Expected life (in years)	3.25	1.25
Volatility*	39.16%	32.82%
Risk Free rate (%)	6.96%	6.90%
Exercise Price	470.00	170.00
Dividend Yield (%)	1.47%	1.71%
Option Fair Value (INR)	226.45	323.25

Notes:

- Expected volatility reflects assumption that the historical volatility over a year similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 42 Disclosures required pursuant to Ind AS 102 - Share Based Payment (Contd..)

- ii) Above mentioned schemes also existed as at 31 March 2023, except for ESOS 2021 (4), ESOS 2021 (5) and ESOS 2023 and consequently disclosure for previous year have not been given separately.

Note 43 The Holding Company had a disputed excise duty demand of INR 115.90 crore in respect of which the Holding Company had preferred an appeal and stay was granted by Hon'ble Minister for State Excise, Maharashtra ('Minister') in earlier years. On 7 March 2024, the Minister has passed an order wherein the aforementioned demand of INR 115.90 crore has been set aside and matter now stands disposed off in favor of the Holding Company.

Note 44 Segment reporting

- (a) The Group is engaged in the business of manufacture, purchase and sale of alcoholic wines and spirits. The Executive Committee of the Group (being the Chief Operating Decision Maker) assesses performance and allocates resources for the business of the Group as a whole and hence the management considers Group's business activities as a single operating segment.
- (b) The geographical segments have been considered for disclosure as the secondary segment, under which the domestic segment includes sales to customers located in India and overseas segment includes sales to customer located outside India.

The following information discloses external revenues and non-current assets based on the physical location of the customers.

Particulars	31 March 2024		31 March 2023	
	India	Outside India	India	Outside India
Revenue from operations	600.83	7.82	544.09	9.38
Non-current assets	524.08	-	456.89	-

Note 45 Government grants

The disclosures pursuant to Ind AS 20 'Accounting for Government Grant and Disclosure of Government Assistance' are as follows:

Government Grants relate to Wine Incentive Promotion Subsidy (WIPS)

Particulars	31 March 2024	31 March 2023
Government grants at the beginning of the year	113.70	87.69
Add: Government grant accrued during the year	47.06	43.93
Less: Government grant received during the year	(92.10)	(19.32)
Add: Interest on financial assets carried at amortised cost	4.40	1.40
Government grants at the end of the year	73.06	113.70
Current	20.31	81.25
Non-current	52.75	32.45

Government Grants relate to Wine Incentive Promotion Subsidy (WIPS) scheme launched by the state of Maharashtra. Under the WIPS scheme, Value Added Tax (VAT) paid by Group on wine manufactured from grapes produced in Maharashtra including blending of wine manufactured from grapes purchased within the state of Maharashtra and subsequently sold in Maharashtra is eligible for 80% refund. The Group being involved in the business of manufacturing and sale of wine, avails WIPS incentive. There are no unfulfilled conditions or contingencies attached to these grants.

Government Grants relate to Electric Vehicle

The government grants relates to asset i.e., purchase of electric vehicles and accordingly will be recognised on straight line basis over the period of 5 years. There are no unfulfilled conditions or contingencies attached to these grants.

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 45 Government grants (Contd..)

Government Grants relate to CEFPPC scheme received from MOFPI

Government Grants relate to Creation / Expansion of Food processing and preservation capacities (CEFPPC scheme) under Ministry of Food processing Industries. Under this scheme, expenses incurred on purchase of plant, property and equipment by the Holding Company towards expansion of cellar door facility are reimbursed to Holding Company by way of grant in aid as per scheme document. There are no unfulfilled conditions or contingencies attached to these grants. As the grant relates to assets, the same will be treated as deferred income and will be recognized in the Consolidated Statement of Profit and Loss on a systematic and rational basis over the useful life of the related PPE.

Government Grants relate to Electricity for Industries in Vidarbha, Marathwada, Uttar Maharashtra & D, D+ area

This government grant relate to region based subsidy for industries in Vidarbha, Marathwada, Uttar Maharashtra & D, D+ area declared by Government of Maharashtra and is recognised in the year in which it is earned.

Note 46 Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements

As at and for the year ended 31 March 2024

Name of entity consolidated	Country of incorporation	% of voting power as at 31 March 2024	Net assets i.e. total assets less total liabilities		Share in Profit / (Loss)		Share in other Comprehensive income/ (loss)		Share in total Comprehensive income/ (loss)	
			Amount	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss) after tax	Amount	As % of consolidated other comprehensive income / (loss)	Amount	As % of consolidated total Comprehensive income/ (loss)
Parent Company										
Sula Vineyards Limited	India	-	575.27	104.59%	94.69	101.48%	(0.64)	96.97%	94.05	101.52%
Subsidiaries										
Artisan Spirits Private Limited	India	100%	2.56	0.47%	(0.72)	-0.77%	(0.02)	3.03%	(0.74)	-0.80%
Total			577.83	105.06%	93.97	100.71%	(0.66)	100.00%	93.31	100.72%
Adjustments arising out of consolidation			(27.83)	-5.06%	(0.66)	-0.71%	-	-	(0.66)	-0.72%
			550.00	100.00%	93.31	100.00%	(0.66)	100.00%	92.65	100.00%

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 46 Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements (Contd..)

As at and for the year ended 31 March 2023

Name of entity consolidated	Country of incorporation	% of voting power as at 31 March 2023	Net assets i.e. total assets less total liabilities		Share in Profit / (Loss)		Share in other Comprehensive income/ (loss)		Share in total Comprehensive income/ (loss)	
			Amount	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss) after tax	Amount	As % of consolidated other comprehensive income / (loss)	Amount	As % of consolidated total Comprehensive income/ (loss)
Parent Company										
Sula Vineyards Limited	India	-	555.91	104.49%	88.32	105.08%	0.72	88.89%	89.04	104.93%
Subsidiaries										
Artisan Spirits Private Limited	India	100%	3.30	0.62%	(4.21)	-5.01%	0.09	11.11%	(4.12)	-4.86%
Sula International Limited *	United Kingdom	100%	-	-	-	-	-	-	-	-
Total			559.21	105.11%	84.11	100.07%	0.81	100.00%	84.92	100.07%
Adjustments arising out of consolidation			(27.17)	-5.11%	(0.06)	-0.07%	-	-	(0.06)	-0.07%
			532.04	100.00%	84.05	100.00%	0.81	100.00%	84.86	100.00%

* For the period 1 April 2022 to 19 April 2022



Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 47 Disclosure of ratios

Particulars	Formula for computation	Measure (In times / percentage)	As at 31 March 2024	As at 31 March 2023
a Current Ratio	Current assets / Current liabilities	Times	1.30	1.57
b Debt Equity Ratio	Debt / Equity	Times	0.54	0.36
c Debt Service Coverage Ratio	EBITDA / (Finance costs + Principal repayment of long term borrowings within one year)	Times	3.20	2.34
d Return on Equity	Profit after tax / Average shareholder's fund	Percentage	17.25%	18.13%
e Inventory Turnover Ratio	Cost of goods sold / Average inventory	Times	0.71	0.78
f Trade Receivable Turnover Ratio	Revenue from sale of product and services / Average trade receivables	Times	3.93	4.53
g Trade Payable Turnover Ratio	Purchases / Average trade payables	Times	1.83	1.93
h Net Capital Turnover Ratio	Revenue from operations / Working capital	Times	5.20	3.61
i Net Profit Ratio	Profit after tax / Revenue from operations	Percentage	15.33%	15.19%
j Return on Capital Employed (ROCE)	EBIT / Capital employed	Percentage	25.25%	23.04%
k Return on Investment (ROI)	Not applicable	N.A.	N.A.	N.A.

Notes:

- Debt = Non-current borrowings + Current borrowings
- Net worth = Paid-up share capital + Reserves created out of profit - Accumulated losses- Share application money received pending allotment
- EBITDA = Earnings before finance costs, depreciation expense, tax
- Cost of goods sold = Cost of materials consumed + Purchase of stock-in-trade + Changes in inventories of finished goods, stock-in-trade and work-in-progress
- Purchases = Purchase of stock-in-trade + Cost of materials consumed + Closing inventory of raw materials and packing materials - Opening inventory of raw materials and packing materials
- Working Capital = Current assets - Current liabilities
- EBIT = Earnings before interest and tax
- Capital employed = Total equity + Non-current borrowings
- Average shareholder's fund= (Opening total equity + closing total equity) / 2

Disclosure of change in ratio by more than 25%

Particulars	% Variance in ratio between 31 March 2024 and 31 March 2023	Reason for Variance
a Current Ratio	-17%	Refer note below
b Debt Equity Ratio	50%	Owing to increase in total debt
c Debt Service coverage Ratio	37%	Owing to increase in EBITDA
d Return on Equity	-5%	Refer note below
e Inventory Turnover Ratio	-9%	Refer note below

Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 47 Disclosure of ratios (Contd..)

Particulars	% Variance in ratio between 31 March 2024 and 31 March 2023	Reason for Variance
f Trade Receivable Turnover Ratio	-13%	Refer note below
g Trade Payable Turnover Ratio	-5%	Refer note below
h Net Capital Turnover Ratio	44%	Owing to increase in revenue from operation
i Net Profit Ratio	1%	Refer note below
j Return on Capital Employed (ROCE)	10%	Refer note below
k Return on Investment (ROI)	N.A.	N.A.

Note: Since the change in ratio is less than 25%, no explanation is required to be disclosed.

Note 48 During the current year, Principal Commission of Income Tax ('PCIT') has filed a Writ Petition in the Bombay High Court challenging the legality of the order dated 27 September 2019 passed by the Income Settlement Commissioner ('ITSC') under Sec 245D(4) of Income Tax Act. For the grounds stated in the Writ Petition, PCIT has sought for the ITSC order dated 27 September 2019 to be quashed and set aside. Management believes that the aforementioned petition is not likely to have any material impact on the consolidated financial statements.

Note 49 The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Group uses accounting software (SAP ECC 6.0 and HROne) for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software.

The Group also uses accounting software (OnePos and IDS) for maintaining sales records of the hospitality services which does not have a feature of recording audit trail (edit log) facility. Based on management assessment, the non-availability of audit trail functions will not have any impact on the performance of the accounting software, as management has all other necessary controls in place which are operating effectively.

Note 50 Events after the reporting period

Acquisition of N D Wines Private Limited :

The Holding Company has entered into a Share Purchase Agreement dated 12 April 2024 with existing shareholders to acquire 100% shareholding of N.D. Wines Private Limited for a consideration of INR 13.10 crore. Pursuant to the above, effective 12 April 2024, N.D. Wines Private Limited becomes the wholly owned subsidiary of the Holding Company.

Note 51 Other Statutory Information

- The Group does not have any Benami property, where any proceeding have been initiated or pending against the Group for holding any Benami property.
- The Group does not have any transactions with companies struck off.
- The Group has not entered into any scheme of arrangement which has an accounting impact on the current or previous financial period.
- The Group has not traded or invested in Crypto currency or Virtual Currency during the current or previous year.



Material Accounting Policy and other Explanatory Information to the Consolidated Financial Statements

as at and for the year ended 31 March 2024

(Amount in INR crore, unless otherwise stated)

Note 51 Other Statutory Information (Contd..)

- (v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or
 - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Group 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 Group 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) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix) The Group has complied with the number of layers prescribed under the Companies Act, 2013.
- (x) The consolidated financial statements until the year ended 31 March 2023 were presented in INR million. Effective 1 April 2023, the Group has presented the consolidated financial statements in INR crore. Consequently, the consolidated financial statements for the comparative periods have also been presented in INR crore.

This is a material accounting policy information and other explanatory information referred to in our audit report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No. 001076N / N500013

Rakesh R. Agarwal

Partner

Membership No.109632

Place: Mumbai

Date: 8 May 2024

**For and on behalf of Board of Directors of
Sula Vineyards Limited**

Rajeev Samant

CEO and Managing Director

DIN: 00020675

Abhishek Kapoor

Chief Financial Officer

ACA: 98459

Place: Mumbai

Date: 8 May 2024

Chetan Desai

Chairman and Director

DIN: 03595319

Ruchi Sathe

Company Secretary

Membership No. A33566

Notice of Annual General Meeting

NOTICE is hereby given that the **TWENTY FIRST ANNUAL GENERAL MEETING (21st AGM)** of the members of **SULA VINEYARDS LIMITED** will be held on **Wednesday, June 26, 2024 at 11.00 AM (IST)** through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

- a. the audited standalone financial statements of the Company for the financial year ended March 31, 2024 including balance sheet as at March 31, 2024 the statement of profit and loss and cash flow statement for the financial year ended on that date together with the reports of the board of directors and the statutory auditors thereon; and
- b. the audited consolidated financial statements of the Company for the financial year ended March 31, 2024 including balance sheet as at March 31, 2024 the statement of profit and loss and cash flow statement for the financial year ended on that date together with the report of the statutory auditors thereon.

2. To consider and declare final dividend for financial year 2023-24 and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the recommendation made by the board of directors, a dividend at the rate of Rs. 4.50/- per equity share be and is hereby declared out of profits of financial year 2023-24 to the equity shareholders of the Company whose names appear in the Registrar of Members of the Company as on May 22, 2024."

3. Re-appointment of Director in the place of retiring director

To re-appoint Nicholas Cator (DIN 07068629), who retires by rotation and being eligible offers himself for re-appointment.

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

"RESOLVED THAT pursuant to the provisions of section 152 of the Companies Act, 2013 and rules made

thereunder (including any statutory modification and re-enactment thereof) and other applicable provisions, if any of the Companies Act, 2013, **Mr. Nicholas Cator (DIN 07068629)** who is liable to retire by rotation at the 21st Annual General Meeting and being eligible has offered himself for appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS

4. Regularization of appointment of Mr. Deepak Shahdadpuri (DIN 00444270) as a Non-Executive Director.

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

"RESOLVED THAT pursuant to the provisions of Sections 152 and all other applicable provisions of the Companies Act, 2013 read with rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and as per relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and the Articles of Association of the Company, pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Deepak Shahdadpuri (DIN: 00444270), who was appointed as an Additional Non-Executive Director of the Company in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as a Non-Executive Director of the Company with effect from April 04, 2024 whose office shall be liable to retire by rotation

By Order of the Board of Directors
FOR **SULA VINEYARDS LIMITED**

Ruchi Sathe

Company Secretary & Compliance Officer
Membership No. A33566

Place: Mumbai
Date: May 8, 2024

Registered Office:

901, Solaris One,
N.S. Phadke Marg,
Andheri (E), Mumbai – 400 069 Ruchi Sathe
CIN: L15549MH2003PLC139352



NOTES:

1. VIRTUAL MEETING

- a. Pursuant to the Circular No. 14/2020 dated April 08, 2020 Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs ("MCA") followed by Circular No. 20/2020 dated May 05, 2020 Circular No. 02/2021 dated January 13, 2021 General Circular No. 21/2021 dated December 14, 2021 Circular No. 02/2022 dated May 05, 2022 Circular No. 10/2022 dated December 28, 2022 and Circular No. 09/2023 dated September 25, 2023 all other relevant circulars issued from time to time in this respect ("MCA Circulars"), has inter-alia, permitted conduct of AGMs through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility on or before September 30, 2024 wherein physical attendance of the Members to the AGM venue is not required and general meeting be held through OAVM. Hence, Members can attend and participate in this AGM through VC/OAVM. Since the AGM is being held through VC/ OAVM facility, the route map is not annexed in this Notice.
- b. The deemed venue for this AGM shall be the registered office of the Company.
- c. Facility of joining the AGM through VC facility for members shall open 30 minutes before the time scheduled for the AGM and shall be open till expiry of 15 (fifteen) minutes after such scheduled time. Alternatively, members can also view the proceedings of the AGM through live webcast facility available at <https://www.evoting.nsdl.com>.
- d. Members may note that the VC/ OAVM facility provided by National Securities Depository Limited allows participation of at least one thousand members on a first-come-first-served basis. The large members (i.e. members 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. can attend the AGM without any restriction on account of first-come-first-served basis.

2. ELECTRONIC DISPATCH OF ANNUAL REPORT AND NOTICE OF THE 21st ANNUAL GENERAL MEETING

- a. Pursuant to SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 and MCA Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company / Depositories.
- b. Members may note that the Notice and Annual Report for the financial year 2023-24 will also be available on the Company's website www.sulawines.com, websites of the Stock

Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and website of National Securities Depository Limited at <https://evoting.nsdl.com/>

- c. In case any member is desirous of obtaining hard copy of the Annual Report for the financial year 2023-24 and Notice of the AGM of the Company, he may send request to the Company's email address at cs@sulawines.com mentioning Folio No./ DP ID and Client ID.

3. PROCESS FOR REGISTRATION OF E-MAIL ADDRESSES:

To support the 'Green Initiative', members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with M/s KFin Technologies Limited in case the shares are held by them in physical form for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

We request you to provide the ISR -1 and 2 Forms for the updation of KYC and signature respectively. As email Id updation is part of KYC, you may download the form from the link <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>

4. PROXY

Pursuant to the provisions of the Companies Act, 2013 ("the Act"), a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. However, in terms of the MCA circulars, as this AGM is being held through VC / OAVM, and physical attendance of Members has been dispensed with, accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and therefore the Proxy Form and Attendance Slip are not annexed to this Notice.

Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. AUTHORISED REPRESENTATIVE

In pursuance of Section 112 and Section 113 of the Act, Institutional / Corporate Shareholders (i.e. other than individuals HUF, NRI. Etc.) are required to send a scanned copy (PDF / JPG Format) of its Board or governing body Resolution / Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting.

The said Resolution / Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to Mr. Martinho Ferrao at mferraocs@yahoo.com with a copy marked to the Company Secretary of the Company at cs@sulawines.com



6. DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT

The material facts in respect of the business under Item Nos. 3 and 4 set out above and the details as required under Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India and Regulation 36(3) of the SEBI Listing Regulations, in respect of the persons seeking re-appointment as Director at the AGM, is Annexure and forms part of this Notice.

7. DOCUMENT OPEN FOR INSPECTION

The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and Certificate from the secretarial auditor of the Company under Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be available for inspection in electronic form by the members during the AGM. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the company during office hours on all working days except Saturdays between 11.00 a.m. and 1.00 p.m. up to the date of the AGM.

The transcript of the AGM will be uploaded on the website of the Company after the AGM.

8. UPDATION OF RECORDS, KYC AND OTHER QUERIES

- a. Members are requested to direct notifications about change of name / address, email address, telephone / mobile numbers, PAN, Nomination, power of attorney, bank account details or any other information to their respective depository participant(s) (DP) in case the shares are held in electronic mode or to M/s KFin Technologies Limited, Registrar and Share Transfer Agents (RTA) of the Company at inward.ris@kfintech.com in case the shares are held in physical form.
- b. SEBI vide its Circulars dated November 3, 2021 and December 14, 2021 has mandated furnishing of PAN, KYC details and Nomination / opt out of Nomination, by holders of physical securities. Folios wherein any one of the abovementioned details are not registered by October 1, 2023 shall be frozen. The concerned Members are therefore urged to furnish PAN, KYC and Nomination/ opt out of Nomination by submitting the prescribed forms duly filled and signed by sending a physical copy of the prescribed forms to M/s KFin Technologies Limited, Selenium Tower B, Plot Nos. 31 & 32 Financial District, Nanakramguda, Serilingampally Mandal, Rangareddi, Hyderabad, Telangana India -500032
- c. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks

associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Company's Registrar and Share Transfer Agent, M/s. KFin Technologies Limited for assistance in this regard

- d. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz. Issue of duplicate securities certificate; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Further SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/65 dated May 18, 2022 has simplified the procedure and standardized the format of documents for transmission of securities. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be. The said form can be downloaded from the website of the Company and RTA.
- e. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
- f. SEBI has vide circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 read with circular no. SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2023/37 dated March 16, 2023 mandated furnishing of PAN, KYC and Nomination by Members holding shares in physical form. In view of the same, it may be noted that any service request can be processed only after the folio is PAN, KYC and Nomination compliant. The concerned shareholders are requested to furnish the requisite documents/ information at the earliest. Nonavailability of the same on or after October 1, 2023 shall result in freezing of the folios of such shareholders pursuant to the aforesaid SEBI circular. Any payments including dividend in respect of such frozen folios shall only be made electronically with effect from April 1, 2024 upon registering the required details. The RTA has sent communications to the concerned shareholders explaining the aforesaid requirements.
- g. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

9. NOMINATION

As per the provisions of Section 72 of the Act, the facility for making Nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their Nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier Nomination and record a fresh Nomination, he / she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to M/s. KFin Technologies Limited in case the shares are held in physical form.

10. UNCLAIMED DIVIDEND

Members who wish to claim dividends that remain unclaimed/unpaid are requested to write to the Company's RTA (at details mentioned hereinbelow) or the Company Secretary, at the Company's Registered Office or email at cs@sulawines.com. Members are requested to note that dividends that are not claimed or remain unpaid for 7 (seven) years from the date of transfer to the Company's unpaid dividend account will be transferred to the Investor Education and Protection Fund (IEPF).

11. E-VOTING

Pursuant to provisions of Section 108 of the Act, read with the Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, Regulation 44 of the SEBI Listing Regulations and the MCA Circulars, the Company is pleased to provide the facility to Members to exercise their right to vote, on the Resolutions proposed to be passed at AGM, by electronic means. The Company has engaged the services of National Securities Depository Limited to provide the remote e-voting facility. The Company has appointed M/s. Martinho Ferrao & Associates, Practicing Company Secretaries, holding Membership No. 6221 and Certificate of Practice No. 5676, as the Scrutinizer for conducting the postal ballot through e-voting process in a fair and transparent manner.

In the case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

REMOTE E-VOTING: PROCEDURE

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020 Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio

visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020 issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020 April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020 the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.sulavineyards.com The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April

08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on June 23, 2024 09:00 A.M. and ends on June 25, 2024 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. June 19, 2024 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being June 19, 2024.

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

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their holding number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

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

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

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

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) 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*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

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

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 - Now, you will have to click on "Login" button.
 - After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- Now you are ready for e-Voting as the Voting page opens.
- 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.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mferraocs@yahoo.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Pallavi Mhatre at evoting@nsdl.com

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:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@sulawines.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@sulawines.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

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

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their view/ ask questions during the 21st AGM with regard to the financial statements or any other matter to be placed at the 21st AGM, need to pre-register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number

and mobile number, to reach the Company's email address at cs@sulawines.com at least 48 hours in advance before the start of the meeting i.e. by June 24, 2024 10:00 A.M. (IST). Those members who have pre-registered themselves as a speaker will be allowed to express their view/ ask questions during the 21st AGM, depending upon the availability of time.

6. When a pre-registered speaker is invited to speak at the meeting, but he/ she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
7. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the 21st AGM.

11. DECLARATION OF VOTING RESULTS

The Board of Directors has appointed M/s. Martinho Ferrao & Associates, Practicing Company Secretaries, holding Membership No. 6221 and Certificate of Practice No. 5676, as the Scrutinizer to scrutinize the postal ballot process in fair and transparent manner.

The Scrutinizer will submit his consolidated report to the Chairman, or any other person authorised by him, after completion of scrutiny of the votes cast, and the result of the voting will be announced by the Chairman or any other person authorized by him, on or before Friday, June 28, 2024. The Scrutinizer's decision on the validity of votes cast will be final. The results will be uploaded on the Company's website www.sulawines.com and shall also be submitted to BSE Limited and the National Stock Exchange of India Limited

GENERAL INSTRUCTIONS FOR DIVIDEND

The Board of Directors of Sula Vineyards Limited at their Meeting held on May 8, 2024 recommended payment of dividend of Rs.4.50/- per equity share on face value of Rs. 2/- each for the Financial Year ended March 31, 2024 subject to approval of Members in the Annual General Meeting (AGM). The record date for determining the entitlement of the members to the final dividend for 2024 is May 22, 2024.

As you are aware, as per the Income-tax Act, 1961 (Act), as amended by the Finance Act, 2020, dividends declared, distributed or paid by the Company on or after April 01, 2020 shall be taxable in the hands of the Members and the Company shall be required to deduct tax at source (TDS) at the prescribed rates from the dividend to be paid to such Members.

The TDS rate would depend on the residential status of the Members, eligibility of non- resident shareholders to claim the benefit of relevant Double Taxation Avoidance Agreement and basis the documents submitted and accepted by the Company. Accordingly, the Dividend will be paid after deducting TDS as provided below.

GENERAL INFORMATION:

All Members are requested to ensure that the below details are completed and/or updated, as applicable, in their respective demat account(s) maintained with the Depository participant(s); or in case of shares held in physical form, with the Company.

Please note that the following details, in case you have already registered with the Company, as available with the Company in the Register of Members/Register of Beneficial Ownership maintained by the Depositories will be relied by the Company, for the purpose of complying with the applicable TDS provisions:

- a. Permanent Account Number (PAN);
- b. Residential status as per the Act i.e. Resident or Non-Resident for FY 2023-24.
- c. Category of the Member viz. Mutual Fund, Insurance Company, Alternate Investment Fund (AIF) Category I and II, AIF Category III, Government (Central/State Government), Foreign Portfolio Investor (FPI)/Foreign Institutional Investor (FII), Foreign Company, FPI/FII, Others (being Individual, Firm, Trust, Artificial Juridical Person, etc.), Individual, Hindu Undivided Family (HUF), Firm, Limited Liability Partnership (LLP), Association of Persons (AOP), Body of Individuals (BOI) or Artificial Juridical Person, Trust, Domestic Company, Foreign Company, etc.
- d. Valid e-mail address; &
- e. Address.

TDS to be deducted at higher rate in case of non-filers of Return of Income (Section 206AB)

Particular	Applicable TDS rate
Section 206AB of the Income Tax Act, 1961 ("IT Act"), effective from July 1, 2021	At twice the rate specified in the relevant provision of the Act;
higher of the rates of tax mentioned here would be	Or
deducted in case of payments to 'Specified Persons'	At the rate of 5%

'Specified Person' means a person who has:

- a. not filed the income tax return for the previous year immediately prior to the financial year in which tax is required to be deducted, for which the time limit for filing the return of income under Section 139(1) of the Act has expired; and
- b. the aggregate of tax deducted at source ('TDS') and tax collected at source ('TCS') is INR 50,000 or more in that previous year.

A Non-resident who does not have the permanent establishment in India is excluded from the scope of a Specified person.

For specified persons who have not submitted their Permanent Account Number ('PAN') as well as not filed their return of income; tax shall be deducted at the higher of the two rates prescribed under Sections 206AA and 206AB of the Act.



Further as per Section 139AA of the IT Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply with this, the PAN allotted shall be deemed to be invalid/inoperative and he shall be liable to all consequences under the Act and tax shall be deducted at higher rates as prescribed under the Act.

DOCUMENTATION:

Members are requested to take note of the TDS rates and document(s), if any, required to be submitted to the Company by end of Friday, June 7, 2024 for their respective category, in order to comply with the applicable TDS provisions.

A. For Indian Resident Members:

Category of Members	Documentation or Exemptions applicable
Mutual Funds	<p>No TDS is required to be deducted as per Section 196(iv) of the Act, subject to specified conditions.</p> <ul style="list-style-type: none"> A self-declaration that they are governed by the provisions of Section 10(23D) of the Income-tax Act, 1961; Self-attested copy of SEBI registration certificate; and Self-attested copy of PAN.
Insurance Companies	<p>No TDS is required to be deducted as per Section 194 of the Act, subject to specified conditions.</p> <ul style="list-style-type: none"> A self-declaration that they are covered by the second proviso to Section 194 of the Income-tax Act, 1961 and has full beneficial interest with respect to the shares owned by it; Self-attested copy of IRDAI registration certificate; and Self-attested copy of PAN.
Category I and II Alternative Investment Fund	<p>No TDS is required to be deducted as per Section 197A (1F) of the Act, subject to specified conditions.</p> <ul style="list-style-type: none"> A self-declaration that the income of the AIF is exempt under Section 10(23FBA) of the Income-tax Act, 1961 and that they are governed as Category I or Category II AIF under the SEBI regulations; Self-attested copy of SEBI registration documents; and Self-attested copy of PAN.
Recognized Provident Fund	<p>No TDS is required to be deducted as per Circular No.18/2017, subject to specified conditions. Self-attested copy of a valid order from Commissioner under Rule 3 of Part A of Fourth Schedule to the Act, or self-attested valid documentary evidence (e.g. relevant copy of registration, notification, order, etc.) in support of the provident fund being established under a scheme framed under the Employees' Provident Funds Act, 1952 needs to be submitted.</p>
Approved Superannuation Fund	<p>No TDS is required to be deducted as per Circular No.18/2017, subject to specified conditions. Self-attested copy of valid approval granted by Commissioner under Rule 2 of Part B of Fourth Schedule to the Act needs to be submitted.</p>
Approved Gratuity Fund	<p>No TDS is required to be deducted as per Circular No.18/2017, subject to specified conditions. Self-attested copy of valid approval granted by Commissioner under Rule 2 of Part C of Fourth Schedule to the Act needs to be submitted.</p>
National Pension Scheme Central/State Government	<p>No TDS is required to be deducted as per Section 197A(1E) of the Act.</p>
Any other entity entitled to exemption from TDS	<p>Valid self-attested documentary evidence (e.g. relevant copy of registration, notification, order, etc.) in support of the entity being entitled to TDS exemption needs to be submitted.</p>
Other resident Member	<ol style="list-style-type: none"> TDS is required to be deducted at the rate of 20% under Section 206AA of the Act, if valid PAN of the Member is not available. Where valid PAN is available, TDS is required to be deducted at the rate of 10% under Section 194 of the Act. TDS is required to be deducted at a lower rate if prescribed under a lower tax withholding certificate provided under Section 197 of the Act, where such valid certificate is submitted with the Company's RTA, KFin Technologies Limited. No TDS is required to be deducted, if the aggregate dividend distributed or likely to be distributed during the financial year to an individual Member does not exceed Rs. 5000/-. No TDS is required to be deducted on furnishing of valid Form 15G (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form 15H (for individual above the age of 60 years with no tax liability on total income). <i>Applicable formats are being uploaded on the Company's website – https://sulavineyards.com/investor-relations.php#dividend</i>

Transferring credit to the beneficial owner:

As per Rule 37BA, in cases where the dividend is received in the hands of one person but is assessable in the hands of other person, the tax may be deducted in the name of such other person if the first-mentioned person provides a declaration as prescribed in this regard. The aforesaid declaration shall contain (i) name, address, PAN, and residential status of the person to whom credit is to be given; (ii) payment in relation to which credit is to be given; and (iii) the reason for giving credit to such person. We request you to provide any such details latest by 5:00 p.m. (IST) on Friday, June 7, 2024.

B. For Non-Resident Members:

Category of Members	Documentation or Exemptions applicable
FPIs and FIIs	TDS is required to be deducted at the rate of 20% (plus applicable surcharge and cess as may be applicable) under Section 196D of the Act. However, in case FII's & FPI's want tax to be deducted at a lower rate as per the DTAA applicable to them, they may obtain a certificate under Section 197 of the Income Tax Act, 1961 to this effect.
Any entity entitled to exemption from TDS	Valid self-attested documentary evidence (e.g. relevant copy of registration, notification, order, etc. by Indian tax authorities) in support of the entity being entitled to exemption from TDS is to be submitted.
Other non-resident Members	<ol style="list-style-type: none"> i. TDS is required to be deducted at the rate of 20% (plus applicable surcharge and cess) under Section 195 of the Act. ii. Further, as per Section 90 of the Act, the non-resident Member has the option to be governed by the provisions of the Double Tax Avoidance Treaty between India and the country of tax residence of the Member, if they are more beneficial to them. For this, the non-resident Members will have to provide the following: <ol style="list-style-type: none"> a. Self-attested copy of the PAN allotted by the Indian Income Tax authorities; b. Self-attested copy of valid Tax Residency Certificate obtained from the tax authorities of the country of which the Member is a resident c. Electronically Filed Form 10F on Income Tax Portal as per Notification No. 03/2022 dated July 16, 2022 issued by the Income Tax Department d. Self-declaration in the attached format certifying: <ol style="list-style-type: none"> i. Member is and will continue to remain a tax resident of the country of its residence during the Financial Year 2023-24; ii. Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company; iii. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner; iv. Member is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and v. Member does not have a taxable presence or a permanent establishment in India during the Financial Year 2023-24. e. TDS is required to be deducted at the rate prescribed under a lower tax withholding rate provided under Section 197 of the Act, if such valid certificate is provided.

TDS to be deducted at higher rate in case of non-filers of Return of Income (Section 206AB)

Particular	Applicable TDS rate
Section 206AB of the Income Tax Act, 1961 ("IT Act"), effective from July 1, 2021, higher of the rates of tax mentioned here would be deducted in case of payments to 'Specified Persons'	At twice the rate specified in the relevant provision of the Act; Or At the rate of 5%

'Specified Person' means a person who has:

- a. not filed the income tax return for the previous year immediately prior to the financial year in which tax is required to be deducted, for which the time limit for filing the return of income under Section 139(1) of the Act has expired; and
- b. the aggregate of tax deducted at source ('TDS') and tax collected at source ('TCS') is INR 50,000 or more in that previous year.

A Non-resident who does not have the permanent establishment in India is excluded from the scope of the specified person.



For specified persons who have not submitted their Permanent Account Number ('PAN') as well as not filed their return of income; tax shall be deducted at the higher of the two rates prescribed under section 206AA and 206AB of the Act.

Further as per Section 139AA of the IT Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply with this, the PAN allotted shall be deemed to be invalid/inoperative and he shall be liable to all consequences under the Act and tax shall be deducted at higher rates as prescribed under the Act.

Transferring credit to the beneficial owner:

As per Rule 37BA, in cases where the dividend is received in the hands of one person but is assessable in the hands of other person, the tax may be deducted in the name of such other person if the first-mentioned person provides a declaration as prescribed in this regard. The aforesaid declaration shall contain (i) name, address, PAN, and residential status of the person to whom credit is to be given; (ii) payment in relation to which credit is to be given; and (iii) the reason for giving credit to such person. We request you to provide any such details by end of day, Friday, 7th June 2024.

Notes:

1. All the above-referred tax rates will be enhanced by surcharge and cess, wherever applicable.
2. For all self-attested documents, Members must mention on the document "certified true copy of the original". For all documents being uploaded by the Member, the Member undertakes to send the original document(s) on the request by the Company. Prescription of the list of documents for processing dividend payments lies with the Company.
3. Above communication on TDS sets out the provisions of law in a summary manner as per our understanding and does not purport to be a complete analysis or listing of all potential tax consequences. Members should consult with their own tax advisors about the tax provisions that may be applicable to them.
4. We shall arrange to email the soft copy of TDS certificate at your registered email ID in due course, post payment of the dividend.
5. It may be further noted that in case the tax on dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents, there would still be an option available with the Member to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.
6. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy, or omission of information provided / to be provided by the Member(s), such Member(s) will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.
7. All the documents referred in this communication and as applicable will need to be scanned and sent to einward.ris@kfintech.com or may be uploaded at the link <https://ris.kfintech.com/form15/>
8. These documents, valid in all respects, should reach us on or before Friday June 7, 2024 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate.

By Order of the Board of Directors
FOR **SULA VINEYARDS LIMITED**

Ruchi Sathe

Company Secretary & Compliance Officer
Membership No. A33566

Place: Mumbai
Date: May 8, 2024

Registered Office:

901, Solaris One,
N.S. Phadke Marg,
Andheri (E), Mumbai – 400 069 Ruchi Sathe
CIN: L15549MH2003PLC139352



EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SECRETARIAL STANDARD – 2 ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA IN RESPECT OF ITEMS OF SPECIAL BUSINESS SET OUT IN THE NOTICE CONVENING THE TWENTY FIRST (21ST AGM) OF THE COMPANY

ITEM NO: 4

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Deepak Shahdarpuri as an Additional Director of the Company with effect from April 4, 2024.

A brief profile of Mr. Deepak Shahdarpuri, including nature of his expertise, is provided as an Annexure of this Annual Report.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Deepak Shahdarpuri, are concerned or interested (financially or otherwise) in this Resolution. The Board commends the Ordinary Resolution set out in Item no. 4 for approval of the Members.

**Details of Directors Seeking Appointment/
Re-Appointment at the Annual General Meeting**

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 and the Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India]

For Item no 3 and Item no 4

Name	Mr. Nicholas Cator	Mr. Deepak Shahdadpuri
Directors Identification Number (DIN)	07068629	00444270
Age (in years)	46	54
Qualification	He holds a Masters degree in economics from the University of Louvain La Neuve in Belgium and has followed Executive courses at Insead and Stanford.	He holds a Chartered Accountants degree from the Institute of Chartered Accountants in England & Wales and has completed LLB from King's College, London University followed by MBA (Hons) from INSEAD.
Experience	He has previously worked with Venturi Partners and Verlinvest	He has previously worked with DSG Consumer Partners, Beacon India Private Equity Fund, GEM India, Reuters Venture Capital, Bain & Company and Ernst & Young
Nature of expertise in specific functional areas	Leadership, Strategy, Operations, Technology, Finance, Governance	Strategy
Terms & Conditions of appointment/re-appointment	-	-
Details of Remuneration paid	INR 2,00,000	-
Details of Remuneration sought to be paid	Mr. Nicholas Cator will be entitled to receive remuneration by way of sitting fees as may be approved by the Board for attending Board/Committee(s) meetings, reimbursement of expenses for participation in meetings as may be approved by the Board from time to time based on recommendation of the NRC, within the overall limits of remuneration to Non- Executive Directors as per the provisions of the Act.	Mr. Deepak Shahdadpuri will be entitled to receive remuneration by way of sitting fees as may be approved by the Board for attending Board/Committee(s) meetings, reimbursement of expenses for participation in meetings as may be approved by the Board from time to time based on recommendation of the NRC, within the overall limits of remuneration to Non- Executive Directors as per the provisions of the Act.
Date of first Appointment on the Board of the Company	November 9, 2023	April 4, 2024
Shareholding in the Company	-	-
Relation with other Directors, Manager or KMP	-	-
No. of Meetings of Board attended during the year	2	NA



Name	Mr. Nicholas Cator	Mr. Deepak Shahdadpuri
Other Directorship, Membership/ Chairmanship of committees of other Boards	Directorship: <ol style="list-style-type: none"> Venturi Partners Pte. Ltd Venturi I VCC Venturi I Capital Venturi Holding I Livspace Pte Ltd Believe Pte Ltd 	Directorship: <ol style="list-style-type: none"> Everstone Capital Advisors Private Limited Culinary Brands Private Limited Cutting Edge Software Private Limited Bakers Circle (India) Private Limited Suzette Gourmet Private Limited Bear Capital Partners (India) Private Limited GC Web Ventures Private Limited Culinary Culture India Private Limited Vasudhaiva Kutumbakam Group Private Limited Drums Food International Private Limited VRB Consumer Products Private Limited Mswipe Technologies Private Limited Freshcreation Holdings Pte Ltd Pip & Nut Ltd Piccolo Foods Ltd Raylex Ltd Ramblin' Brands Limited Nuguru Wellness Solutions Pte. Ltd. DSGCP Tyeb DSG Consumer Partners III DSGCP Buildout II DSGCP Venture Management Ltd DSG Consumer Partners VCC VC3PO Pte Ltd DSGCP MGT Pte Ltd DSGCP Holdings Private Limited DSG Consumer Partners DSGCP Souza PCC DSGCP Picasso DSGCP Renoir PCC DS Growth Mauritius Ltd GIA BCI Holdings Ltd GIA Sula Holdings Ltd GIA Mark PI Holdings Ltd
Listed entities from which the person has resigned in the past three years	Nil	Nil
Disclosure of relationship between directors inter se	Nil	Nil

Profile of the Directors seeking appointment/ re-appointment at the Annual General Meeting

Nicholas Cator is a Non-Executive Director of our Company. He is the Founder and Managing Partner of Venturi Partners, a \$180m growth fund focusing on Series B to D investments in the consumer space in India & South-East Asia. Prior to starting Venturi Partners, Nicholas Cator was a Managing Director at Verlinvest. He moved to Singapore end 2014 to open their Singapore office and was responsible for all investments in Asia and in consumer tech brands globally and his focus has always been on investing in or working with brands in the FMCG, education, e-commerce and healthcare services sectors. While leading Verlinvest's Asian investments he successfully deployed over \$500M of capital in India, SouthEast Asia and China. Nicholas Cator is currently on the Boards of Livspace and Believe and was previously on the Boards of Byju's, Lazada, Global Fashion Group, Chewy, Sula, Epigamia, Veeba, Armonea and China Resources Verlinvest Investment Fund (majority owner of Oatly pre-IPO). He started his career in London and New York in leveraged finance and private equity before joining Verlinvest in 2006. During his 13 years at Verlinvest. He has spent 5 years as an operator and as CEO of Armonea, one of the leading private nursing home operators in Europe with 15.000 residents and 8.000 employees. He is Anglo-Belgian and holds a master's in economics from the University of Louvain La Neuve in Belgium and has followed Executive courses at Insead and Stanford.

Deepak Shahdadpuri is an Additional Director of our Company. He is a prominent Venture Capital investor and an entrepreneur. Deepak was one of the pioneers who recognized the vast potential within the consumer sector. This catalyzed and fueled the founding of DSG Consumer Partners in 2012. Before DSGCP, Deepak co-founded and managed the Beacon India Private Equity Fund. Prior to that, Deepak held roles at GEM India, Reuters Venture Capital, Bain & Company and Ernst & Young. He is a fellow member of the Institute of Chartered Accountants in England & Wales and has completed LLB from King's College, London University followed by MBA (Hons) from INSEAD. Outside of work, Deepak is a diehard Chelsea fan, a food and wine enthusiast, a busy, dedicated father and an avid traveler.

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Disclaimer

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects, and are generally identified by forward-looking words such as 'believe,' 'plan,' 'anticipate,' 'continue,' 'estimate,' 'expect,' 'may,' 'will' or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.





Registered and Corporate Office

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(E), Mumbai 400069, Maharashtra, India

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