



*Crafting  
A Stronger Tomorrow*

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#### For more information

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#### Disclaimer

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This Report and other statements – written and oral – that we periodically make may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



### Highlights of the Year

Total IMFL Volume\*

**28.73**

**Million Cases**

↑ 1.7% year-on-year

Prestige & Above Volume

**11.26**

**Million Cases**

↑ 20.3% year-on-year

Net Revenue from Operations

**₹4,118.5**

**Crore**

↑ 31.0% year-on-year

EBITDA

**₹507.3**

**Crore**

↑ 41.6% year-on-year

Excise Duty

**₹11,365.4**

**Crore**

\* Including Royalty brands

At Radico Khaitan, we have built a portfolio of premium and luxury brands, tapping into the deepest consumer aspirations and elevating their experiences. Amidst a growing trend of premiumisation, we remain steadfast in crafting more authentic and exquisite spirits, setting the stage for a spirited journey of innovation and growth.

The commissioning of a new distillery has strengthened our backward integration, securing raw material supplies for years ahead and enhancing our ability to seize growth opportunities. With major capital expenditures now behind us, we are poised to maximise these assets and generate robust cash flows.

We have expanded our consumer touchpoints, strengthening connections and uncovering new pathways to success. Our focussed marketing strategies amplify our reach, while our rising global brand equity showcases our unwavering commitment to excellence.

Built on the foundation of a strong premium portfolio, product innovation, integrated manufacturing, strategic marketing, extensive distribution, global recognition and financial discipline, we are ready to broaden our horizons.

*We are crafting a stronger tomorrow*

**ABOUT US**

# *Crafting success since 1943*

FROM BUILDING A ROBUST MANUFACTURING AND DISTRIBUTION PLATFORM TO CREATING A PREMIUM AND LUXURY PRODUCT PORTFOLIO, ALL UNDERPINNED BY A SPIRIT OF EXCELLENCE, RADICO KHAITAN HAS EMERGED AS ONE OF INDIA'S MOST PREFERRED, ADMIRER, AND REPUTED LIQUOR BRANDS WITH GLOBAL RECOGNITION.



Radico Khaitan is one of the oldest and largest manufacturers of Indian Made Foreign Liquor (IMFL). We cater to the tastes of discerning consumers through our distinguished brands across various categories. As one of the largest providers of branded IMFL to the Canteen Stores Department (CSD) in India and the oldest and largest malt distillers in the country, we hold a unique position in the industry.

Our success is driven by our robust brand portfolio, with a special focus on the premium and luxury segments. Seven of our brands are on the elite list of million-case brands, achieving strong positions in global rankings. Our niche offerings are designed to provide extraordinary differentiation and elevate the consumer experience.

We are present across the entire value chain of the IMFL industry. Our operations encompass astutely analysing evolving consumer aspirations and market trends to pioneering research-led innovation of new products, sourcing the finest quality raw materials, meticulous manufacturing, precise bottling, and seamless distribution. We continuously strive to fortify every aspect of this value chain, driven by an unwavering dedication to quality.

### A Journey of Excellence

Formerly known as Rampur Distillery Company, we commenced operations in 1943 as a major bulk spirits supplier. Leveraging our extensive experience in spirit-making, we evolved from being a distiller and bottler for others to building our own brands. From the launch of our own label, 8PM Whisky in 1998, to our flagship brand Magic Moments Vodka in 2006, followed by luxury brands such as Rampur Indian Single Malt Whisky in 2016 and Sangam World Malt Whisky in 2023, our goal has always been to add joy and magic to our consumers' celebrations.

Today, we stand as one of the few companies in the Indian alcoholic beverage industry to have developed the entire brand portfolio organically. This is a true testament to our focus on innovation, R&D strength, and understanding of consumer preferences. Our journey from a single distillery to a global brand reflects our commitment to excellence and our passion for crafting high-quality spirits that resonate with consumers worldwide.

## 25+

Brands

## 7

Millionaire brands

## 13%

CAGR of Prestige & Above Brands over FY2019-FY2024 (in volume terms)

## 100+

Countries presence

## 43

Bottling units (6 owned, 9 royalty & 28 contracted) spread across India

## 1,00,000+

Retail outlets

## 10,000

On-premise outlets

## 4

Distilleries in Uttar Pradesh

## 3

Distilleries in Maharashtra (a 36% joint venture)

## 321

Million Litres

Total annual distillation capacity

EXQUISITE SPIRITS

# Crafting premium and luxury brands with global recognition

UNDERSTANDING THE ASPIRATIONAL NEEDS OF DIVERSE CONSUMERS IN INDIA AND GLOBALLY, WE CONTINUE TO FOCUS ON STRENGTHENING OUR PREMIUM AND LUXURY PORTFOLIO. CREATING BRANDS THAT PROMOTE INDIA'S MYSTICISM AND RICH CULTURAL HERITAGE REMAINS CENTRAL TO OUR STRATEGY TO CAPTIVATE CONSUMERS.

## New launches

### *The Kohinoor Reserve Indian Dark Rum*

We expanded our luxury portfolio with the launch of “The Kohinoor Reserve Indian Dark Rum”, crafted through small-batch distillation using only fresh cane juice spirit during the North Indian winter season. It is then matured in American oak barrels previously used for maturing Indian Single Malt, followed by further maturation in Cognac XO and Vermouth casks. This luxury offering is presented in an exquisite glass bottle, mirroring the magnificence of the Kohinoor Diamond. Priced at about US\$ 50 per bottle, it is being rolled out across global markets, including the USA, UK, EU, Asia, and Global Travel Retail.



### *Rampur Indian Single Malt Jugalbandi #3 & #4*

We took significant strides in expanding our luxury brand portfolio with the launch of the next two whiskies in the Rampur Indian Single Malt Jugalbandi series – Jugalbandi #3 and Jugalbandi #4. Introduced at the Whisky Show in London, each bottle is priced at GBP 400. With our Rampur Indian Single Malt portfolio, we have always aimed to showcase India to the world. We are introducing these products to the UK, USA, EU, Singapore, and Global Travel Retail markets.



### *Spirit of Victory 1999 Pure Malt Whisky*

The launch of “Spirit of Victory 1999 Pure Malt Whisky”, another luxury offering, not only reiterates our premiumisation strategy but also serves as a testament to our innovation and brand creation capabilities. Our Master Blender has travelled the world to evaluate various single malts and blended them meticulously with our Indian Single Malt to craft this exceptional Pure Malt. It is a tribute to the valiant soldiers of the 1999 Kargil War, under the umbrella of “Spirit of Victory” range of brands.

### *Magic Moments Remix Pink Vodka*

We are excited to announce the launch of Magic Moments Remix Pink Vodka, a premium addition to our distinguished Magic Moments portfolio. What sets this apart from other flavours in the industry is the distinctive blend of rare and premium ingredients – mulberry, elderflower, and raspberry. This combination provides a sweet, fruity flavour profile that is both unique and refreshing. This new offering is strategically positioned to cater to the growing demand for coloured and flavoured alcoholic beverages. Currently available in 10 states, Magic Moments Remix Pink Vodka underscores our commitment to delivering exceptional products that meet evolving consumer tastes and preferences.



### *Happiness in a Bottle: A Happily Crafted Gin*



The launch of “Happiness in a Bottle”, a new super-premium gin, aligns with our focus on expanding our premium portfolio. The collection features three variants: Joy of Citrus, Joy of Juniper, and Joy of Pink. At the heart of these variants lies a carefully curated selection of 15 botanicals, including juniper, angelica, and coriander, chosen meticulously to create a harmonious fusion of flavours and aromas. A standout ingredient across all variants is Ashwagandha, a renowned herb celebrated for its vitality and mood-enhancing properties. The bottle design itself is a testament to artistic excellence, exuding a visual allure that captivates the eye. Moreover, each bottle is elegantly accessorised with a neck tag, conveying information about the variants and adding an element of sophistication.

## Seven millionaire brands



*Magic Moments Vodka*



*8PM Premium Black Whisky*



*Morpheus Super Premium Brandy*



*1965 Spirit of Victory Rum*



*8PM Whisky*



*Contessa Rum*



*Old Admiral Brandy*

## Brand showcase

### *Rampur Indian Single Malt Whisky*

#### Decades of Perfection

Rampur is a luxury brand that is aged to perfection in the foothills of the Himalayas and is called the Kohinoor of single malts. Packaged in a stout bottle with a thick base, the bottle exhibits a quintessential look as it comes in a hand-crafted silk pouch. It has drawn global recognition for its smoothness, taste, and quality since its launch in FY2017, with expressions retailing between US\$ 100 and US\$ 6,000. Its success is an affirmation of our R&D expertise. Some years ago, we invested in expanding our malt distillation and maturation capacity to cater to the growing demand for this product.

- Seven expressions (Select, PX Sherry, Signature Reserve, Double Cask, Asava, Trigun, Jugalbandi)
- Available in around 45 countries and 20+ travel retail
- Now available in 15 states in India



#### Rampur Double Cask

Having spent two-thirds of its life in handpicked American Bourbon Barrels, and one-third in European Oak Sherry Casks, it offers a symphony of flavours. Delicate balsamic vanilla notes from the American white oak complement full-bodied aroma, with rich caramel, dried dark fruits, and spicy tonality from European oak add depth to the character.

#### Awards

- Gold Medal Winner at Eurasia Spirits Drinks, 2024
- Gold in London Spirit Competition, 2024
- Gold at the New York International Spirits Competition, 2023
- Gold at the Barleycorn Awards, 2023
- Scored 92 points in the Ultimate Spirits Challenge, 2023
- Score 94 points and a Gold Medal at the BTI Luxury Award, 2023
- Drinks International named Rampur in Top 10 Trending Brands, 2023
- Featured in Luxury Lifestyle Award, Top 100 Premium Wine and Spirits Brand of the World, 2023



#### Rampur Asava

Crafted by visionary pioneers of legendary spirits, Rampur Asava Indian Single Malt Whisky represents the pinnacle of artisanal craftsmanship and unparalleled quality. This Indian Single Malt Whisky is matured in American Bourbon barrels and then meticulously finished in Indian Cabernet Sauvignon casks, resulting in a unique expression with impeccable balance. It is the first time in single malt history that a whisky has been finished in Indian red wine cask. India launch is planned for FY2025.

#### Awards

- Gold in London Spirit Competition, 2024
- Gold Medal at Bartender's Brand Award, 2024
- Wine Enthusiast named Rampur Asava as one of the Top 10 Single Malts in the World, 2023
- Double Gold at Barleycorn Award 2023 and named as the Best World Whisky
- Score 92 points and a Gold Medal at the BTI Luxury Award, 2023

#### Rampur Select

#### Awards

- Top 100 Spirits of 2023 by Wine Enthusiast
- Double Gold at The Fifty Best World Whisky, 2023



**Rampur's Indian Single Malt Whisky**  
**A range for all enthusiasts**



Signature Reserve  
priced at  
**₹5,00,000**



Rampur Jugalbandi  
starting at  
**₹40,000**



Rampur Trigun  
priced at  
**₹17,000**



Rampur Select  
priced at  
**₹14,000**



PX Sherry  
priced at  
**₹12,000**



Rampur Asava  
priced at  
**₹10,000**



Rampur Double Cask  
priced at  
**₹8,500**

## Jaisalmer Indian Craft Gin

### The Royalty Awaits

Jaisalmer Indian Craft Gin is as royal and spectacular in its lineage as the name suggests. It is a triple-distilled neutral grain spirit, which is re-distilled in a traditional copper pot still, with its recipe handcrafted in a time-honoured way. Derived from the ancient Indian knowledge of herbs, it retains the classic gin flavour of juniper berries, with a refreshing twist added with hand-picked Indian botanicals.

Of the 11 botanicals used in the distillation, 7 have been sourced from all four corners of India. Coriander and Vetiver - complex spices with intriguing peppery notes, are grown in the fields

around Jaisalmer in Northern India. The Sweet Orange Peel, which complements the citrus and floral tones of the gin, comes from Central India, the Cubeb Berries and Lemon Grass from Southern India, the Darjeeling Green Tea leaves from Eastern India, and the Lemon Peel from Western India. Other botanicals include Angelica Roots, Liquorice and Caraway Seeds, lending a spicy, slightly anise-tinged flavour to the gin.

- Available in around 30 countries and 20 travel retail; 22 states in India
- Around 50% market share of the luxury gin market in India
- Jaisalmer Gold has 18 botanicals including saffron; Plans to launch in India in FY2025

### Awards

- Gold in London Spirit Competition, 2024
- Title of the Best Indian Craft Gin at Zee Zest Unlimit Awards, 2023
- Gold at the San Francisco Award, 2023
- Double Gold at the Barleycorn Awards, 2023
- Scored 91 points at the Ultimate Spirit Challenge, 2023





## Royal Ranthambore

### Heritage Collection-Royal Crafted Whisky

#### India's Finest Yet

True to its name, this is all about the royal heritage of Rajasthan and machismo of the magnificent tiger. It is the liquid for those who adore the sophistication, fineness, refinement and valour of true royalty. The brand Royal Ranthambore represents new-age royalty and valour. It is truly "India's Finest Yet" as the blend is made by using the rare imported malts and grain whiskies from 100% malted barley, carefully crafted with oak-infused Indian grain neutral spirit to harmonise this royal blend.

- Signed an endorsement deal with Bollywood star, Saif Ali Khan
- Available in 20 states in India and continue to expand the width of distribution

#### Awards

- Grand Gold for two consecutive years at the Monde Selection, 2022 and 2023
- Gold at The Fifty Best World Whisky, 2023

## Magic Moments Dazzle Vodka

### Razzle with the Magic of Dazzle

#### Dazzle Gold

Magic Moments Dazzle Gold is an innovative creation from our distillery. Crafted from the finest grains and refined through a meticulous seven-stage filtration process using special gold filters, it achieves unmatched purity. The natural flavours impart an exquisite smoothness to this exceptional blend.

#### Awards

- Grand Gold for two consecutive years at the Monde Selection, 2022 and 2023

#### Dazzle Vanilla

Magic Moments Dazzle Vanilla derives its exquisite taste from premium Madagascar vanilla, offering rich, creamy notes. Crafted from the finest grains and infused with the sweetness of pure vanilla, it epitomises indulgence.

#### Awards

- Gold for two consecutive years at the Monde Selection, 2022 and 2023





### *Magic Moments Verve Vodka*

#### **The Smooth Blend of Sophistication**

Verve Super-premium Vodka is refined through a slow five-stage filtration process, using silver and platinum filters that ensure purity till the last drop. A high-end blend produced by India's biggest vodka brand, this Magic Moments casts a spell of Verve. A perfect medley of superior grains and a distinct distillation process come together to create a smooth test, and a blend of its flavour so exquisite that the taste lingers on. From zesty orange and crispy green apple to luscious cranberry and citrusy lemon, Verve lends a flavour of smoothness till the last drop.

#### **Awards**

- Won Gold in ten calendar years - 2013, 2014, 2015, 2016, 2017, 2019, 2020, 2021, 2022 and 2023 at the Global Monde Selection Awards
- Verve Lemon Lush won Gold for the three consecutive years at the Monde Selection, 2021, 2022 and 2023, and International High-Quality Trophy

### *Magic Moments Vodka*

#### **Make Every Moment a Magic Moment**

Launched in 2006, Magic Moments is India's largest premium vodka brand with around 60% market share (~90% in the relevant segment). Magic Moments Vodka undergoes a triple distillation process for purity and a refined taste, reflecting the best of spirits. The flavour category is what makes Magic Moments Remix more significant and alluring to individuals with its offerings - Orange, Green Apple, Lemon, Lemongrass and Ginger, Raspberry, Chocolate, Grapefruit and Watermelon, and Cucumber and Wild Green Lemon.

#### **Awards**

- Magic Moments Premium Grain Vodka won Gold award for the three consecutive years at the Monde Selection, 2021, 2022 and 2023, and International High Quality Trophy
- Lemongrass & Ginger Vodka won Gold award at the Monde Selection, 2022

#### **GLOBAL RANKINGS**

##### **The Millionaires' Club 2024 by Drinks International**

- 5<sup>th</sup> fastest growing vodka by volume
- 6<sup>th</sup> largest vodka brand by volume

##### **The Brand Champions 2024 by The Spirits Business**

- 13<sup>th</sup> fastest growing spirits brand
- 4<sup>th</sup> largest vodka brand by volume



## 8PM Premium Black Whisky

### At 8PM, Rivals Become Friends

8PM Premium Black offers a rare signature of blend of scotch and Indian grain spirits and is a premium variant of one of the most popular whisky brands, 8PM. Made with the finest quality grains, this whisky is the epitome of lavishness and quality drinking. In just a short span of time, it has received a strong consumer response owing to its rare balance of strength and smoothness. We recently launched a trendy hipster pack in 180 ml SKU which is easy to carry for the young consumers.

### Awards

- Won the Gold award (for the fifth consecutive year) at the Monde Selection, 2023

### GLOBAL RANKINGS

#### The Millionaires' Club 2024 by Drinks International

- 4<sup>th</sup> fastest growing whisky
- 23<sup>rd</sup> largest whisky by volume



## 8PM Whisky

### At Time for Friends

Launched in 1998, 8PM Whisky is the flagship brand of Radico Khaitan. It reflects the true essence of quality drinking, blended with the rich taste of finest quality grains. 8PM is the first brand in the liquor industry to make it to the Limca Book of Records for selling one million cases in the very first year of its launch. The growth of 8PM Whisky as a brand marks the brand creation journey of Radico Khaitan.

### GLOBAL RANKINGS

#### The Millionaires' Club 2024 by Drinks International

- 10<sup>th</sup> largest whisky in terms of volume



## *Morpheus Super Premium Brandy*

### **Brandy Dare to Dream**

#### **Morpheus Blue XO Premium Brandy**

Crafted by our master blenders, Morpheus Blue is perfection in a bottle, created for the most deserving of dreamers. Launched recently, this is an aged brandy and leads the super-premium brandy segment. Named after the Greek God of Dreams, it provides an exotic experience to the premium brandy lovers. Its goblet packaging and brand positioning have helped create a niche as a spirit that is intense and sophisticated.

#### **Morpheus XO Brandy**

With around 64% market share, Morpheus is India's largest selling premium brandy. Morpheus' fruity and floral top notes combine with sweet and heavy bodied traces of matured wood, vanilla and raisin to provide a truly exquisite aftertaste. Containing the texture of warm soils, fragrant scents and all the richness of tropical weather, its rich blend is truly irresistible.

#### **Awards**

- Eight time winner of the Monde Selection Gold Award (2011, 2015, 2016, 2017, 2018, 2021, 2022 and 2023)

### **GLOBAL RANKINGS**

#### **The Millionaires' Club 2024 by Drinks International**

- 5<sup>th</sup> fastest-growing brandy/cognac brand
- 9<sup>th</sup> largest brandy/cognac in terms of volume

#### **The Brand Champions 2024 by The Spirits Business**

- 7<sup>th</sup> largest brandy/cognac in terms of volume



## 1965 The Spirit of Victory Premium XXX Rum

It is a salute to the gallantry and bravery of India's soldiers during the 1965 war. The product, with rich flavours like dried fruits, chocolate, oak and honey, was created to cater to the demand of premium rum drinkers. It was launched for the Canteen Stores Department in 2017 and exclusively marketed to the Indian defence forces. Having tasted success in creating a strong emotional connect with the armed forces personnel, the brand has now been made available in select civil markets.

### Awards

- Won Monde Selection Gold Quality Awards for consecutive six years 2018, 2019, 2020, 2021, 2022 and 2023

### GLOBAL RANKINGS

#### The Millionaires' Club 2024 by Drinks International

- Fastest-growing rum
- 9<sup>th</sup> largest rum in terms of volume
- 11<sup>th</sup> fastest-growing spirits brand

#### The Brand Champions 2024 by The Spirits Business

- Rum brand champion
- 11<sup>th</sup> fastest-growing spirits brand



## 1965 The Spirit Of Victory Lemon Dash Premium Flavoured Rum

This exceptional blend bottles the essence of triumph, infusing the richness of rum with a zesty twist of Gandharaj Lemon. Each sip carries the pride of our nation's victory, blending seamlessly into a symphony of unique flavours. The warming notes of this finely aged rum are reminiscent of awe-inspiring tales of courage. This harmonious fusion creates a drink that is both refreshing and robust, perfect for those who appreciate the finer things in life.

## Old Admiral Brandy

### For Real Men Only

Crafted especially for the men with pride, honour and courage, the splendid taste of this spectacular brandy celebrates the achievement of greatness and passion for all the good things in life. The classic taste, perfectly blended with rich sensations and enthralling aromas, ensures that it is savoured the way it is desired and truly deserved.

#### GLOBAL RANKINGS

##### The Millionaires' Club 2024 by Drinks International

- 4<sup>th</sup> largest brandy/cognac in terms of volume

##### The Brand Champions 2024 by The Spirits Business

- 2<sup>nd</sup> largest brandy/cognac in terms of volume



## Contessa Rum

### For the Man of Courage

Truly meant for the courageous, this blend reflects the true essence of bravery, of daring, of fearlessness. It embodies grit, endurance and perseverance. Contessa Rum is yet another millionaire brand from the House of Radico Khaitan. This brand has surpassed expectations and has garnered a strong foothold in the Indian market. The highest selling rum brand in the defence segment with a formidable leadership in the market, its splendid, bold taste has reached parts of Africa, South-East Asia, the Middle East, and recently the USA and Canada.

#### GLOBAL RANKINGS

##### The Millionaires' Club 2024 by Drinks International

- 3<sup>rd</sup> fastest-growing rum
- 8<sup>th</sup> largest rum in terms of volume

*The*  
**KOHINOOR**  
RESERVE



## BUSINESS CAPABILITIES

# *Crafting a strong presence across the value chain*

**OUR ROBUST CAPABILITIES IN RESEARCH, DEVELOPMENT, MANUFACTURING, AND DISTRIBUTION EMPOWER US TO SIGNIFICANTLY ENHANCE OUR BRAND OFFERINGS, ENSURE A RELIABLE LONG-TERM SUPPLY OF HIGH-QUALITY RAW MATERIALS, AND EXPAND THE SCALE OF OUR OPERATIONS.**



Admin Building, Sitapur

### **In-House R&D Edge**

Our ability to organically develop our entire brand portfolio is a testament to our formidable in-house R&D capabilities. We are poised to explore new frontiers of innovation by continuously enhancing our R&D prowess. Our R&D centre in Rampur, Uttar Pradesh, is a state-of-the-art facility, home to experts

with profound domain knowledge and extensive experience. Complementing this, our regional quality laboratories adhere to the highest global standards. Furthermore, we collaborate with renowned external organisations to create premium, ground-breaking products that set new benchmarks in the industry.

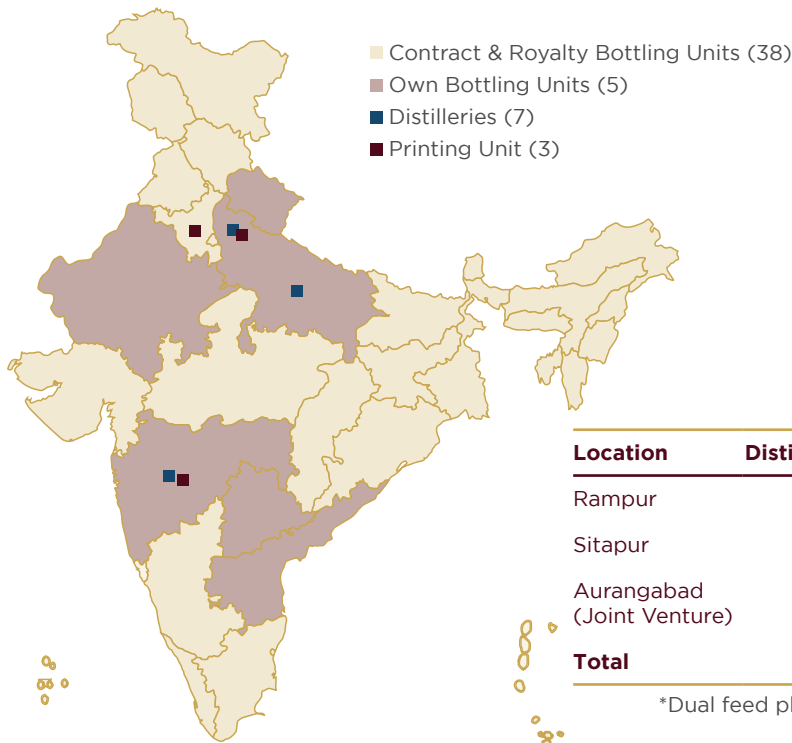
### **Robust Manufacturing Platform**

We operate four distilleries in Uttar Pradesh – three in Rampur and a recently commissioned facility in Sitapur. These company-owned distilleries, along with Radico NV Distilleries Maharashtra Limited, a joint venture in Aurangabad, Maharashtra, provide state-of-the-art infrastructure for manufacturing high-quality products. With a combined robust annual capacity of 321 million litres for our distilleries, we have ample capacity to scale up our operations.

We also manage a total of 43 bottling units across India, including five company-owned units and 38 contract and royalty units. Our pan-India manufacturing presence enables us to efficiently cater to consumer needs across the country.

This year, we successfully commissioned our new 350 KLPD grain ENA distillery in Sitapur. Now operating at optimum efficiency and meeting key performance benchmarks, this facility secures our long-term ENA supply. The Sitapur plant not only strengthens our current capabilities but also positions us to seize future growth opportunities in the branded business sector with increased bottling capacities. Alongside our Rampur campus, the ENA output from Sitapur is set to support our branded business growth for the next six to seven years.

**Pan India Manufacturing Platform to Cater to Customer Needs**



Map not to scale. For illustrative purposes only.

Capacity (million litres)					
Location	Distilleries	Molasses	Grains	Malt	Total
Rampur	4	19.3	82.5*	2.6	104.4
Sitapur	1	NA	108.9	NA	108.9
Aurangabad (Joint Venture)	3	42.0	66.0	NA	108.0
<b>Total</b>	<b>8</b>	<b>61.3</b>	<b>257.4</b>	<b>2.6</b>	<b>321.3</b>

\*Dual feed plant which can operate both on molasses and grain.



**Extensive Distribution Network**

Our comprehensive distribution network covers all of India, including over 1,00,000 retail outlets and 10,000 on-premise locations. This extensive reach allows us to effectively meet the increasing consumer demand for premium spirits across various regions. In addition to our network of wholesalers, approximately 300 personnel, structured into four zones each led by a regional profit centre head, maintain a robust sales and distribution presence nationwide. This sophisticated system ensures our products are readily available across all channels and geographies.

GLOBAL REACH

# Crafting a growing global presence

**BY COMBINING DEEP CONSUMER INSIGHTS, RELENTLESS INNOVATION, AND A COMMITMENT TO CULTURAL EXCHANGE, WE ARE WINNING THE HEARTS OF CONSUMERS AROUND THE WORLD AND FURTHER EXPANDING OUR REACH.**

At Radico Khaitan, we are proud to be a prominent player in the global alcoholic beverage industry. Our reach extends to over 100 countries across six continents, including the highly coveted Global Travel Retail market. This wide international presence highlights our ability to successfully enter and thrive in diverse markets.

Our products are renowned for their exceptional quality, innovative design, and world-class packaging, which have helped us build a strong global brand. In the fiercely competitive global market, we recognise that innovation is crucial. Consumers today crave authentic and unique experiences that reflect various cultural backgrounds. By understanding regional preferences and sharing the mystique and flavours of India, we continuously strive to innovate and present distinctive products to our worldwide audience.



The success of Rampur Indian Single Malt Whisky, which has received numerous accolades from malt connoisseurs and whisky experts, is a testament to our dedication to producing high-quality whisky. These exclusive offerings for international markets emphasise our commitment to catering to the tastes of global whisky enthusiasts.

Likewise, the acclaim received by Jaisalmer Indian Craft Gin among gin lovers demonstrates our ability to tap into the craft gin trend and connect with consumers globally. Our Sangam World Malt Whisky, which blends Eastern and Western traditions, provides a unique and culturally enriching experience. Additionally, our recent introduction of Kohinoor Reserve Indian Dark Rum, created through small-batch distillation using fresh cane juice spirit during the North Indian winter season, showcases our ongoing innovation.



**CONSUMERS TODAY CRAVE AUTHENTIC AND UNIQUE EXPERIENCES THAT REFLECT VARIOUS CULTURAL BACKGROUNDS. BY UNDERSTANDING REGIONAL PREFERENCES AND SHARING THE MYSTIQUE AND FLAVOURS OF INDIA, WE CONTINUOUSLY STRIVE TO INNOVATE AND PRESENT DISTINCTIVE PRODUCTS TO OUR WORLDWIDE AUDIENCE.**

GROWTH DRIVERS

# *Crafting growth on the foundation of differentiated strengths*

WE ARE POISED AND COMMITTED TO TAKING THE NEXT SIGNIFICANT LEAP IN OUR GROWTH JOURNEY BY CAPITALISING ON THE CORE STRENGTHS WE HAVE METICULOUSLY CULTIVATED OVER THE YEARS. THESE STRENGTHS WILL BE THE BEDROCK OF OUR FUTURE SUCCESS, DRIVING US TO ACHIEVE NEW HEIGHTS.





# Letter to the Shareholders



INDIAN CONSUMERS ARE INCREASINGLY EMBRACING PREMIUM PRODUCTS AND SERVICES ACROSS VARIOUS CATEGORIES. THIS EVOLVING CONSUMER PREFERENCE IS DRIVING DEMAND FOR PREMIUM BRANDS AND EXPERIENCES WITHIN THE ALCOHOLIC BEVERAGE SECTOR AS WELL.

## **DEAR SHAREHOLDERS,**

I am pleased to present the Annual Report of Radico Khaitan for the financial year ended March 31, 2024. The past year has been one of consolidation for our Company as we strengthened our core brands, expanded our luxury and premium portfolio, and enhanced our backward integration capabilities.

### **Industry Context**

The year was marked by volatility in raw material prices for the global alcoholic beverage industry. High inflation in many developed economies dampened consumer sentiments and purchasing power, impacting the industry's performance. Despite these challenges, India remains one of the few large alcoholic beverage markets consistently showing growth momentum.

An interesting trend in the Indian consumer market is the shift towards premiumisation. Indian consumers are increasingly embracing premium products and services across various categories. This evolving consumer preference is driving demand for premium brands and experiences within the alcoholic beverage sector as well. This shift is an encouraging sign for the future of the industry and aligns perfectly with our strategic focus.

## Performance Review

At Radico Khaitan, our premium portfolio, focussed marketing strategies, and integrated business model enabled us to deliver strong operational performance despite a difficult macroeconomic environment. Outpacing the industry growth rate, our Prestige & Above category brands grew by 20.3% year-on-year in volume terms, with all core brands showing strong momentum. Our premium product mix, along with price increases, helped partially offset the pressure of rising raw material prices.

I extend my heartfelt thanks to our customers, partners, and shareholders for making FY2024 another year of inspiration and progress. My gratitude also goes to the management team and everyone at Radico Khaitan for their outstanding commitment. With the continued support and trust of all stakeholders, our Company is well-positioned to enhance its performance.

## Operational Highlights

We continued to expand our luxury and super-premium portfolio to meet the discerning tastes of consumers. Launched overseas, the Kohinoor Reserve Indian Dark Rum taps into the growing appreciation of Indian luxury alcoholic beverages by both the Indian diaspora and mainstream consumers. This launch, along with existing aspirational offerings such as Rampur Indian Single Malt and Jaisalmer Indian Craft Gin, enables us to take India to the world and make India proud.

Another exciting addition to our premiumisation strategy was the launch of the Spirit of Victory 1999 Pure Malt Whisky in the domestic market. Our Master Blender has travelled over the world to evaluate various single malts and has blended them meticulously together with our Indian single malt to craft this exquisite pure malt. We are confident that Spirit of Victory 1999 Pure Malt will go on to create a mark of its own as many of our previous luxury brands.

Capitalising on the success of Jaisalmer, we tapped into the super-premium gin category with the launch of "Happiness in a Bottle". Additionally, in the white spirits space, our leadership in the vodka market led to the launch of the unique and premium Magic Moments Remix Pink Vodka, under the Magic Moments brand umbrella.

A landmark achievement for the year was the completion and commissioning of our 350 KLPD grain ENA distillery at Sitapur. The Sitapur plant secures long-term ENA supplies and positions us to capitalise on future growth opportunities with enhanced bottling capacities.

## Embedding Sustainability

We firmly believe that sustainable business growth requires a steadfast commitment to sustainability. Our programmes are designed to drive social and economic progress within the communities we serve. We focus on enhancing community development, improving livelihoods, promoting education and healthcare, including preventive measures, and safeguarding environmental sustainability. Our strong focus on water conservation is evident in the rainwater harvesting and groundwater recharging initiatives in and around our plants. Sustainability is not just a part of our operations; it is embedded in our future roadmap. We continue to work closely with the communities around our units to achieve our sustainability targets, ensuring that our growth benefits both the environment and society.

## Business Outlook

With the expectation of a normal monsoon and better crop yield, we are seeing early signs of softening grain prices. While we remain vigilant to industry trends, we believe the worst of the input cost pressures is behind us, and we expect to benefit from any favourable shifts in raw material prices in FY2025. Meanwhile, the structural drivers of rising affluence, low per capita consumption levels, and a strong premiumisation trend ensure the robust mid-to-long-term potential of the Indian alcoholic beverage sector.

At Radico Khaitan, we are progressing well on our premium brand creation journey. Innovation and consumer aspirations will remain at the core while developing and building these brands. The strength of our product portfolio, together with our integrated manufacturing facilities and extensive distribution platform, will enable us to deliver balanced growth and value creation for all our stakeholders.

Thank you for your continued support.  
Sincerely,

**Dr. Lalit Khaitan**  
Chairman & Managing Director

# *Q&A with the Managing Director*



Radico Khaitan delivered a strong performance, driven by the strength of its brand portfolio and excellent execution capabilities. The Company has fortified its core brands through focussed marketing investments and introduced select new brands in the super-premium and luxury segments. Looking ahead, the Company remains committed to driving operational efficiency, launching innovative products, and expanding its presence both on-trade and off-trade to sustain long-term profitable growth. The Company's Managing Director, Abhishek Khaitan, shares more insights into Radico Khaitan's performance for the year and the priorities for the future.



**Radico Khaitan achieved strong growth in the Prestige and Above category during FY2024, significantly outpacing the Indian industry's performance in this segment. How do you plan to sustain this growth?**

Driven by our focus on premiumisation, our Prestige and Above (P&A) portfolio is growing at twice the industry rate in volume terms, with the top end of our premium portfolio growing even faster. We are expanding the distribution of our existing flagship brands and launching new innovations in the premium category to sustain this growth momentum. Let me provide some more context.

Under the Rampur Indian Single Malt umbrella, our super luxury malt offerings registered a 138% growth in FY2024. Rampur Asava, an expression of Rampur Indian Single Malt, is already available overseas, and we plan to launch it in India soon.

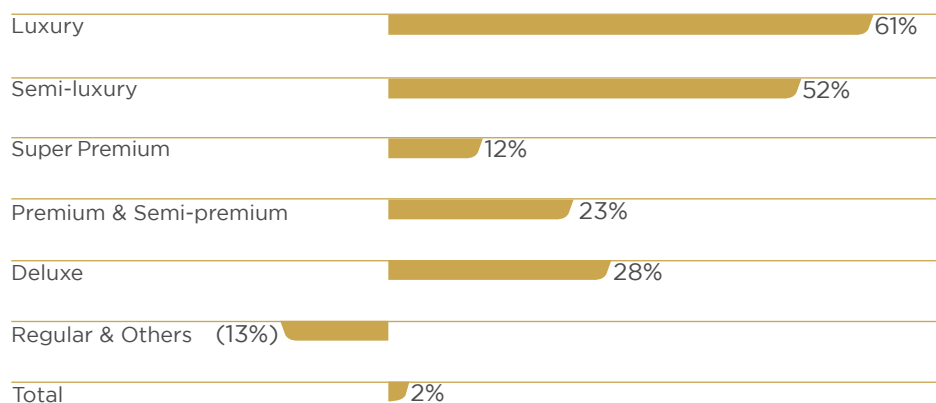
Royal Ranthambore, our whisky in the mid-luxury segment, has seen over 100% growth in FY2024. This brand has significant potential and is a key part of our future strategy. Our 8PM Premium Black, available in 24 states, has also seen rapid growth, with a new hipster pack launched to attract new customers. Currently, it is a +3 million case brand and growing swiftly.

The biggest growth drivers of P&A performance are the gin and vodka categories. Jaisalmer Indian Craft Gin holds around 50% of the market share in the Indian luxury gin segment. With gin being a rapidly growing category, we will launch Jaisalmer Gold, a higher-priced variant, in India in FY2025. We have also tripled our Gin distillation capacity to cater to the growing demand for Jaisalmer Indian Craft Gin. Additionally, our vodka offerings under the Magic Moments brand family have achieved sales of 6.3 million cases, crossing the ₹1,000 crore sales value milestone with a 25% growth over the previous year. The launch of Magic Moments Remix Pink Vodka in FY2024 caters to the growing demand for coloured and flavoured beverages. We also introduced "Happiness in a Bottle", a premium gin, in four states, with plans to expand to other states in FY2025.

The brandy market in India has traditionally been concentrated in the southern part of the country. Our vision was to make brandy a national product, and we have successfully achieved that goal with our premium brand Morpheus, now available in 26 states. During FY2024, we achieved sales of 1.3 million cases of brandy, selling nationally. Brandy is a high-contribution category, and with our rising pan-India presence and acceptance, we are well poised to strengthen our performance.

Lastly, while rum is often perceived as a low-cost product in India, our 1965 Spirit of Victory Rum, positioned at a premium price, has captured an 16% market share in Defence market. Internationally, we have launched Kohinoor Indian Dark Rum at US\$ 50, which we plan to introduce in India in the future.

**Total Volume Growth FY2024 (Year-on-Year)**



In summary, our P&A category is growing across geographies and brands. With a continued thrust on building a luxury and premium portfolio, we are confident of further improving our realisation per case and maintaining robust growth in the P&A category in FY2025.

Q  
A

**With the commissioning of the Sitapur distillery, what benefits are expected, and what are the upcoming capital expenditure plans?**

During the year, we successfully commissioned the new 350 KLPD (Kilolitres Per Day) Extra Neutral Alcohol (ENA) distillery at Sitapur, Uttar Pradesh. The plant is now running at optimum capacity and has achieved key operating parameters. The commissioning of the Sitapur plant not only secures long-term ENA supplies for our branded business, where we were previously at full capacity, but also positions us strongly to capitalise on future growth opportunities with enhanced bottling capacities at Sitapur. Together with the ENA production from the distilleries at the Rampur campus, the Sitapur plant's output will support our branded business growth for the next six to seven years.

Regarding ENA, we are now self-sufficient for our branded products. However, due to logistical reasons and inter-state duties, we still purchase alcohol for our products in other states across India. Some of the ENA will be used for our new segment, UPML, introduced in Uttar Pradesh last financial year. With our business model, we are confident of achieving full captive utilisation of Sitapur unit in the next three to four years.

In terms of capital expenditure, we have completed a significant investment with the Sitapur distillery. For the next six to seven years, we plan to operate within our current distillation capacity of 321 million litres. Whenever needed, we will outsource ENA from other sources for our regular category products. Consequently, we do not foresee any significant capital expenditure, except for routine maintenance and brand-related investments, which has a run rate of ₹70 to ₹80 crore per annum.

Q  
A

**The global acceptance of Indian liquor brands is on the rise. What are the factors driving this change, and how is Radico Khaitan positioned to capitalise on the export potential?**

The alcoholic beverage sector is witnessing a growing acceptance of luxury portfolios worldwide, driven by the demand for new and innovative products. The improved global perception of India's economy has bolstered the confidence in Indian products. This acceptance is no longer limited to the Indian diaspora; international consumers are increasingly seeking out Indian products. This growing acceptance of Indian brands globally is very encouraging.

At Radico Khaitan, we have made significant strides in building our brand equity in overseas markets. Our luxury products, such as Rampur Indian Single Malt, Jaisalmer Indian Craft Gin and Sangam World Malt Whisky, have garnered extraordinary appreciation globally. Consumers love the unique character and taste of these products, and they are positioned at premium price points. It is a matter of pride for us to see an Indian brand receive such attention.

We are expanding our luxury portfolio under the Rampur Indian Single Malt umbrella. Recently, we launched the next two whiskies in the Jugalbandi series – Jugalbandi #3 and #4 – at The Whisky Show in London. With our Rampur Indian Single Malt portfolio, we have always strived to take India to the World. This series celebrates an ancient Indian art form and demonstrates our brand creation capabilities.

Additionally, we launched “The Kohinoor Reserve Indian Dark Rum”, crafted through small-batch distillation using fresh cane juice spirit during the North Indian winter season. This luxury rum, presented in an exquisite glass bottle reminiscent of the Kohinoor Diamond, is priced at around US\$ 50 per bottle. It is being rolled out across global markets, including the USA, UK, EU, Asia, and Global Travel Retail. This launch, like our other luxury products, reiterates our commitment to celebrating India through meticulously crafted brands having Indian roots.

We have registered a 10% increase in our export sales volume compared to the previous year, with a notable rise in the saliency value of our entire export portfolio which grew by 38%. This year, we are focussing on expanding our luxury portfolio in Travel Retail, the duty-free channel across the world. The response from customers and operators has been very positive, and we are optimistic about continuing this export growth. Our key export markets include the UK, US, Europe, Middle East, Africa, Southeast Asia, Australia, New Zealand, Singapore, and Hong Kong. We are also focussing on on-trade placements, with our products now available in many Michelin-star Indian restaurants.



### **How do you envision the Company's direction and growth moving forward?**

Our first priority is to continue driving growth in the Prestige and Above (P&A) category. Over the past 15 to 16 years, nearly all our new products have been launched in this category. We remain committed to a focussed portfolio of premium brands, where consumer aspirations drive brand choice. From ideation to blend development, packaging, marketing, brand communication, distribution, and delivering value to consumers, we have a well-defined roadmap at each stage of the product life cycle.

Given our focus on premiumisation, our Prestige & Above category brands now account for 46% of our IMFL sales volume and 69% of IMFL sales value. In three years, we aim for 55% of our volume to come from the P&A category. This shift will contribute to a stable business model and assist in expanding our EBITDA margin.

Our second priority is to further develop our luxury brands portfolio, which we see as a major contributor to our profitability. We already have a strong luxury portfolio with brands like Rampur, Jaisalmer, Sangam and Kohinoor, with more products in the pipeline.

Thirdly, we are focussed on ensuring that our investments operate as efficiently as possible. This will enable us to generate cash, repay debt, and return cash to shareholders. Currently, our net debt stands at under ₹700 crore. While this is manageable given the size of our business, we are committed to being almost debt-free by FY2026. We are managing our working capital and capital expenditure effectively, and with most of the major capital expenditure completed, we expect to have negligible debt in two years.

In conclusion, we are committed to our long-term strategy of delivering sustainable premium volume growth. With our strong backward integration platform and dedication to brand excellence, we are confident in our ability to capitalise on the long-term growth prospects within the Indian spirits industry.

**BUSINESS SUSTAINABILITY**

# *Crafting a sustainable future*

**WE ARE STEADFAST IN OUR BELIEF THAT TRUE VALUE LIES IN SUSTAINABILITY. OUR MISSION IS TO CREATE LASTING BENEFITS THAT ARE ECONOMICALLY VIABLE, ENVIRONMENTALLY FRIENDLY, AND SOCIALLY RESPONSIBLE. BY HARNESSING RENEWABLE ENERGY SOURCES AND REDUCING RESOURCE CONSUMPTION PER UNIT OF PRODUCTION, WE STRIVE TO IMPLEMENT RESPONSIBLE PRACTICES WITHIN OUR INDUSTRY.**

Our initiatives are meticulously aligned with the United Nations Sustainable Development Goals (UN SDGs). We are committed to deepening this integration, ensuring that our efforts contribute meaningfully to a brighter, sustainable future.



**UN SDGs**

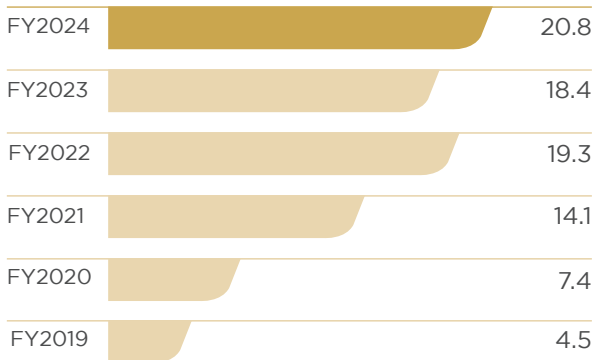


**Using Recycled Glass Bottles**

Given the nature of our industry, our operations involve a significant use of glass bottles. We have made it a priority to champion the use of recycled glass in our business. This approach helps preserve valuable resources such as sand and non-renewable energy sources, aligning with our broader environmental goals. Our focussed efforts have yielded impressive results, increasing the proportion of recycled glass bottles from 4.5% in FY2019 to 20.8% in FY2024 for our key brands.

**Consumption**

(% Recycled Bottles)



**UN SDGs**



**Value Engineering**

We have implemented various value-engineering strategies to optimise raw material costs without compromising product quality. An example of this is leveraging improved glass technology to produce lighter glass bottles. This approach not only optimises raw material costs but also reduces the pressure on the natural resources used in the manufacture of glass bottles. Consequently, this has led to a saving of about 1,450 MT of glass consumption during the year. Additionally, the removal of monocartons from certain brands has reduced paper usage by 3,100 MT, conserving natural resources. Furthermore, we have transitioned to 26.5 gm PET bottles for the 180 ml SKU of 8PM Premium Black Whisky, which will reduce energy consumption during manufacturing. PET is also 100% recyclable.

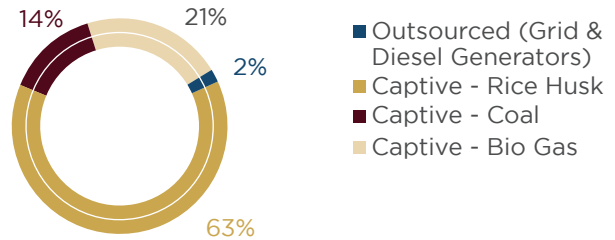
**UN SDGs**



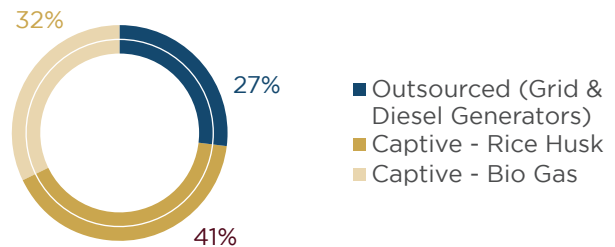
**Lowering Carbon Footprint**

Our dedication to minimising our carbon footprint is unwavering. In FY2024, we made significant strides towards this goal at our Rampur plant. Impressively, 84% of our total power consumption was generated through our captive power plants, utilising renewable energy sources and bio-fuels. An additional 14% was produced using low-sulphur coal, adhering strictly to the Ministry of Environment and Forests (MoEF) guidelines. Only 2% of our power needs were met through external sources such as the grid or diesel generators. Today, the Rampur campus proudly stands as 100% self-sufficient in power generation, underpinned by our captive power plants.

**FY2024**

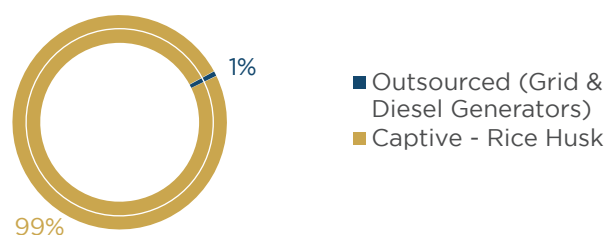


**FY2023**



Our Sitapur distillery operations commenced in September 2024. Prior to this, the Sitapur plant relied entirely on outsourced power. Since the distillery operations began, the campus has achieved 100% self-sufficiency through its captive power plants. Impressively, 99% of the total power consumed at Sitapur since October 2024 has been generated using bio-fuels.

**FY2024 - October 2024 onwards**



**UN SDGs**



**Recycling Plastic Waste**

In FY2024, the Company has recycled 6,724 metric tonnes of post-consumer plastic waste. This initiative significantly reduces environmental pollution and underscores our commitment to responsible waste management and business sustainability.

**Saved**

**Eliminated**



**119.2**  
**Million Litres**  
Water



**37.9**  
**Million kWh**  
Energy



**17.0**  
**Million Litres**  
Oil



**16.4**  
**Million KG**  
CO<sub>2</sub>



**5.3**  
**Million Cubic Feet**  
Landfill

**UN SDGs**



**Tree Plantation**

In FY2024, we enhanced our environmental stewardship by planting over 6,000 trees across various locations in Rampur district. Furthermore, we are taking care of nurturing of over 13,000 trees planted in previous years. This initiative contributes to local biodiversity, improves air quality, and underscores our dedication to fostering a greener and healthier environment.

**UN SDGs**



**Reducing Water Consumption**

We recognise the critical role water plays in socio-economic development and the creation of a healthy ecosystem, both of which are vital for human survival. We believe that water is central to the world’s adaptation to climate change, serving as a crucial link between the climate system, human society, and the environment.

To this end, we are continuously upgrading our technology to enhance water efficiency across our manufacturing processes. Our water consumption rates are among the lowest in the alcoholic beverage industry. Since FY2018, we have achieved significant reductions in water usage at our Rampur facility, cutting consumption by 56% in our molasses-based distillery and by 50% in our grain-based distillery.

**Rampur**

	Molasses-based			Grain-based		
	FY2018	FY2023	FY2024	FY2018	FY2023	FY2024
% Recycled	39%	73%	74%	32%	66%	67%
Fresh water consumption (litre/BL)	12.3	5.5	5.2	10.5	5.3	5.1

As the Sitapur plant commenced operations this year, its consumption levels are not yet comparable. However, we are committed to achieving optimal water efficiency at the Sitapur plant by FY2025, further reinforcing our dedication to sustainable water management.

**Sitapur**

Grain-based	FY2024*
% Recycled	56%
Fresh water consumption (litre/BL)	5.7

\* January - March 2024

## UN SDGs



## Conserving and Preserving Water

We have implemented a range of rainwater harvesting and groundwater recharge measures to support sustainable water management both within and beyond our plant premises. Inside our facilities, we have installed 27 recharging structures across the premises. Beyond our plant, we have established 129 recharging structures across 38 villages in the Chamraua Block of Rampur district.

To ensure the effectiveness of these structures, we undertake thorough maintenance at the onset of each monsoon season. In FY2024, we experienced significantly higher rainfall, leading to an impressive increase in water recharge. We successfully recharged over 450% of the total water we draw from the ground, thus contributing positively to the local ecosystem. Our commitment to maintaining these systems ensures that we continue to meet the required parameters for sustainable water management.

Month	FY2020	FY2021	FY2022	FY2023	FY2024
Rainfall (in mm)	981	812	1,064	891	1,541
Recharging Water (Million M3)	2.4	2.8	2.8	2.8	4.4

## UN SDGs



## Radico – Art of Living’s Bhujal Shakti Project

We have joined hands with ‘Vyakti Vikas Kendra India’ (Art of Living) and the Government to replicate the success of our water conservation initiative in other areas of Rampur. This project covers three blocks of Rampur district, encompassing 451 out of 1,163 villages. We plan to cover 831 sq km of Rampur district’s 2,298 sq km area, benefiting over 40% of its 23.3 lakh population.

Besides supporting the upliftment of the water level in Rampur, the project will generate employment for local youth. It will train individuals to create awareness about the area’s water resources, rainfall patterns, hydrological cycle, and water accounting and budgeting. The youth will also prepare water security plans and maintain recharge structures.

As part of the project, water literacy training programmes will educate farmers on effective and sustainable irrigation techniques, such as sprinkler systems or drip irrigation. Farmers using efficient irrigation techniques will be incentivised and rewarded. So far, around 5,500 participants have completed the water literacy programme.

During the year under review, 100 recharge shafts were completed. The Central Ground Water Board’s annual assessment showed that the groundwater table in Saidnagar improved from Semi-Critical to Safe, while Chamraua and Shahabad improved from Over-Exploited to Semi-Critical in just one monsoon season. Encouraged by the results in Chamraua, Shahabad, and Saidnagar Blocks, we have initiated activities in the remaining three blocks of Rampur: Suar, Milak, and Bilaspur. River rejuvenation work for the extinct 12.5 km long Rewati river in Chamraua Block is also underway, impacting over 50 villages in Rampur district.

## UN SDGs



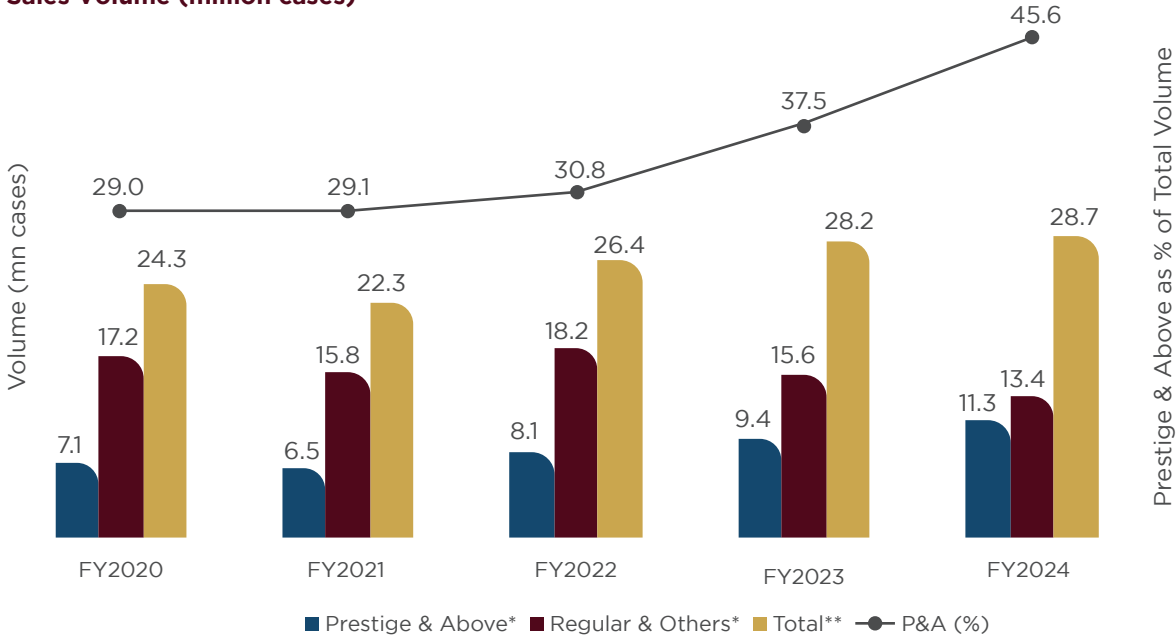
## Radico – Art of Living Skill Development Centre

In partnership with Art of Living, Radico Khaitan has launched a skill development centre aimed at equipping unemployed youth who have not completed their 10<sup>th</sup> or 12<sup>th</sup> grade education with essential skills. The centre offers training in areas such as soft skills, English communication, computer literacy, and web and mobile app development.

In the past year, the centre has trained 195 students in soft skills, computer usage, mobile repair, and Tally accounting software, taking the total number of trained students to about 400. Additionally, we have opened a new centre dedicated to women’s empowerment, where 120 women received training in tailoring and beautician courses. Over the last two years, the programme has successfully trained 240 women.

# Performance Highlights

## Sales Volume (million cases)



\* Excluding Royalty brands for FY2022, FY2023 & FY2024;  
 \*\* Total including Royalty brands for FY2022, FY2023 & FY2024

## Net Revenue from Operations

(₹ in crore)

FY2024	4,118.5
FY2023	3,142.8
FY2022	2,868.0
FY2021	2,398.8
FY2020	2,427.0

## EBITDA

(₹ in crore)

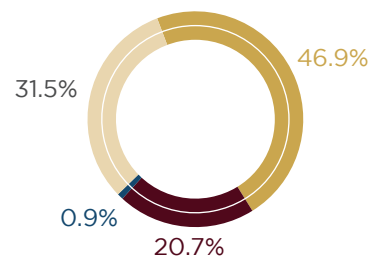
FY2024	507.3
FY2023	358.2
FY2022	402.7
FY2021	407.8
FY2020	368.2

## Total Comprehensive Income

(₹ in crore)

FY2024	256.7
FY2023	202.6
FY2022	252.5
FY2021	269.7
FY2020	224.8

## Revenue Breakup (FY2024)



■ IMFL - Prestige & above ■ IMFL - Royalty  
 ■ IMFL - Regulars & Others ■ Non-IMFL



# Board of Directors



**Dr. Lalit Khaitan**  
Chairman &  
Managing Director



**Mr. Abhishek Khaitan**  
Managing Director



**Dr. Raghupati Singhania**  
Independent Director



**Ms. Sushmita Singha**  
Independent Director



**Mr. Sharad Jaipuria**  
Independent Director



**Mr. Tushar Jain**  
Independent Director



**Mr. Sarvesh Srivastava**  
Independent Director  
(upto May 29, 2024)



**Mr. Krishan Pal Singh**  
Whole Time Director  
(upto July 1, 2024)



**Mr. Pushp Jain**  
Independent Director  
(w.e.f. May 30, 2024)



**Mr. Amar Singh**  
Whole Time Director  
(w.e.f. July 2, 2024)

# Leadership Team



**Dr. Lalit Khaitan**

Chairman and  
Managing Director



**Mr. Abhishek Khaitan**

Managing Director



**Mr. Amar Sinha**

Chief Operating Officer



**Mr. Dilip Banthiya**

Chief Financial Officer



**Mr. Sanjeev Banga**

President - International  
Business



**Mr. M Prakash**

EVP - Corporate,  
Technical Operations



**Mr. Amar Singh**

Whole Time Director



**Mr. Hari Shankar Shukla**

EVP - Manufacturing  
Operations, Sitapur



**Mr. Saket Somani**

SVP - Finance  
& Strategy



**Mr. Dinesh Kumar  
Gupta**

SVP - Legal &  
Company Secretary



**Mr. Vinay Padroo**

Chief Human  
Resources Officer

# Management Discussion and Analysis

## ECONOMY OVERVIEW

### Global Economy Overview

The global economy demonstrated strong resilience in CY2023, following a year of receding inflation. The resilience was reflected in steady employment and rising incomes, buoyed by favourable demand. The economy was further strengthened by increased government spending, household consumption, and labour force participation. However, economic growth in CY2023 was impacted by high borrowing costs and reduced fiscal support. Geopolitical tensions and weak productivity across the globe also posed as challenges. Notwithstanding significant interest rate hikes by central banks to curb inflation, households in major advanced economies used their substantial pandemic-era savings, contributing to an unexpected economic strength in CY2023. The global economy grew by 3.2% in CY2023 and is expected to maintain a similar growth rate in CY2024 and CY2025.



Consumer price indices have shown improvement, with inflation moderately easing. This trend is also likely to boost consumer confidence in the advanced economies. In CY2023, the advanced economies grew by 1.6%, with growth projections of 1.7% for CY2024 and 1.8% in CY2025. Emerging markets and developing economies grew by 4.3% in CY2023 and are expected to grow by 4.2% in both CY2024 and CY2025. The global economic outlook is projected to encounter a balance of risks and opportunities in the coming period. Factors such as potential price spikes from geopolitical tensions, declining inflation rates in major economies, and high government debt might lead to disruptive fiscal policies. Emphasising medium-term fiscal consolidation, tailored policy responses and enhanced multilateral cooperation will be crucial to guide the global economy towards sustainable progress.

Source: IMF World Economic Outlook, April 2024

### Indian Economy Overview

India remains the fastest-growing major economy, driven by robust domestic demand and favourable policies. The Indian economy is estimated to have grown by 7.6% in FY2024, up from 7.0% in FY2023. Key drivers of this growth momentum include capital expenditure on infrastructure development, rise in private corporate investment, strong service sector performance, and improved consumer confidence. This growth momentum is expected to continue in FY2025, supported by improved goods exports, increased manufacturing productivity, and higher agricultural output.

Consumption has been subdued this year, largely due to muted agricultural growth disrupted by erratic weather patterns, which impacted output and weakened rural consumption. Despite this subdued consumption, economic activity indicators suggest underlying strength that will bode well for the economy in the medium term.

The Reserve Bank of India (RBI) has maintained the policy repo rate at 6.5% during FY2024. The central bank has also reaffirmed its goal to keep headline inflation at 4% whilst maintaining the stance of 'withdrawal of accommodation' to ensure that inflation progressively aligns to the target at the same time supporting growth.

Despite volatility in the global macroeconomic environment, the outlook for the Indian economy remains positive. Sustained political stability, enhanced government focus on public capital

**THE PROPORTION OF SPENDING ON TRADITIONAL PRODUCTS (SUCH AS FOOD, BEVERAGES, AND CLOTHING) IN THE PAST DECADE HAS FALLEN, WHILE SPENDING ON LUXURY AND ASPIRATIONAL PRODUCTS AND SERVICES CATEGORIES (SUCH AS TRAVEL AND ENTERTAINMENT) HAS RISEN. IT IS EXPECTED THAT THE RISING NUMBER OF PEOPLE WITH HIGHER DISPOSABLE INCOME WILL CREATE A HIGHER DEMAND FOR LUXURY AND PREMIUM PRODUCTS AND SERVICES.**

expenditure, increasing private capital expenditure, growing credit demand, moderating inflation, low corporate debt levels, and deleveraged balance sheets, are all expected to contribute to the economic growth. The Indian GDP is projected to grow by 7.0% in FY2025. The government's capital expenditure spending is expected to increase to ₹11.1 lakh crore or 3.4% of GDP in FY2025, up from the ₹10 lakh crore allocated last year.

Source: MOSPI, RBI

### CONSUMER SECTOR

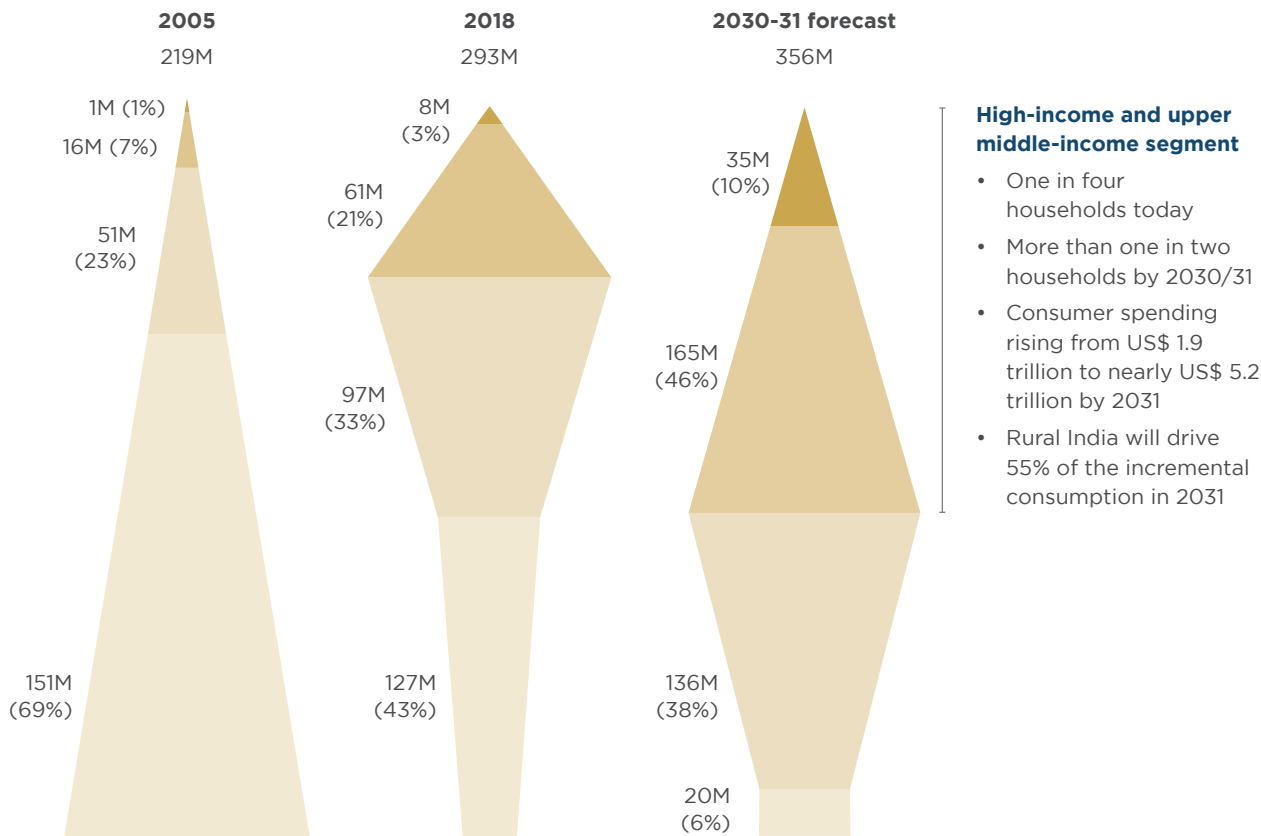
Consumer spending growth has been erratic post-pandemic, accompanied by a shift in consumption patterns. Demand for luxury and high-end products and services is increasing more rapidly than for basic goods. As the number of middle- to high-income households with rising disposable incomes grows, this trend is expected to intensify, further boosting overall private consumer expenditure.

As per the Household Consumer Expenditure Survey in India, there has been a significant shift in the consumer behaviour among Indian households over the past two decades. This shift is also driven by the country's large young population, urbanisation trends, and changing consumer preferences. The survey highlights that the proportion of spending on traditional products (such as food, beverages, and clothing) in the past decade has fallen, while spending on luxury and aspirational products and services categories (such as travel and entertainment) has risen. It is expected that the rising number of people with higher disposable income will create a higher demand for luxury and premium products and services.

**For India, income distribution is closer to a top-heavy polygon than a pyramid**

Proportion of households by income segment

■ High ■ Upper-middle ■ Lower-middle ■ Low



**High-income and upper middle-income segment**

- One in four households today
- More than one in two households by 2030/31
- Consumer spending rising from US\$ 1.9 trillion to nearly US\$ 5.2 trillion by 2031
- Rural India will drive 55% of the incremental consumption in 2031

Notes:

Low-income: less than US\$ 4,000; lower-middle: US\$ 4,000 to US\$ 8,500; upper-middle: US\$ 8,500 to US\$ 40,000; high-income: more than US\$ 40,000; this classification is based on income per household in real terms.

Source: Deloitte Research

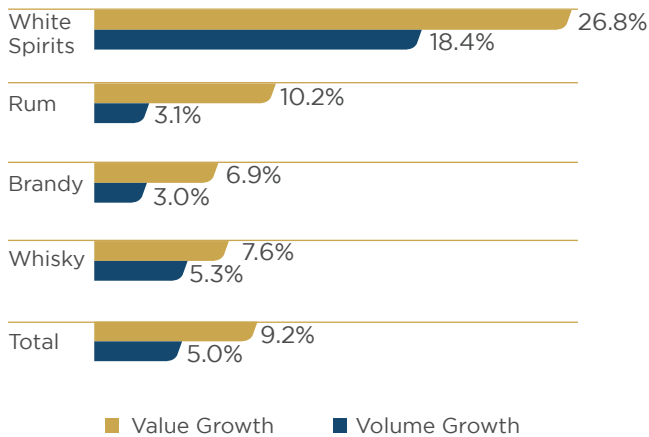
**SPIRITS INDUSTRY IN INDIA**

India, with its rich cultural heritage, has a thriving spirits market that reflects the diversity and preferences of its ever-evolving consumers. Spirits in India are more than just beverages; they hold cultural significance deeply embedded in traditions and rituals. This emotional connection among Indians along with the global consumers’ desire to experience the ancient Indian art forms, is driving the demand for new products and experiences.

India’s spirits market has been experiencing robust growth, driven by both international and local brands. International spirits brands are increasingly investing and establishing a presence in India’s vibrant market. Simultaneously, local brands are leveraging innovation to compete effectively.

The recent expansions in the Indian single malt segment and the introduction of new spirit categories, such as gin, reflect this trend. Consumers are making more premium choices, prompting the industry to cater to this growing demand. The increasing interest in craft spirits among Indian consumers is boosting the overall craft spirits category. Investments in technological and flavour innovation, expanding production capacity, and refining techniques are driving the success of craft spirits. Local producers are carving out unique market niches, attracting consumers who appreciate premium experiences.

**Indian IMFL Industry Growth - CY2023**



As per Euromonitor International, the IMFL (Indian Made Foreign Liquor) industry in India grew by 5.0% to reach 389 million 9-litre cases in CY2023. In value terms, the growth was 9.2%, indicating a strong premiumisation trend. White spirits, including vodka and gin, registered a remarkable 18.4% year-on-year growth in CY2023. Globally, white spirits account for a double-digit share of the spirits industry pie, while in India, the segment accounted for only a 3.8% share. With a supportive demographic profile, and an increasing flavour and cocktail culture, this growth trend in the white spirits industry is likely to sustain.

**THE INDIAN SPIRITS INDUSTRY OUTLOOK**

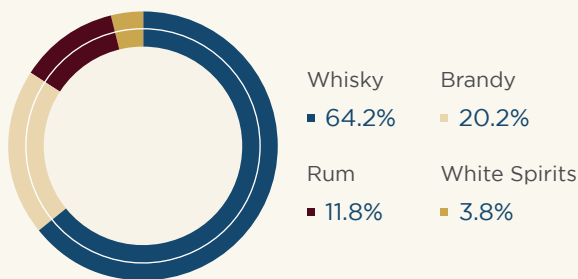
The growth in the Indian IMFL space is expected to be driven by a combination of positive demographics,

premiumisation, a more aspirational and experimental consumer base, and an enhanced consumer shopping experience. With consumers seeking premium experiences and diverse product offerings, spirits companies are expected to adapt to changing preferences by investing in quality and innovation. The industry is expected to navigate the dynamic landscape of the Indian market and unlock new avenues for success by embracing consumer trends. As the market evolves, India’s spirits industry is set for substantial growth and innovation.

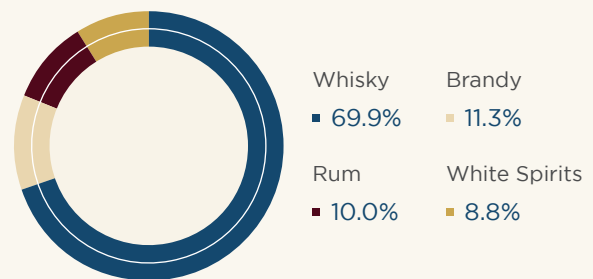
Over the last couple of years, the spirits industry has been grappling with significant raw material inflation, leading to shrinking profitability margins. Ongoing discussions are being held between the state and the industry representatives regarding pricing. Several states have already approved price hikes, helping to mitigate cost pressures to a certain extent. This scenario is further supporting the premiumisation trend, as higher-priced products are less susceptible to the inflationary environment.

According to Euromonitor International, IMFL volumes are expected to reach 511 million cases in CY2028. During the CY2024-2028 period, IMFL sales volume is projected to grow at a CAGR of 5.6%. During the same period, the IMFL industry value is expected to grow by 11.0%. The white spirits industry is expected to perform even better, with volume growth of 10.5% and value growth of 16.8%. The emergence of cocktail culture, led by vodka and gin, is anticipated to continue driving demand.

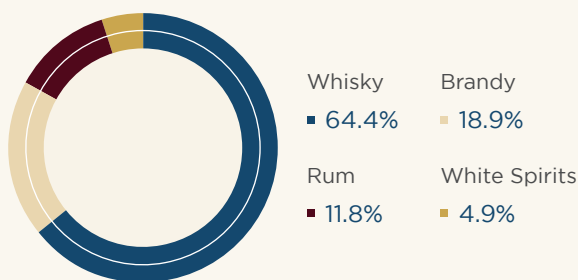
**CY2023 - Volume 389 million cases**



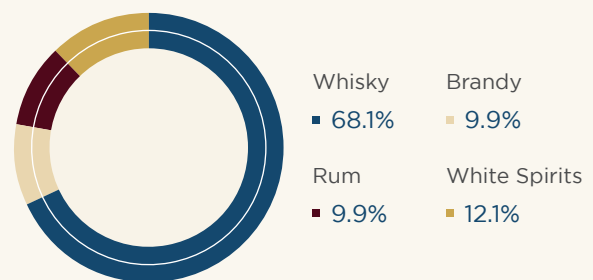
**CY2023 - Value ₹2,801 billion**



**CY2028 - Volume 511 million cases**



**CY2028 - Value ₹4,630 billion**



## GROWTH DRIVERS

### Growing Premiumisation Trend

Over the past three years, the Indian consumer industry has seen a widening gap in growth rates, with companies targeting high-income customers outperforming those serving the broader market. This trend toward premiumisation reflects a rising demand for luxury and high-quality goods and services as India's consumer base becomes more affluent and aspirational. This shift is also supported by positive

consumer confidence metrics. The Indian spirits industry is also mirroring this premiumisation trend, with companies catering to affluent consumers experiencing increased demand for premium spirits.

Euromonitor International forecasts significant growth for blended Scotch and Single malts, with double-digit compound annual growth rates (CAGR) expected through

CY2028. With increasing recognition of Indian products, international producers are also enhancing their offerings to include India-focussed spirits such as Indian Single Malt and Indian Craft Gins. The premium spirits market is expected to become more dynamic in the future, offering opportunities for brands to refine their premium positioning and stand out amidst evolving economic conditions.

### Expanding Spirits Categories

While whisky dominates India's Total Beverage Alcohol (TBA) market, other spirits categories are also emerging as consumers gradually broaden their preferences. New categories, including white spirits, have seen significant growth, driven by a willingness to explore new flavours and increased participation from female legal drinking age consumers. This trend is being propelled by social acceptance, urbanisation, rising incomes, and product innovations.

### Evolving Retail Experience

The Indian spirits industry is experiencing a positive shift due to progressive excise policy changes and an evolving retail landscape. These changes are making it easier and more appealing to buy alcohol in India. Modern stores, longer operating hours, enhanced customer experiences, strategic locations, additional services, and digital integration are driving this transformation.

### Regulatory Changes Supporting Industry Growth

Navigating the Indian spirits market requires managing intricate regulations, high tariffs, and inconsistent tax rates across states. However, there are signs of progress in the regulatory landscape for the spirit industry. Regular price increases and excise rate reductions in certain states have already led to increased sales volumes, suggesting that strategic regulatory changes could further stimulate growth.

## COMPANY OVERVIEW

Radico Khaitan Limited (hereafter referred to as 'Radico Khaitan' or 'the Company') is one of India's oldest and largest spirit manufacturers, with a rich history dating back to 1943. Formerly known as 'Rampur Distillery Company', Radico Khaitan has gradually evolved from a bulk spirits supplier and bottler for other manufacturers to become a renowned name in the IMFL industry, with a strong focus on brand development, scaling operations, and robust growth.

Entering the IMFL market in 1998 with 8PM Whisky, Radico Khaitan concentrated its first decade (1998-2006) on building robust manufacturing capabilities and achieving a pan-India presence. During

this period, the Company achieved sales volume exceeding 10 million cases. From 2006, it adopted premiumisation with the launch of Magic Moments Vodka, which quickly became India's best-selling vodka and one of the largest in the global market. The premiumisation journey accelerated in 2016 when the Company launched its first luxury brand, Rampur Indian Single Malt Whisky. Over the past decade and a half, it has built a strong portfolio of premium products, driven by consumer demand and bolstered by about 20 new brand launches.

Radico Khaitan is known for its emphasis on innovation, research and development (R&D), and customer-centricity. It stands out as one of the few companies in India to have developed

its entire brand portfolio organically by using in-house capabilities. Committed to both premiumisation and business adaptability, it focusses on backward integration efficiencies to maintain competitiveness.

The Company is also a leading supplier of branded IMFL to the Canteen Stores Department (CSD), a business segment with high entry barriers due to strict brand registration requirements. Significant strides have been made in building brand equity in overseas markets, with the Company's products exported to over 100 countries, giving it an extensive global reach.

### Diverse Product Offerings

The Company has developed a well-recognised brand portfolio that spans a variety of categories and segments within the IMFL industry, including whisky, brandy, rum, gin and vodka. Furthermore, the Company has seven millionaire brands, each achieving annual sales of over a million cases. For more details on our product portfolio and millionaire brands, please refer to pages 4 to 16 of this Annual Report.

In FY2024, the Company continued to strengthen its product portfolio and drive its premiumisation strategy with the introduction of Happiness in a Bottle Gin, Magic Moments Remix Pink Vodka, Spirit of Victory 1999 Pure Malt Whisky, and The Kohinoor Reserve Indian Dark Rum.

The Company's Prestige & Above category experienced strong growth in FY2024, with a 20.3% increase in volume sales, totalling 11.26 million cases. In line with the Company's strategic focus on premiumisation, the Prestige & Above category brands represented about 46% of IMFL sales volume and 69% of IMFL sales value in FY2024. The Magic Moments brand family achieved a significant milestone in FY2024, selling a record 6.3 million cases and exceeding ₹1,000 crore in sales value. This represents a 25% growth in value compared to the previous year.

### Substantial Backward Integration

Radico Khaitan has seven distilleries: three in Rampur (Uttar Pradesh), one in Sitapur (Uttar Pradesh), and three in Aurangabad (Maharashtra), which is a 36% joint venture. During FY2024, the Company completed the commissioning of its 350 Kilo Litres per day (KLPD) grain ENA distillery at Sitapur. This new facility not only secures long-term Extra Neutral Alcohol (ENA) supplies but also positions it strongly to capitalise on future growth opportunities in the branded business with enhanced bottling capacities.

In FY2024, the Company expanded its production capacity to 321 million litres, a significant increase from 217 million litres in FY2023. The Company's capacity is supported by a network of 43 bottling units across the country, including 5 owned facilities, 9 operating under royalty agreements, and 29 under contract. In addition, the Company has dedicated printing units at 3 locations to support the growth of Magic Moments Vodka, ensuring consistency and high-quality.

The Company's extensive manufacturing network allows it to meet consumer demand effectively while minimising interstate taxes and transportation costs. The Company strives to enhance productivity and product quality across its manufacturing platform.

### Robust Distribution Network

Radico Khaitan has built a robust sales and distribution network across India, supported by efficient supply chain management. The Company reaches over 1,00,000 retail outlets and 10,000 on-premises locations. Additionally, it has organised its 300+ personnel into four zones, each led by a regional profit centre head to streamline its operations. The Company's extensive distribution network, complemented by sophisticated and efficient systems and processes, allows it to ensure consistent product availability across various channels and regions.



## PERFORMANCE OVERVIEW

### Standalone Performance

(₹ Crore)

Year	FY2024	FY2023	Y-o-Y Change
Gross Sales	15,483.9	12,743.9	21.5%
Net Sales	4,118.5	3,142.8	31.0%
Gross Profit	1,752.0	1,314.9	33.2%
EBITDA	507.3	358.2	41.6%
Profit Before Tax (PBT)	342.0	274.8	24.5%
Total Comprehensive Income	256.7	202.6	26.7%

Note: Above numbers are on standalone basis

### Key Financial Ratios

Year	FY2024	FY2023	Y-o-Y Change
Debtors Turnover (days) (on Gross Sales basis)	21	23	(6.1)%
Inventory Turnover (days) (on Gross Sales basis)	20	20	(0.6)%
Creditor Turnover (days) (on Gross Sales basis)	42	51	(18.0)%
Interest Coverage Ratio (x)	6.8	13.4	(49.5)%
Current Ratio (x)	1.71	1.70	0.9%
Debt Equity Ratio (x)	0.31	0.32	(4.2)%
EBITDA Margin (%)	12.3%	11.4%	92 bps
Total Comprehensive Income Margin (%)	6.2%	6.4%	(21) bps
Return on Average Equity (%)	11.3%	9.9%	142 bps
Return on Average Capital Employed (%)	12.5%	10.2%	237 bps

During FY2024, while the prices of certain packaging materials remained stable, the costs of grain, ENA, and glass experienced volatility. This volatility exerted significant pressure on the Company's gross margins. However, by leveraging a premium product mix and implementing price increases, the Company managed to offset the impact of rising raw material costs to a large extent. With expectations of a normal monsoon and improved crop yields, early indicators suggest a softening of grain prices. The Company believes that the peak of the input costs has passed and anticipates benefitting from favourable raw material prices in FY2025.

## RISK AND MITIGATION

### Economic Risk

Risk Trend: ↑

A slowdown in global economic growth due to the ongoing geopolitical tensions may lead to a reduction in disposable consumer income and a deceleration in the IMFL industry, which could adversely affect the Company's financial performance.

### Mitigation Strategy

The Company is well-equipped to navigate short-term macroeconomic challenges due to its strong business model and extensive premium product portfolio. It also benefits from a nationwide distribution network and a strong balance sheet.

Further, with years of experience and a long-standing presence in the industry, the Company has weathered multiple macroeconomic cycles. This proven performance underscores its capability to handle future challenges effectively.

### Inflation Risk

Risk Trend: ↑

Disruptions in the supply chain or limited availability of raw materials may create inflationary pressure, negatively impacting the Company's earnings.

### Mitigation Strategy

The Company's robust relationships with a diverse range of suppliers enable it to manage raw material requirements competitively. Continuous monitoring of global and regional commodity prices further strengthens this capability. Additionally, the Company builds strategic inventory position based on market intelligence for key raw materials.

The shift towards a premium product portfolio has considerably mitigated the impact of price volatility on margins. Moreover, with price increases approved by several State Governments, the Company is better positioned to offset the impact of rising raw material costs. Industry-wide efforts are ongoing to push for comparable price adjustments in other states as well.

### Compliance Risk

Risk Trend: ↔

As a state-regulated sector, the Indian spirit industry is subject to varying rules and compliance requirements in each state. This leads to a complex landscape where companies face a multitude of challenges, including state-specific manufacturing duties, complex tax structures, restrictions on direct advertising, and the need for multiple licenses to produce, store, and distribute products. Any changes in state regulations or failure to comply with laws may pose significant risks to the business, potentially affecting manufacturing operations, product distribution, and overall profitability.

#### Mitigation Strategy

The Company is committed to maintaining the highest standards of compliance and governance. With over 80 years of experience in liquor manufacturing and more than 25 years in the IMFL business, it has developed a deep understanding of the applicable laws and regulations in the states where it operates. The Company has established a comprehensive code of business conduct, along with supporting policies to ensure effective compliance. The legal and compliance team diligently ensures strict adherence to all applicable rules and regulations.

### Competition Risk

Risk Trend: ↑

The attractive growth opportunities in the Indian liquor industry may heighten competition from both international and domestic players.

#### Mitigation Strategy

The Company has a broad product portfolio spanning various price points, ensuring excellent quality and value for money. It has built a substantial pan-India distribution network coupled with strong brand recognition. Additionally, the Company has a robust on-the-ground sales team that monitors market developments and swiftly adapts to evolving business needs.

Given the growth in the Indian spirits market and the scale it presents, there is ample opportunity for the Company to introduce new brands that offer a compelling value proposition to consumers.

Moreover, the high entry barriers for new players create a strong moat, providing the Company with a distinct advantage in the market.

### Consumer Preference Risk

Risk Trend: ↑

Shifts in consumer preferences toward alcoholic beverages may significantly impact demand for the Company's products.

#### Mitigation Strategy

The Company's commitment to innovation empowers it to proactively address emerging consumer needs. Continuous customer engagement through various online and offline platforms enables it to track shifting consumer behaviour and preferences. By closely monitoring consumption patterns, the Company ensures effective product innovation and swift adaptation to changing trends. Each new brand launch undergoes a thorough 15-18 month research process, focussing on optimal blend, packaging, market positioning, and other key factors that drive consumer acceptance.

### Cyber Risk

Risk Trend: ↔

As systems and technologies become more integral to business operations, the significance of information and cybersecurity has grown considerably. Any breach could lead to the loss of sensitive data, business disruptions, potential fines, and harm to the Company's reputation.

#### Mitigation Strategy

The Company has adopted a robust IT system to combat escalating cybersecurity threats, ensuring protection of sensitive data from unauthorised access and leakage.

**Attrition Risk**

Risk Trend: ↑

Human capital forms a critical pillar of growth, making it essential for the Company to attract and retain top talent to drive strategic business success.



**Mitigation Strategy**

The Company has implemented comprehensive HR initiatives to foster a progressive culture and an engaged workforce, prioritising employee well-being, diversity, and career progression. It offers an inclusive work environment with ample opportunities for growth and learning for all employees. High employee engagement, a robust reward and recognition system, and internal career advancement opportunities contribute to the Company's high retention rate.

**Climate Change Risk**

Risk Trend: ↑

The increasing focus on climate change and the regulations aimed at reducing environmental impact may potentially disrupt the Company's operations.



**Mitigation Strategy**

The Company places a strong emphasis on sustainability in its operations. The environmental strategy focusses on reducing the Company's carbon footprint and promoting more sustainable and eco-friendly processes and products.

**HUMAN RESOURCES (HR)**

Radico Khaitan fosters a culture centred on performance and employee well-being, aiming to create a conducive work environment that promotes regular, need-based training and provides equal opportunities for career advancement. Policies championing financial, social, and emotional well-being are integral to the ethos of the organisation.

**Culture:** A growth-oriented work culture is emphasised, with a clear focus on developing premium brands. The Company's customer-focussed approach ensures effective responses to consumer needs while encouraging a professional environment that embraces calculated risks and innovation. The HR department fosters a system-driven environment that operates smoothly, regardless of individual work styles. The management promotes employee empowerment by increasingly automating systems and processes, which enhances accountability and creates a more engaged and motivated team.

**Leadership Driven by Ownership:** Top executives lead with a strong sense of ownership, strengthened by employee stock options that make them stakeholders. This approach fosters high engagement with the business and reflects their confidence and commitment to the organisation's success. Profitability-focussed incentive schemes motivate employees at all levels, keeping them aligned with the Company's business goals.

**Future Leaders:** Recognising the importance of developing a pipeline of next-generation leaders, the leadership team prioritises talent management by infusing young talent into critical roles through campus selections from the country's top

management and technical institutions. This strategy ensures that the Company remains poised for future growth.

**Employee Engagement:** Fostering team synergy leads to increased productivity, profitability, and retention. Performance metrics emphasise human capital, recognising the significance of engaging people beyond business objectives. In-house and outbound team-building activities, as well as programmes like "Samvad" and other initiatives, serve as effective channels for enhancing employee engagement and creating a cohesive workforce.

**Physical and Mental Well-being:** Healthy employees are key to higher efficiency and productivity. To enhance overall well-being, including mental wellness, the HR team organises comprehensive wellness workshops in collaboration with renowned organisations such as the "Art of Living" and other institutions. These workshops offer yoga sessions, health camps, vaccination drives, spirituality sessions, mindfulness training, stress management programmes, and mental health support resources. Open communication and access to counselling services ensure that mental well-being is prioritised. Celebrating every success and milestone unites the team and motivates them to achieve more.

**INFORMATION TECHNOLOGY (IT)**

Radico Khaitan has made significant strides in its IT digitisation efforts by leveraging the cloud that covers all users within the organisation. These technologies enable the Company to reach its stakeholders more effectively, focussing on key areas such as Analytics, IT Security and SAP version upgrades. By staying at the forefront of technological

advancements, the Company is committed to meeting the evolving needs of the business and delivering value to the stakeholders.

**IT Security:** Maintaining a secure IT environment is paramount at Radico Khaitan. The Company has implemented an IT Security Awareness programme that covers all users within the organisation. Periodic assessments of cybersecurity vulnerabilities are conducted, and the recommendations are implemented to ensure robustness of the organisation's data. This commitment to robust security measures ensures that its data and systems are well-protected against evolving cyber threats.

**Strengthening the ERP and Backbone:** The Company has completed the migration to a new, powerful and efficient hardware to ensure smooth business operations and prevent disruptions to day-to-day activities.

**Analytics and Generative AI:** The Company understands the importance of data analytics capabilities and is in the process of transforming these capabilities with the introduction of cutting-edge technology. Plans are underway to launch an enterprise-wide Data Lake service, encompassing all business aspects, to enable real-time monitoring and facilitate faster, more informed business decisions. Additionally, the integration of Generative AI is being explored to enhance analytics, providing deeper insights and more accurate predictions.

**SUPPLY CHAIN MANAGEMENT**

Radico Khaitan's supply chain management strategy revolves around customer service, ethical sourcing, innovative sourcing strategies, and a strong regional supplier base to achieve operational excellence and sustainability. The Company has built backward integration in key commodities like ENA and PET, as well as a strong supplier network across regions to enhance competitiveness in its supply chain. It will continue to invest in building long-term relationships with business partners and in the enhanced use of technology in its supply chain.

**Robust Regional Sourcing and Backward**

**Integration:** The Company has set up a new PET plant in south India and a state-of-the-art glass bottle printing plant for Magic Moments Vodka in Maharashtra. The new PET plant enables the Company to cater to more than 90% of its PET supply needs from its own facilities across India. Additionally, the glass bottle printing plant in Maharashtra will strengthen the regional base for printed glass supply, reducing costs and ensuring faster product availability on shelves. Furthermore, the new grain ENA facility in Sitapur will decrease dependency on external ENA sources.

**Sustainability and Ethical Practices:** The Company's procurement strategy goes beyond price and quality, also considering environmental impact, ethical sourcing, and social responsibility to ensure that the organisation's values are upheld in its purchases.



Recently, the Company introduced a 100% recyclable PET hipster pack as an alternative to glass.

**Supplier Relationship Management:** The Company views supplier relationships as long-term partnerships rather than one-off activities, investing time and efforts to build strong business collaborations. Nurturing these relationships involve a systematic, enterprise-wide assessment of supplier strengths, performance and capabilities in relation to overall business needs. The implementation of early payment through vendor discounting mechanisms, benefitting both organisations, testifies to this approach.

**Internal Collaboration:** The procurement team works closely with other departments, understanding their requirements and ensuring alignment with overall business strategies and operations. Periodic analysis of procurement processes is conducted to identify gaps, areas of improvement, and cost saving opportunities. A monthly MIS and review process covers important aspects such as inventory, working capital, and the overall performance of procurement cost against the budget.

**Differentiated Innovative Packaging:** The Company has developed various innovative packaging solutions, such as the hipster pack, to optimise costs while differentiating from contemporary industry packaging, thereby adding value to the brand. These solutions have demonstrated great potential in the marketplace and are being extending to different brands to maximise benefits for both the top and bottom lines. Additionally, this approach will reduce pressure on depleting natural resources used in the manufacture of glass bottles.

**Tracking Commodity Pricing:** The Company utilises various tools to monitor and control costs. A key part of the Company's procurement strategy is to continuously deepen its understanding of global commodity trends. It effectively monitors commodity pricing trends to derive analytics that support informed procurement decisions. These efforts have yielded a better understanding of the commodity and pricing index, enhancing both the quality and timing of purchase decisions and expanding the supplier base. The Company remains committed to leveraging these practices to maintain its competitive edge.

## INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has a comprehensive internal control mechanism with adequate policies and procedures

to ensure the orderly and efficient conduct of its business. This includes adherence to the Company's policies, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures. The Company's internal control systems are commensurate with the nature of its business, as well as the size and complexity of its operations. The internal financial controls concerning the Financial Statements are adequate.

Internal auditors validate the effectiveness of the Company's internal controls, which management regularly re-examines. The CEO and CFO provide a certificate, included in the Corporate Governance Report, affirming the existence and effectiveness of internal controls. This certificate also includes a commitment to report and address any deficiencies to the Audit Committee.

The Company has appointed Ernst & Young LLP and SCV & Co. LLP as its joint internal auditors for FY2025, who will submit their quarterly reports to the Audit Committee. The Audit Committee oversees the financial reporting process, ensuring transparency, integrity, and quality. By maintaining a specified and delegated internal control system, the Company aims to provide accurate and timely disclosures while suggesting improvements as needed.

## CAUTIONARY STATEMENT

The narrative in this Management Discussion and Analysis contains 'forward-looking statements' including, but not limited to, statements relating to implementation of strategic initiatives, future business developments and economic performance. While these forward-looking statements indicate the Company's assessment and future expectations concerning the development of its business, numerous risks, uncertainties, and other unknown factors could cause actual results to differ materially from its expectations. These factors include, but are not limited to, general market, macro-economic, governmental, and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in financial conditions of third parties dealing with the Company, legislative developments, and other key factors that could affect the Company's business and financial performance. Radico Khaitan undertakes no obligation to publicly revise any forward-looking statements to reflect future/likely events or circumstances.



# Directors' Report

Dear Members,

The Board of Directors of Radico Khaitan Limited ("Radico Khaitan" or the "Company") is pleased to present the 40<sup>th</sup> Annual Report on the business and operations together with the Audited Standalone and Consolidated Financial Statements of the Company for the year ended March 31, 2024.

## RESULTS OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

(₹ in Crore)

	Standalone			Consolidated		
	FY2024	FY2023	Change (%)	FY2024	FY2023	Change (%)
Revenue from Operations (Gross)	15,483.9	12,743.9	21.5%	15,483.9	12,743.9	21.5%
<b>Revenue from Operations (Net)</b>	<b>4,118.5</b>	<b>3,142.8</b>	<b>31.0%</b>	<b>4,118.5</b>	<b>3,142.8</b>	<b>31.0%</b>
Other Income	8.9	9.4	(5.6)%	8.9	9.4	(5.7)%
<b>Income from Operations</b>	<b>4,127.4</b>	<b>3,152.2</b>	<b>30.9%</b>	<b>4,127.4</b>	<b>3,152.2</b>	<b>30.9%</b>
Raw Materials Consumed	2,366.5	1,827.9	29.5%	2,366.5	1,827.9	29.5%
Employee Benefit Expenses	195.8	168.9	15.9%	195.8	168.9	15.9%
Selling & Distribution Expenses	432.6	329.0	31.5%	432.6	329.0	31.5%
Depreciation	113.8	70.9	60.5%	113.8	70.9	60.5%
Finance Cost	59.1	22.1	167.4%	59.1	22.1	167.4%
Other Operating Expenses	617.6	458.5	34.7%	617.6	458.6	34.7%
<b>Total Expenses</b>	<b>3,785.4</b>	<b>2,877.4</b>	<b>31.6%</b>	<b>3,785.4</b>	<b>2,877.5</b>	<b>31.6%</b>
<b>Profit Before Tax</b>	<b>342.0</b>	<b>274.8</b>	<b>24.5%</b>	<b>342.0</b>	<b>274.7</b>	<b>24.5%</b>
Current Tax	72.4	68.9	5.1%	72.4	68.9	5.1%
Previous Year Adjustments	0.0	0.0		0.0	0.0	
Deferred Tax	13.9	1.5		13.9	1.5	
<b>Net Profit</b>	<b>255.8</b>	<b>204.4</b>	<b>25.1%</b>	<b>255.7</b>	<b>204.4</b>	<b>25.1%</b>
Net Income Margin (%)	6.2%	6.5%		6.2%	6.5%	
Share in profit of Joint Venture	-	-		6.4	16.0	
Other Comprehensive Expenses / (Income)	(0.9)	1.9		(0.9)	2.0	
<b>Total Comprehensive Income</b>	<b>256.7</b>	<b>202.6</b>	<b>26.7%</b>	<b>263.1</b>	<b>218.4</b>	<b>20.5%</b>
Total Comprehensive Income Margin (%)	6.2%	6.4%		6.4%	6.9%	
Basic EPS (₹)	19.1	15.3	25.1%	19.6	16.5	19.0%
<b>Gross Profit</b>	<b>1,752.0</b>	<b>1,314.9</b>	<b>33.2%</b>	<b>1,752.0</b>	<b>1,314.9</b>	<b>33.2%</b>
<b>Gross Margin (%)</b>	<b>42.5%</b>	<b>41.8%</b>		<b>42.5%</b>	<b>41.8%</b>	
<b>EBITDA</b>	<b>507.3</b>	<b>358.2</b>	<b>41.6%</b>	<b>507.3</b>	<b>358.2</b>	<b>41.6%</b>
<b>EBITDA Margin (%)</b>	<b>12.3%</b>	<b>11.4%</b>		<b>12.3%</b>	<b>11.4%</b>	
Paid-up Equity Share Capital (Face Value of ₹ 2 each)	26.7	26.7	0.0%	26.7	26.7	0.0%
Reserves & Surplus	2,350.6	2,125.3	10.6%	2,412.9	2,181.2	10.6%
Transfer to General Reserve		-			-	
Proposed Dividend	40.1	40.1	0.0%	40.1	40.1	0.0%

## PERFORMANCE REVIEW

### Revenue from Operations

Volume (Million Cases)	FY2024	FY2023	Change (%)
Prestige & Above	11.26	9.35	20.3%
Regular & Others	13.42	15.62	(14.1)%
<b>Total Own Volume</b>	<b>24.68</b>	<b>24.97</b>	<b>(1.2)%</b>
Prestige & Above as % of Total	45.6%	37.5%	
Royalty Brands	4.05	3.26	
<b>Total Volume</b>	<b>28.73</b>	<b>28.24</b>	<b>1.7%</b>

Revenue Break up (₹in Crore)	FY2024	FY2023	Change (%)
IMFL (A)	2821.5	2,501.4	12.8%
Prestige & Above	1932.4	1,496.2	29.2%
Regular & Others	850.9	978.0	(13.0)%
Others	38.2	27.3	
Non IMFL (B)	1,297.1	641.4	102.2%
<b>Revenue from Operations (Net) (A+B)</b>	<b>4,118.5</b>	<b>3,142.8</b>	<b>31.0%</b>
Prestige & Above as % of Total IMFL Revenue	68.5%	59.8%	
IMFL as % of Total Revenue	68.5%	79.6%	

The Company has delivered another year of strong IMFL volume growth led by Prestige & Above category which increased by 20.3%. This was driven by our core brands such as Magic Moments vodka which recorded 6.3 Million cases sales during the year and crossed sales value of ₹ 1,000 Crore. Morpheus Super Premium Brandy and 1965 Spirit of Victory premium rum crossed a million-case sale for the second consecutive year. Volumes of Royal Ranthambore more than doubled. After Dark and 8PM Premium Black also continued their strong growth traction.

Driven by our premiumization focus, during the year, we have delivered stronger growth in the top end of the Prestige & Above brands. Luxury portfolio consisting of Rampur Indian Single Malt and Jaisalmer Indian Craft Gin has grown by 61% in FY2024; Semi-Luxury consisting of Royal Ranthambore whisky, Morpheus Blue super premium brandy and Magic Moments Dazzle vodka has grown by 52%; and Super Premium segment consisting of Morpheus super premium brandy and Magic Moments Verve vodka has grown by 12%.

Prestige & Above category volume has grown more than 130% since FY2019. This has led to a sustainable improvement in the realization per case, which increased from ₹ 773 in FY2019 to ₹ 1,128 in FY2024.

### Gross Profit

Gross Margin increased from 41.8% in FY2023 to 42.5% in FY2024. During FY2024, while the prices of certain packaging materials have been stable, cost of grain, ENA and glass has been volatile. This has led to a significant pressure on our gross margins. However, with our product premium mix and price increases, we have been able to offset the pressure of raw material prices to a large extent.

### EBITDA

EBITDA increased by 41.6% y-o-y with margins of 12.3% due to the expansion in gross margins.

### Finance Cost

Finance Cost for FY2024 increased by 167.4% y-o-y from ₹ 22.1 Crore to ₹ 59.1 Crore.

**Total Comprehensive Income increased by 26.7% y-o-y to ₹ 257 Crore.**

**Capital Expenditure:** During Q3 FY2024, we successfully commissioned the new 350 KLPD grain ENA distillery at Sitapur. The plant is now running at optimum capacity and achieved key operating parameters. The commissioning of the Sitapur plant not only secures long term ENA supplies but also positions us strongly to capitalise on the future growth opportunities in the branded business with enhanced bottling capacities. Together with the Rampur campus, the ENA production from the Sitapur plant will be able to support the branded business growth for the next 6-8 years.

### PERFORMANCE REVIEW (CONSOLIDATED)

Radico Khaitan has a 36% equity stake in Radico NV Distilleries Maharashtra Limited. Consolidated financials of the Company include share in profit of this joint venture amounting to ₹ 6.4 Crore in FY2024 compared with ₹ 16.0 Crore in FY2023.

### DIVIDEND

The Board of Directors has recommended a final dividend of 150% i.e., ₹ 3 per equity share of ₹ 2 each fully paid-up Share Capital of the Company (last year ₹ 3 per equity share of ₹ 2 each). The payment of dividend is subject to the approval of the members at the forthcoming Annual General Meeting ("AGM") and shall be subject to deduction of income tax at source.

The dividend recommended is in accordance with the Company's Dividend Distribution Policy. The Dividend Distribution Policy of the Company is available on the Company's website and the same can be accessed at <https://www.radicokhaitan.com/wp-content/uploads/2019/03/Dividend-Distribution-Policy.pdf>.

### CAPITAL STRUCTURE

#### Share Capital

As on March 31, 2024, the Company has Authorized Share Capital of ₹ 94 Crore consisting of ₹ 34 Crore Equity Share Capital comprising 17,00,00,000 equity shares of ₹ 2 each and ₹ 60 Crore Preference Share Capital comprising 60,00,000 preference shares of ₹ 100 each. The Issued, Subscribed and Paid-up Share

Capital of the Company is ₹ 26.74 Crore divided into 13,37,15,325 fully paid-up equity shares of ₹ 2 each.

During the year, the Company has allotted 41,560 Equity Shares of ₹ 2 each to its eligible employees pursuant to the exercise of Stock Options granted under Employees' Stock Option Scheme, 2006, which leads to increase in the issued, subscribed and paid up share capital of the Company.

Except as mentioned above, there has been no other changes in the Equity Share Capital of the Company during the FY2024.

### Employees' Stock Option Scheme

The Company has an Employees' Stock Option Scheme, 2006 ("Scheme 2006"). During the year, there was no material change in the Scheme. The Scheme 2006 is in compliance with the erstwhile SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and SEBI (Share Based Employee Benefits) Regulations, 2014 ("SEBI ESOP Regulations").

During the year under review, the Company has granted 2,15,000 Options to the Eligible Employees under Scheme 2006 on June 07, 2023 at an Exercise Price of ₹ 1,015.37 per option. Each Option entitles the holder to acquire one equity share of ₹ 2 each of the Company at the exercise price fixed at the time of grant, being the market price as per the erstwhile SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

During the year, the Company has allotted 33,838 Equity Shares on August 03, 2023 and 7,722 Equity Shares on March 13, 2024 pursuant to exercise of Stock Options under the Scheme 2006.

The particulars of the Scheme as required by SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI ESOP Regulations 2021"), have been placed on the website of the Company and web link of the same is <https://www.radicokhaitan.com/wp-content/uploads/2024/07/ESOP-Disclosure-Annual-Report-2024.pdf>

In terms of Regulation 13 of SEBI ESOP Regulations 2021, a Certificate received from M/s. TVA & Co. LLP, Company Secretaries, Secretarial Auditors, confirming the Compliances with said Regulations, would be placed before the shareholders at the ensuing AGM.

## SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

### Subsidiaries

Radico Khaitan has one wholly-owned subsidiary namely, Radico Spiritzs India Private Limited ("Radico

Spiritzs") and seven step down subsidiaries through Radico Spiritzs. Radico Spiritzs holds 100% Equity Shares in the following step down wholly-owned subsidiaries of the Company:

1. Accomreal Builders Private Limited
2. Binayah Builders Private Limited
3. Compaqt Era Builders Private Limited
4. Destihomz Buildwell Private Limited
5. Equibuild Realtors Private Limited
6. Firstcode Reality Private Limited
7. Proprent Era Estates Private Limited

### Joint Venture

The Company has one joint venture, namely, Radico NV Distilleries Maharashtra Limited ("RNV"). The Company holds a 36% stake in the said joint venture.

In terms of the Section 129(3) of the Companies Act, 2013 (the "Act"), the financial results of RNV, wholly-owned subsidiary and step down subsidiaries are consolidated with the accounts of the Company and the salient features of the financial statements of RNV and subsidiaries are set out in the prescribed form AOC-1 and the same is appended as **Annexure - A** to this report.

In accordance with the provisions of the Act and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("Listing Regulations") read with Ind AS 110 - Consolidated Financial Statements, Ind AS 28 - Investments in Associates and Joint Ventures and Ind AS 31 - Interests in Joint Ventures, the consolidated Audited Financial Statements form part of this Annual Report.

### CREDIT RATING

The Company's long-term bank facilities are rated as CARE AA- (Double A Minus) with a positive outlook and short-term bank facilities are rated CARE A1+ (A One Plus).

CARE AA rated instruments are considered to have a high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. CARE A1 rated instruments are considered to have a very strong degree of safety regarding timely payment of financial obligations. Such instruments carry the lowest credit risk. Modifiers (+/-) reflect the comparative standing within the category.

## AUDITORS AND AUDITORS' REPORT

### Statutory Auditor

In terms of the provisions of Section 139 of the Act and the Rules made thereunder, the Shareholders of the Company had, at the 37<sup>th</sup> AGM, approved the appointment of M/s. Walker Chandiook & Co LLP, Chartered Accountants, as Statutory Auditors of the Company for a term of 5 years i.e. from conclusion of the 37<sup>th</sup> AGM till the conclusion of the 42<sup>nd</sup> AGM of the Company to be held in the year 2026.

### Audit Report

The report of the Statutory Auditors for FY2024 along with Notes and Schedules thereto is enclosed to this Annual Report. The observations made in the Auditors' Report are self-explanatory and therefore, do not call for any further comments. The Auditor's Report does not contain any qualification, reservation, or adverse remark. Further, the Auditors have not reported any fraud under section 143(12) of the Act.

### Cost Auditor

The Board, on the recommendation of the Audit Committee, at its meeting held on May 14, 2024 has approved the appointment of Mr. R. Krishnan, Cost Accountant, as Cost Auditor, to audit the Cost Records of the Company for the financial year ending March 31, 2025. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor shall be ratified by the shareholders. The Board recommends the remuneration payable to the Cost Auditor for FY2025 for approval by shareholders at the ensuing AGM.

### Cost Records

The Company has maintained the Cost Records as specified by the Central Government under section 148(1) of the Act.

### Secretarial Auditor

The Board has, at its meeting held on May 25, 2023, on recommendation of the Audit Committee, appointed M/s TVA & Co. LLP, Company Secretaries, to conduct Secretarial Audit of the Company for the financial year ended March 31, 2024. The Secretarial Auditors have submitted their report, confirming compliance by the Company of all the provisions of applicable corporate laws. The Report does not contain any qualification, reservation, disclaimer or adverse remark. The Secretarial Audit Report is annexed as **Annexure-B** to this report. The Board, on the recommendation of Audit Committee, at its meeting held on May 14, 2024, has re-appointed M/s. TVA & Co. LLP, Company Secretaries, as Secretarial Auditors of the Company for the financial year ending March 31, 2025.

## AUDIT COMMITTEE

As on March 31, 2024, the Audit Committee comprises of Mr. Sarvesh Srivastava as Chairman, Dr. Raghupati Singhania and Mr. Tushar Jain as members. Brief terms of reference, meetings and attendance of the Audit Committee are included in the Corporate Governance Report forming part of this Annual Report. During the period under review, all the recommendations made by the Audit Committee were accepted by the Board of Directors of the Company.

Due to retirement of Mr. Sarvesh Srivastava, the Audit Committee, effective from May 30, 2024, will comprise of Mr. Tushar Jain as Chairman, Dr. Raghupati Singhania and Mr. Pushp Jain as members.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Induction, Re-appointment, Retirements and Resignations

In accordance with the provisions of the Act and Articles of Association of the Company, Mr. Abhishek Khaitan (DIN: 00772865), Managing Director of the Company, is liable to retire by rotation at the ensuing AGM and being eligible, offered himself for re-appointment. The Board of Directors has, on the recommendation of the Nomination, Remuneration and Compensation Committee ("NRC Committee"), recommended the re-appointment of Mr. Abhishek Khaitan at the ensuing AGM.

The shareholders, at their 39<sup>th</sup> AGM held on September 28, 2023, approved the re-appointment of Ms. Sushmita Singha (DIN: 02284266), Mr. Tushar Jain (DIN: 00053023) and Mr. Sharad Jaipuria (DIN: 00017049) as Independent Directors of the Company effective from April 01, 2024, August 08, 2024 and August 08, 2024 respectively, for a second term of five years.

The second term as an Independent Director of Mr. Sarvesh Srivastava (DIN: 06869261) expires on May 29, 2024. Consequently Mr. Srivastava will cease to be Independent Director of Radico Khaitan effective from May 29, 2024.

Mr. Krishan Pal Singh (DIN: 00178560), Whole-time Director, has resigned from the Board of Directors of the Company citing personal reasons. The Board has accepted his resignation. Consequently Mr. Singh will cease to be Director and Whole-time Director of Radico Khaitan effective from July 01, 2024.

The Board has, at its meeting held on May 14, 2024 on recommendation of Nomination, Remuneration and Compensation Committee, appointed Mr. Pushp Jain (DIN: 00033289) as an Additional Director in the category of Non-executive Independent Director and Mr. Amar Singh (DIN: 10616954) as Whole-time Director

of the Company, effective from May 30, 2024 and July 02, 2024 respectively, for a term of five years. The said appointments shall be subject to the approval of the shareholders at the ensuing AGM.

Brief resumes of the Directors seeking appointments/re-appointments along with the disclosures specified under Regulation 36(3) of the Listing Regulations are provided in the Notice of the 40<sup>th</sup> AGM.

During the year under review, except as stated above, there was no change in the Directors or Key Managerial Personnel of the Company.

The Company has a Nomination, Remuneration and Compensation Committee and it has formulated the criteria for determining the qualifications, positive attributes and independence of a Director (the "Criteria"). The Criteria includes that a person to be appointed to the Board of the Company should possess in addition to the fundamental attributes of character and integrity, appropriate qualifications, skills, experience and knowledge.

#### **Meeting of Independent Directors**

The Company's Independent Directors met once during FY2024 on May 25, 2023 without the presence of the Non-Independent Directors and members of the management. The meeting was conducted to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

In accordance with the Listing Regulations, following matters were, inter-alia, discussed at the meeting:

1. Review of the performance of Non-Independent Directors and the Board as a whole;
2. Review of the performance of the Chairperson of the Company, considering the views of Executive Directors and Non-Executive Directors; and
3. Assessment of the quality, quantity and timelines of the flow of information between the Company management and the Board that is necessary for the Board to perform their duties effectively and reasonably.

#### **Declaration by Independent Directors**

The Company's Independent Directors have submitted requisite declarations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and are not disqualified from continuing as Independent Directors. The Independent Directors have also confirmed that they have complied

with Schedule IV of the Act and the Company's Code of Conduct for Directors and Senior Management and that they have registered themselves as an Independent Director in the data bank maintained with the Indian Institute of Corporate Affairs. Based on the disclosures received, the Board is of the opinion that all the Independent Directors fulfill the conditions specified in the Act and Listing Regulations and are independent of the management.

The Company follows a policy of transparency and dealing at arm's length with its Independent Directors. No transaction was entered into with Independent Directors during the year which could have any material pecuniary relationship with them. Apart from sitting fees, no other remuneration was paid to any of the Independent Director.

In the opinion of the Board, the Independent Directors hold the highest standard of integrity and possess the requisite qualifications, experience, expertise and proficiency.

#### **Policy on Nomination, Remuneration and Board Diversity**

The Board of Directors has framed a Policy which lays down a framework in relation to the remuneration of Directors, Key Managerial Personnels and Senior Management of the Company. This Policy also lays down criteria for selection and appointment of the Board Members as well as diversity of the Board. Radico Khaitan recognizes the benefits and importance of having a diverse Board of Directors in terms of skill set and experience. The Company has an optimum mix of executive and non-executive directors, independent directors and woman director. The details of the policy are explained in the Report on Corporate Governance and the full policy is available on the Company's website at the link: <https://www.radicokhaitan.com/wp-content/uploads/2019/03/RKL-Policy-on-Nomination-Remuneration-and-Diversity-2020.pdf>

#### **Performance Evaluation**

The Board is committed to the transparency in assessing the performance of Directors. In accordance with the Act and the Rules made thereunder and Regulation 4(2)(f) of the Listing Regulations, Radico Khaitan has framed a policy for the formal annual evaluation of the performance of the Board, Committees and individual Director.

The Company has put in place a robust framework for evaluation of the Board, its Committees, the Chairman, individual Directors and the governance processes that support the Board's functioning. This framework covers specific criteria and the grounds on which all Directors in their individual capacity are evaluated.

The key criteria for performance evaluation of the Board and its Committees include aspects such as composition and structure, effectiveness of board processes, information sharing and functioning. The criteria for performance evaluation of the individual Directors include aspects such as professional conduct, competency, and contribution to the Board and Committee meetings. The criteria for performance evaluation of the committees of the Board include aspects such as the composition of committees and effectiveness of committee meetings. The performance evaluation of the individual Directors and Independent Directors was done by the entire Board excluding the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

#### **Familiarisation Programme for the Board Members**

A note on the Familiarisation Programme adopted by the Company for orientation and training of the Directors and the Board evaluation process undertaken in compliance with the provisions of the Act and the Listing Regulations is provided in the Report on Corporate Governance forming part of this Annual Report.

#### **Roles and Responsibilities of Board Members**

The Company has laid out the Policy defining the structure and role of the Board Members. The Company has an Executive Chairman and Managing Director, Dr. Lalit Khaitan; a Managing Director, Mr. Abhishek Khaitan and an optimum combination of executive and non-executive Independent Directors. The duties of the Board Members including Independent Directors have been elaborated in accordance with the Listing Regulations, Section 166 and Schedule IV of the Act. There is a clear segregation of responsibility and authority amongst the Board Members.

#### **PARTICULARS OF EMPLOYEES AND REMUNERATION**

In terms of the first proviso to Section 136 of the Act, the Annual Report including Financial Statements are being sent to the shareholders excluding the information required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any shareholder interested in obtaining the same may write to the Company Secretary at investor@radico.co.in or visit at the Registered Office of the Company on any working day up to the date of the 40<sup>th</sup> Annual General Meeting. The statement containing information as required under the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure - C** and forms part of this Report.

#### **MEETINGS OF THE BOARD AND BOARD COMMITTEES**

In compliance with the statutory requirements, the Company has formulated the Board committees viz. Audit Committee, Nomination, Remuneration and Compensation Committee, Sustainability and Corporate Social Responsibility (CSR) Committee, Risk Management Committee, Stakeholders' Relationship Committee, Committee of Directors, Environment, Social and Governance Committee and Committee of Independent Directors.

All the recommendations made by the Committees of the Board, including the Audit Committee, were accepted by the Board.

The Board of Directors met four times during the previous financial year. A detailed update on the Board, its composition, governance of committee including detailed charter and terms of reference of various Board Committees, number of Board and Committee meetings held during FY2024 and attendance of the Directors at each meeting is provided in the Report on Corporate Governance, which forms part of this Annual report.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required to be disclosed pursuant to Section 134 of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given as **Annexure-D** forming part of this Report.

#### **ENVIRONMENTAL PROTECTION MEASURES TAKEN BY THE COMPANY**

The Company is committed to corporate responsibility for environmental protection and has implemented several measures to enhance safety, health, and environmental stewardship. These measures include creating standard operating procedures, providing resource conservation training for all employees, maintaining good housekeeping practices, developing green belt areas, and preparing for onsite emergencies. Sustainable living is an integral part of the long-term business strategy, and the Company continually works to minimize its environmental impact while improving the lives of people throughout its product value chain.

#### **INTERNAL FINANCIAL CONTROLS**

The Board of Directors of the Company has devised systems, policies, procedures and frameworks, which are currently operational within the Company for ensuring the orderly and efficient conduct of its business, which includes adherence to the policies, safeguarding its assets, prevention and detection of

frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

The internal financial controls have been documented, digitised and embedded in the business processes. Assurance on the effectiveness of internal financial controls is obtained through management reviews, controls self-assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems by the internal auditors during their audits. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

Management team has assessed the effectiveness of the Company's internal control over financial reporting as at March 31, 2024. 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 Act. For FY2024, the Company had appointed reputed firms of Chartered Accountants, SCV & Co. LLP, to carry out Internal Audits. The audit is based on focused and risk-based internal plans, which is reviewed every year in consultation with the Audit Committee. In line with international practices, the focus of Internal Audit is oriented towards the review of internal controls and risks in operations. For FY2025, the Board has also appointed M/s Ernst & Young LLP along with M/s SCV & Co. LLP as Joint Internal Auditors.

### **RISK MANAGEMENT POLICY**

Radico Khaitan's business is exposed to a variety of risks which are inherent to a liquor manufacturing company in India. In this volatile, uncertain and complex operating environment, only companies that manage their risk effectively can sustain. Risk management is embedded in Radico Khaitan's corporate strategies and operating framework, and the risk framework helps the Company to meet its objectives by aligning operating controls with the corporate mission and vision. The Company's risk management framework supports an efficient and risk-conscious business strategy, delivering minimum disruption to business and creating value for our stakeholders. The Company has in place comprehensive risk assessment and minimization procedures, integrated across all operations and entails the recording, monitoring and controlling enterprise risks and addressing them timely and comprehensively. The risks that the Company faces are reviewed by the Risk Management Committee, the Audit Committee and the Board from time to time and new risks are identified based on new business initiatives and the

same are assessed. Risk minimisation framework and controls are designed and appropriately implemented.

### **DEMATERIALIZATION**

During the year, 2,15,855 shares constituting 0.16% of the issued and subscribed Share Capital of the Company, were dematerialised. As on March 31, 2024, 99.47% of the shares of the Company were dematerialized. Your Directors would request the members, who have not yet converted their holdings into dematerialized form, to do so and thereby facilitate trading of their shares.

### **INSURANCE OF FIXED ASSETS**

Your Company has adequately insured all its properties including Plant and Machineries, Building and Stocks.

### **ARCHIVAL POLICY**

Pursuant to the Listing Regulations and in line with Radico Khaitan's Policy on Determination of Materiality of Events, the Company shall disclose all material events to the Stock Exchanges and such disclosures shall be hosted on the website of the Company for a period of five years and thereafter the same shall be archived so as to be available for retrieval for a further period of three years by storing the same on suitable media. Thereafter the said information, documents, records may be stored as per the Company's policy on preservation of documents.

### **SAFETY & WELLBEING OF WOMEN**

The Company promotes a work environment that ensures every employee is treated with dignity and afford equitable treatment irrespective of his gender, race, social class, caste, religion, place of origin, disability or economic status. Gender equality and women safety is a very important part of Radico Khaitan's human resource policies. The Company has zero tolerance for sexual harassment at workplace and it has adopted a Policy for the 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 (POSH Act) and the Rules framed thereunder. The Company is committed to provide a safe and conducive work environment to all employees and associates that is free from any discrimination.

As per the requirement of the POSH Act and Rules made thereunder, the Company has constituted an Internal Complaint Committee ("ICC") to redress the complaints received regarding sexual harassment. During the year under review, no cases were reported to the ICC. Composition of the ICC as on March 31, 2024 is given as below.

1.	Ms. Roopali Makhija	Presiding Officer
2.	Ms. Jyoti Negi	Member
3.	Ms. Anuja Singh Parihar	Member
4.	Mr. Dinesh Kumar Gupta	Member
5.	Mr. Vinay Padroo	Member
6.	Mr. Mukesh Arora	Member
7.	Ms. Tara Sharma (Social Activist)	Member

## VIGIL MECHANISM

In compliance with Section 177(9) and (10) of the Act and Regulation 22 of the Listing Regulations, Radico Khaitan has established a strong vigil mechanism and adopted a Whistle Blower Policy. This policy enables employees to report concerns related to fraud, malpractice, or any activity contrary to the Company's interests or societal welfare. The policy ensures protection for employees who report unacceptable or unethical practices, fraud, or legal violations, shielding them from retaliation. This Policy is also applicable to the Directors of the Company. All cases reported as part of whistle-blower mechanism are taken to their logical conclusion within a reasonable timeframe. Details of complaints, received and the actions taken, if any, have been reviewed by the Audit Committee. The functioning of the Vigil Mechanism is reviewed by the Audit Committee from time to time. The Vigil Mechanism Policy has been uploaded on the website of the Company at <https://www.radicokhaitan.com/wp-content/uploads/2019/03/Whistle-Blower-Policy-Vigil-Mechanism.pdf>.

## SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company believes in the long term sustainability by creating value for its stakeholders and for society. The Company is committed to pursue responsible growth and recognizes its responsibility towards the society where it operates as a good corporate citizen. CSR at Radico Khaitan is creating sustainable programs that actively contribute to and support the social and economic development of the society. The Company is committed to community development, women empowerment, enhancing livelihood, promoting education and health care including preventive health care and ensuring environmental sustainability. As a part of its CSR programmes, the Company partners with the community and addresses issues of water, sanitation, education, healthcare and skill-building. Radico Khaitan also promotes and encourages responsible drinking through various campaigns, taking preventative actions, education and raising awareness and bringing communities on board to address local challenges at their root. The CSR policy of the Company is available on the Company's website.

Composition of the Sustainability and CSR Committee as on March 31, 2024, is given as below.

1.	Dr. Lalit Khaitan	Chairman
2.	Mr. Abhishek Khaitan	Member
3.	Mr. Krishan Pal Singh	Member
4.	Ms. Sushmita Singha	Member

The Company's CSR Projects and activities are in accordance with Schedule VII of the Act and the Company's CSR Policy. The Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is provided as **Annexure - E** forming part of this Report.

The CSR Committee and the Board of Radico Khaitan had approved in aggregate ₹ 1,100 Lakhs to be spent during FY2024 towards CSR, which includes ₹ 642.75 Lakhs towards the CSR Obligation for FY2024 and ₹ 457.25 Lakhs towards Ongoing CSR Projects pertaining to FY2022 and FY2023. During FY2024, the Company has spent ₹ 420.96 Lakhs towards CSR Obligation of FY2024 and ₹ 139.27 Lakhs towards Ongoing Projects. The provision of ₹ 223 Lakhs has been created for Ongoing CSR Project.

The Board has approved the unspent amount allocated towards Ongoing Project and the same has been transferred to Unspent CSR Account within 30 days of the end of the financial year for use within a period of three financial years for the above mentioned Ongoing Projects from the date of such transfer.

## REPORTING OF FRAUDS

There was no instance of fraud during the year under review which was required to be reported by the Statutory Auditors to the Audit Committee or the Board under Section 143(12) of the Act and rules made thereunder.

## DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company, the work performed by the Internal Auditors, Statutory Auditors and Secretarial Auditors, including the Audit of Internal Financial Controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during FY2024.

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) and 134(5) of the Act:

- (i) In the preparation of the Annual Accounts for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) The Board has selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and the profit of the Company for the year ended on that date;
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The annual accounts have been prepared on a going concern basis;
- v) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **OTHER DISCLOSURES**

### **(i) Extract of Annual Return**

Pursuant to Section 92(3) and Section 134(3) of the Act, the Company has placed a copy of the Annual Return as at March 31, 2024 on its website and the same can be accessed at <https://www.radicokhaitan.com/wp-content/uploads/2024/07/MGT-7-Annual-Return-2023-24.pdf>

### **(ii) Public Deposits**

During the year under review, the Company has neither invited nor accepted any fixed deposits from the public within the meaning of Section 73 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014.

### **(iii) Loans, Guarantees and Investments**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to Financial Statements.

### **(iv) Particulars of Contract or Arrangements with Related Parties**

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and were approved by the Audit Committee. Further, during the year, the Company had not entered into any material Related Party Transactions. Accordingly, the disclosure of Related Party Transactions under Section 188(1) of the Act in Form AOC-2 is not applicable.

The Board of Directors of the Company had laid down the criteria for granting the omnibus approval by the Audit Committee for the transactions which are repetitive in nature and in line with the Policy on Materiality of and dealing with Related Party Transactions ("RPT Policy") adopted by the Company. Audit Committee grants Omnibus approval for the Related Party Transactions which are of repetitive nature. A statement giving details of all Related Party Transactions are placed before the Audit Committee for review on a quarterly basis.

The RPT Policy as amended and approved by the Board of Directors has been uploaded on the website of the Company. The web-link of the same has been provided in the Corporate Governance Report. None of the Directors has any pecuniary relationship of transactions vis-à-vis the Company.

### **(v) Orders Passed by Courts/Regulators**

During the year, no significant and material orders passed by the Regulators/Courts/Tribunals which may impact the going concern status and Company's operations in future.

### **(vi) Secretarial Standards**

The Company has followed applicable Secretarial Standards issued by the Institute of Company Secretaries of India, i.e., SS-1 and SS-2, on 'Meetings of the Board of Directors' and 'General Meetings', respectively.

### **(vii) Corporate Governance Report**

The Company is in compliance with the requirements of Corporate Governance as stipulated under the Listing Regulations. The Corporate Governance Report including a certificate from M/s. TVA & Co. LLP, Company Secretaries, regarding compliance of the conditions of Corporate Governance is annexed herewith and forming part of the Annual Report.

### **(viii) General Reserve**

Your Directors do not propose to transfer any amount to General Reserve and the entire amount

of the profit for the year ended March 31, 2024 forms part of retained earnings.

**(ix) Management Discussion and Analysis**

Management Discussion and Analysis Report, as required under the Listing Regulations is provided as a separate report and forms part of this Annual Report.

**(x) Business Responsibility and Sustainability Report**

The Business Responsibility and Sustainability Report for FY2024, detailing various initiatives taken by the Company on the Environmental, Social and Governance front is annexed as a separate report and forms part of this Annual Report.

**(xi) Change in the Nature of Business**

There is no change in the nature of business during the year under review.

**(xii) Details of Material Changes from the end of FY2024**

There have been no material changes and commitment, affecting the financial position of the Company which occurred between the end of the FY2024 till the date of this Report, other than those already mentioned in this Report.

**(xiii) Application made or proceedings pending under the Insolvency and Bankruptcy Code, 2016 along with their status as at the end of the financial year.**

During the year, the Company has neither made any application nor any proceedings are pending under the Insolvency and Bankruptcy Code, 2016.

**(xiv) The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof**

During the year, no one time settlement was made with respect to any amount of loan raised by the Company from any banks or financial institution.

**(xv) Dispatch of Annual Report through electronic mode**

In compliance with the Circular No. 20/2020 dated May 05, 2020, Circular No. 09/2023 dated

September 25, 2023 other relevant Circulars issued by the Ministry of Corporate Affairs ("MCA") and Circular No. SEBI/ HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 07, 2023 and other relevant circulars issued by the Securities and Exchange Board of India ("SEBI") and all other Circulars issued by MCA and SEBI in this regard, the notice of the AGM along with the Annual Report for FY2024 are being sent only through electronic mode to those members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report for FY2024 will also be available on the Company's website ([http:// www.radicokhaitan.com/investor-relations/](http://www.radicokhaitan.com/investor-relations/)), websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, and on the website of the Company's Registrar and Transfer Agent, KFin Technologies Limited at [https:// evoting.kfintech.com/](https://evoting.kfintech.com/).

**ACKNOWLEDGEMENTS**

Your Directors take this opportunity to express their sincere appreciation to all the employees for their commitment and contribution to the success of the Company. Their enthusiasm and hard work have enabled the Company to be at the forefront of the industry. We also take this opportunity to thank all our valued customers who have appreciated and cherished our products.

The Board extends heartfelt thanks to the investors and bankers for their ongoing support throughout the year. The directors also acknowledge the guidance and assistance from regulatory authorities, including SEBI, Stock Exchanges, and other Central and State Government agencies. In addition, the Board appreciates the support and collaboration from supply chain partners and other business associates. We look forward to their continued partnership and support in the future.

**For & on behalf of the Board**

**Dr. Lalit Khaitan**

Chairman & Managing Director  
DIN - 00238222

Place: New Delhi  
Date: May 14, 2024

**FORM NO. 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 statements of subsidiaries/  
associate companies/joint ventures**

**Part A – Subsidiaries**

**Information in respect of each subsidiary to be presented**

(Amount in Lakh)

Sl. no	Name of the subsidiary	Radico Spiritzs India Private Limited	Accomreal Builders Private Limited	Compaqt Era Builders Private Limited	Destihomz Buildwell Private Limited	Equibuild Realtors Private Limited	Proprent Era Estates Private Limited	Binayah Builders Private Limited	Firstcode Reality Private Limited	
1.	Date of acquisition of subsidiary	19.08.2021	03.02.2022	03.02.2022	03.02.2022	03.02.2022	03.02.2022	03.02.2022	03.02.2022	
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as ultimate Holding Company, Radico Khaitan Limited								
3.	Reporting currency and Exchange rate as on the Last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable								
4.	Share capital	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
5.	Reserves & Surplus	(0.90)	0.17	1.28	1.27	2.58	1.26	1.26	0.99	
6.	Total assets	4,647.23	355.39	1,020.12	221.63	300.81	365.04	188.56	221.54	
7.	Total Liabilities	4,654.13	354.22	1,029.61	219.36	297.23	362.77	186.3	219.55	
8.	Investments	7.00	0	11.77	0	0	0	0	0	
9.	Turnover	0	0	0	0	0	0	0	0	
10.	Profit before Taxation	3.63	0.16	1.55	1.61	1.91	1.51	1.61	1.43	
11.	Provision for Taxation	0.51	0	0.22	0.24	0.29	0.22	0.24	0.21	
12.	Profit after Taxation	3.12	0.16	1.33	1.37	1.61	1.29	1.38	1.23	
13.	Proposed Dividend	0	0	0	0	0	0	0	0	
14.	Percentage of Shareholding	100%	100%*	100%*	100%*	100%*	100%*	100%*	100%*	

\*100% holding through Wholly-owned Subsidiary, Radico Spiritzs India Private Limited

Names of subsidiaries which are yet to commence operations None

Names of subsidiaries which have been liquidated or sold during the year None

**Part B - Associates and Joint Ventures**

(Amount in Lakh)

**Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Sl. No.	Name of Associates or Joint Ventures	Radico NV Distilleries Maharashtra Ltd.	
1.	Latest audited Balance Sheet Date	31.03.2024	
2.	Date on which the Associate or Joint Venture was associated or acquired	26.05.2007	
3.	Shares of Associate or Joint Ventures held by the Company at the year end	Equity Shares	Preference Shares
i.	Number of Shares	13,58,503	-
ii.	Amount of Investment in Associates or Joint Venture	₹ 13,539.93	-
iii.	Extent of Holding (in percentage)	36%	
4.	Description of how there is significant influence	As per Joint Venture and Shareholders Agreement dated 26.5.2007. The day-to-day management for the operations of the Company shall be the responsibility of the Radico Khaitan Limited	
5.	Reason why the associate/joint venture is not consolidated	N.A.	
6.	Net worth attributable to shareholding as per latest audited Balance Sheet	₹ 19,775.81	
7.	Profit or Loss for the year:		
i.	Considered in Consolidation	₹ 644.78	
ii.	Not Considered in Consolidation	-	
8.	Names of associates or joint ventures which are yet to commence operations	N.A.	
9.	Names of associates or joint ventures which have been liquidated or sold during the year	N.A.	

**For and on behalf of the Board of Directors****Dilip K. Banthiya**  
Chief Financial Officer**Dr. Lalit Khaitan**  
Chairman &  
Managing Director  
DIN: 00238222**Dinesh Kumar Gupta**  
Sr. Vice President - Legal  
& Company Secretary**Abhishek Khaitan**  
Managing Director  
DIN: 00772865Place: New Delhi  
Date: May 14, 2024**Alok Agarwal**  
Sr. Vice President  
(Finance & Accounts)

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2024**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members,  
Radico Khaitan Limited  
CIN: L26941UP1983PLC027278  
Bareilly Road, Rampur Uttar Pradesh -244901

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 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 provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The 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 Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with the client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
  - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018;
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
  - (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (vi) **We further report that**, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with following Acts, Laws and Regulations applicable specifically to the Company: -
- (a) Food Safety and Standards Act, 2006 and Rules and Regulations made thereunder;

- (b) State Excise Laws relating to alcohol industry;
- (c) The Boilers Act, 1923 and Rules made thereunder;

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

- (i) Secretarial Standards 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 (NSE).
- (iii) Codes and Policies adopted by the Company.

**We further report that** during the period under review the following Act, Rules, Regulations and Guidelines were not applicable to the Company:

- (i) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; and
- (iv) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- (v) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018.

**We further report that** during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No change in the composition of the Board of Directors took place during the period under review. However, the re-appointment of Independent Directors made during the period under review were carried out in compliance with the provisions of the Act.

**We further report that** adequate notice is given to all directors to schedule the Board Meetings at least

seven days in advance followed by agenda and detailed notes on agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Decisions carried by the Board do not have any dissenting views and hence no relevant recordings were made in the minutes book maintained for the purpose.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, Rules, Regulations and Guidelines.

**We further report that** during the audit period there were following events/actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc, having a major bearing on the Company's affairs:

#### (i) Re-appointment of Independent Directors

Ms. Sushmita Singha was re-appointed as the Independent Director of the Company w.e.f April 1, 2024 for a period of five years in the Board Meeting held on August 03, 2023, as recommended by the Nomination and Remuneration Committee in its meeting held on August 03, 2023 and such re-appointment was approved by the shareholders of the Company in the Annual General Meeting held on September 28, 2023. The Company has duly filed necessary intimations in this regard with the Stock Exchanges and the Registrar of Companies.

Mr. Tushar Jain was re-appointed as the Independent Director of the Company w.e.f August 08, 2024 for a period of five years in the Board Meeting held on August 03, 2023 as recommended by the Nomination and Remuneration Committee in its meeting held on August 03, 2023 and such re-appointment was approved by the shareholders of the Company in the Annual General Meeting held on September 28, 2023. The Company has duly filed necessary intimations in this regard with the Stock Exchanges and the Registrar of Companies.

Mr. Sharad Jaipuria was re-appointed as the Independent Director of the Company w.e.f August 08, 2024, for a period of five years in the Board Meeting held on August 03, 2023 as recommended by the Nomination and Remuneration Committee in its meeting held on August 03, 2023 and such re-appointment was also approved by the shareholders of the Company in the Annual General Meeting held on September 28, 2023. The Company has duly filed necessary intimation in this regard with the Stock Exchanges and the Registrar of Companies.

**(ii) Declaration and Payment of Final Dividend**

The Board in its meeting held on May 25, 2023 had proposed to recommend the final dividend of ₹ 3.00 (Rupees Three Only) per equity share of face value of ₹ 2/- each, which shall be paid out of the profits of the Company for the financial year 2022-23 and the dividend as recommended by the board was also approved by the shareholder of the company in the Annual General Meeting held on September 28, 2023. The Company has duly made the payment of such final dividend to its shareholders in compliance with the provisions of the Companies Act, 2013.

**(iii) Re-appointment of Cost Auditor**

The Board has re-appointed Mr. R. Krishnan, Cost Accountant, as the Cost Auditor of the Company to conduct the audit of the Cost Records of the Company for the Financial Year 2023-24. The said re-appointment of Cost Auditor was made in the Board Meeting held on May 25, 2023 as recommended by the Audit Committee in its meeting held on May 25, 2023 and further their remuneration was also ratified and approved by the shareholders of the Company in the Annual General Meeting held on September 28, 2023.

**(iv) Letters issued by SEBI under SEBI (Prohibition of Insider Trading) Regulations, 2015**

The Company observed certain Trading activities by the Designated Persons and their immediate relatives which were in violations of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the "Insider Trading Regulations") and Company's Code of Conduct for Prohibition of Insider Trading (the "Code of Conduct").

The Company had taken pro-active measures against the Designated Persons and their immediate relatives, who had violated the

provisions of Insider Trading Regulations and Code of Conduct by disgorging the profits earned by them from such trades and by imposing penalty on them. The Company had deposited the said amount with the designated Bank Account of SEBI's, Investor Protection and Education Fund.

Meanwhile, SEBI also conducted investigation in this matter and issued (i) warning letters to 21 Designated Persons including their immediate relatives (ii) Show Cause Notices to 24 Designated Persons including their immediate relatives.

After hearing the Noticees, SEBI passed an Adjudication Order on March 20, 2024. As per the said Order no non-compliance or lapse were observed by SEBI on the part of the Company and no further penalty was imposed by SEBI except a penalty of ₹ 5,00,000 on the former Compliance Officer of the Company in his individual capacity.

**We further report that** during the audit period there was no events/actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. having a major bearing on the Company's affairs.

**For TVA & Co. LLP  
Company Secretaries**

**Tanuj Vohra**

Partner

M. No.: F5621, C.P. No.: 5253

UDIN: F005621F000367499

PR No. - 708/2020

Place: New Delhi

Date: May 14, 2024

*Note: This report is to be read with our letter of even date which is annexed as 'Annexure' and forms an integral part of our report*

**Annexure**

To,  
The Members,  
Radico Khaitan Limited  
CIN: L26941UP1983PLC027278  
Bareilly Road, Rampur  
Uttar Pradesh -244901

- 1 Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the various compliances, but the 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 our audit.
- 2 We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion and the compliance of the provisions of Corporate and other applicable Laws, Rules and Regulations is the responsibility of the management of the Company. Our examination was limited to the verification of procedures on test basis.
- 3 We have not verified the correctness and appropriateness of the financial records and Books of accounts of the Company.
- 4 We have obtained necessary management representation about the compliance of various laws, correctness of information shared and happening of events, wherever required.
- 5 Compliance with respect to the filings of various Reports, Returns, Forms, Certificates and Documents under the various statutes as mentioned in our report is the responsibility of the management of the Company. Our examination was limited to checking the execution and timeliness of filing and we have not verified the contents of such Reports, Returns, Forms, Certificates etc.
- 6 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.

**Disclosure under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014**

A. (i) The ratio of remuneration of each Director to the median remuneration of the employees of the Company for FY2024 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary, in the FY2024 compared to FY2023 are as under:

Sl. No.	Name and Designation of Director/ Key Managerial Personnel	% increase in Remuneration	Ratio of Remuneration of each Director to Median Remuneration of Employees
1	Dr. Lalit Khaitan, Chairman and Managing Director	10%	181.2:1
2	Mr. Abhishek Khaitan, Managing Director	10%	181.3:1
3	Mr. Krishan Pal Singh, Whole-time Director	8%	33.9:1
4	Dr. Raghupati Singhania, Non-Executive Independent Director*	N.A.	-
5	Mr. Sarvesh Srivastava, Non-Executive Independent Director*	N.A.	-
6	Ms. Sushmita Singha, Non-Executive Independent Director*	N.A.	-
7	Mr. Sharad Jaipuria, Non-Executive Independent Director*	N.A.	-
8	Mr. Tushar Jain, Non-Executive Independent Director*	N.A.	-
9	Mr. Dilip K. Banthiya, Chief Financial Officer	8%	42.6:1
10	Mr. Dinesh Kumar Gupta, Company Secretary	13%	11.4:1

Notes:

\* Independent Directors are only receiving sitting fees from the Company

(ii)	Percentage increase in the median remuneration of employees in FY2024 compared to FY2023	1.1%	
(iii)	Number of permanent employees on the rolls of the Company	<b>As on March 31, 2024</b> 1,469	<b>As on March 31, 2023</b> 1,329
(iv)	Average percentile increase already made in the salaries of Employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	During FY2024, the percentage increase is 9.5% which is based on remuneration policy of the Company that rewards people based on their contribution to the success of the Company and external Market competitiveness.	During FY2023, the percentage increase is 9.8% which is based on remuneration policy of the Company that rewards people based on their contribution to the success of the Company and external Market competitiveness.
(v)	The Board of Directors of the Company affirms that the remuneration is as per the remuneration policy of the Company.		

**For & on behalf of the Board**

**Dr. Lalit Khaitan**  
Chairman & Managing Director  
DIN - 00238222

Place: New Delhi  
Date: May 14, 2024

## ANNEXURE-D

**Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo**

The information under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2024 is given here below and forms part of the Directors Report

**(A) CONSERVATION OF ENERGY:**

Steps taken or impact on conservation of energy	<ol style="list-style-type: none"> <li>In the Cogen II power plant, the FD fan air flow was originally controlled by a damper. This damper control was discontinued with the installation of a VFD in the FD fan motor to manage air flow more efficiently. The total energy saving potential from this upgrade is ₹ 25.14 Lakhs per annum. Based on the actual running hours of Cogen II from July 2023, the savings achieved amount to ₹ 5.10 Lakhs.</li> <li>By installing an 11.75 MW capacity power plant, the demand for outsourcing power from DG sets and UPPCL has been reduced. This reduction in outsourced power has resulted in total savings of ₹ 1449 Lakhs per annum compared to the previous year.</li> </ol>
The steps taken by the company for utilizing alternate sources of Energy	The Cogen III power plant with a capacity of 11.75 MW has been installed and commissioned, utilizing rice husk and coal as fuel instead of the highly costly outsourced power sources such as diesel and UPPCL. As a result, RKL Rampur has now become self-reliant in power generation.
The capital investment on energy conservation equipment	<ol style="list-style-type: none"> <li>Total investment is ₹ 14.92 Lakhs for installation of VFD in FD Fan.</li> <li>The total electrical investment is ₹ 5000 Lakhs for 11.75 MW the power plant</li> </ol>

**(B) TECHNOLOGY ABSORPTION:**

Efforts made towards technology absorption and process improvement	Fed Batch technology studies were carried out for the molasses fermentation and the adoption of this new technology in the fermentation process has been initiated.
Benefits derived like product improvement, cost reduction, product development or import substitution	Better yield in Fermentation Process
Imported technology (imported during the last three years reckoned from the beginning of the financial year)	A screen printing plant for the "Magic Moments" product was established in Aurangabad, Maharashtra. The plant has been operational since September 2023.
(a) Detail of technology Imported	KBA, Germany, Screen printing Machines with UV Curing System
(b) Year of Import	2023
(c) Whether the technology been fully absorbed	Yes
(d) If not fully absorbed, areas, where this has not taken place, reasons thereof	Not Applicable
Expenses incurred on Research and Development	Approx ₹ 4,000 Lakhs

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particulars of earnings and outgo of foreign exchange are given in Notes on Accounts in Schedule 49 in Notes to Standalone Financial Statements.

**(D) ENVIRONMENT PROTECTION**

1. An additional water recharge facility has been established in village ponds, with field support from the Art of Living and Radico also provided support/cost from MGNREGA.
2. Maintaining water recharging structures in village pond areas, which support the recharging of rainwater through these ponds
3. Strict adherence to the stack emission and effluent control norms set by the State and Central Pollution Boards is ensured. A Continuous Emission Monitoring System is in place for 24x7 monitoring of emission and effluent data by both Pollution Boards, and it is meticulously maintained.
4. Increased recycling of process water back into the system, reducing the unit's fresh water requirement.
5. The calorific value of the non-conventional energy source, bio-gas, has improved, leading to increased in-house steam and power production and a consequent reduction in the company's consumption of alternate fuels.

**For & on behalf of the Board**

Place: New Delhi  
Date: May 14, 2024

**Dr. Lalit Khaitan**  
Chairman & Managing Director  
DIN - 00238222

## ANNEXURE-E

## Annual Report on CSR Activities for the Financial Year 2023-24

**1. Brief outline on CSR Policy of the Company**

The objective of the CSR Policy adopted by Radico Khaitan is to maintain harmonious relationship between the Company and the peripheral Communities. The Company believes that poor and needy sections of the society living in the town or district where it has operations should be the primary beneficiaries of CSR activities. The Company's CSR policy mainly aims to supplement the role of the Government in enhancing welfare measures for the society. The Company has constituted a Sustainability and Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended. The Corporate Social Responsibility Policy is available on the website of the Company i.e. <https://www.radicokhaitan.com/wp-content/uploads/2022/09/CSR-Policies.pdf>

**2. The Composition of the Sustainability and CSR Committee**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dr. Lalit Khaitan (Chairman of the Committee)	Chairman and Managing Director	2	2
2	Mr. Abhishek Khaitan	Managing Director	2	2
3	Mr. Krishan Pal Singh	Whole Time Director	2	2
4	Ms. Sushmita Singha	Independent Director	2	2

**3. Web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company**

Web-link for the CSR Committee: <https://www.radicokhaitan.com/wp-content/uploads/2022/07/Composition-of-Committees-of-Board-of-Directors-1.pdf>

Web-link for the CSR Policy and Projects: <https://www.radicokhaitan.com/wp-content/uploads/2022/09/CSR-Policies.pdf>

**4. 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.**

Not Applicable

**5. (a) Average net profit of the Company as per section 135(5)**

₹ 32,077.28 Lakhs

**(b) Two percent of average net profit of the Company as per section 135(5)**

₹ 641.55 Lakhs

**(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).**

₹ 641.55 Lakhs

**6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).**

₹ 532.80 Lakhs

**(b) Amount spent in Administrative Overheads**

₹ 27.43 Lakhs

**(c) Amount spent on Impact Assessment, if applicable**

Nil

**(d) Total amount spent for the Financial Year [(a)+(b)+(c)]**

₹ 560.23 Lakhs

**(e) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (₹ in Lakhs)	Amount Unspent (₹ In Lakhs)				
	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 (₹ in Lakhs)	Date of transfer	Name of the Fund	Amount	Date of transfer
420.96	223.00	29.04.2024	----	Nil	----

**(f) Excess amount for set off, if any**

Sl. No.	Particular	Amount (₹ in lakh)
(i)	Two percent of average net profit of the Company as per section 135(5)	641.55
(ii)	Total amount spent for the Financial Year	420.96
(iii)	Excess amount spent for the financial year [(ii)-(i)]	(220.59)
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	(220.59)

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in Lakhs)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (₹ in Lakhs)	Amount spent in the reporting Financial Year (₹ in Lakhs)	Amount transferred to any fund specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (₹ in Lakhs)	Deficiency, if any
					Amount (₹ in Lakhs)	Date of transfer		
1	FY-1 (FY 2023)	439.25	317.98	121.27	-	-	317.98	-
	<i>Radico - Art of Living Bhujal Shakti Project</i>	204.00	174.41	29.59	-	-	174.41	-
	<i>Sri Sri Centre of Professional Excellence - Radico Skill Centre at Rampur</i>	50.25	0.05	50.20	-	-	0.05	-
	<i>Sustainability Commitments, Sitapur</i>	185.00	143.52	41.48	-	-	143.52	-
2	FY-2 (FY 2022)	120.21	Nil	18.00	-	-	-	-
	<i>Radico - Art of Living Bhujal Shakti Project</i>	120.21	Nil	18.00	-	-	-	-
3	FY-3 (FY 2021)	-	-	-	-	-	-	-

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No**

If Yes, enter the number of Capital assets created/ acquired -Nil

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
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).**

The CSR Committee and the Board of Radico Khaitan had approved in aggregate ₹ 1,100 Lakhs to be spent during FY2024 towards CSR, which includes ₹ 642.75 Lakhs towards the CSR Obligation for FY2024 and ₹ 457.25 Lakhs towards Ongoing CSR Projects pertaining to FY2022 and FY2023, i.e. Radico - Art of Living Bhujal Shakti Project, Sri Sri Centre of Professional Excellence - Radico Skill Centre at Rampur and Sustainability Commitments, Sitapur.

During FY2024, the Company has spent ₹ 420.96 Lakhs towards CSR Obligation of FY2024 and ₹ 139.27 Lakhs towards aforesaid CSR Ongoing Projects.

The Company has transferred ₹ 223 Lakhs to separate bank account in order to complete the aforesaid CSR Ongoing Projects. The Board has approved the unspent amount allocated towards Ongoing Projects and same has been transferred to unspent CSR account within 30 days of financial year 2023-24.

**For & on behalf of the Board**

**Abhishek Khaitan**  
Managing Director  
DIN- 00772865

**Dr. Lalit Khaitan**  
Chairman & Managing Director  
Chairman - Sustainability &  
CSR Committee  
DIN- 00238222

Place: New Delhi  
Date: May 14, 2024

# Report on Corporate Governance

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), and the report contains details of Corporate Governance systems and processes at Radico Khaitan Limited ("Radico Khaitan" or the "Company").

Corporate Governance is about ensuring transparency in disclosures and reporting that conforms fully to the existing laws of the country and to promote ethical conduct of business throughout the organisation. The philosophy of the Company in relation to corporate governance is to ensure transparency across all its operations, fostering disclosure practices and enhancing stakeholders' value without compromising on compliance with the laws and regulations.

We consider stakeholders as partners in our success and remain committed to maximise stakeholders value. Your Company is committed to sound principles of corporate governance with respect to all its procedures, policies and practices. Under the principles of good corporate governance, we are committed to ensure that all functions of the Company are discharged in a professionally sound, accountable and competent manner.

The Board of Directors fully supports corporate governance practices and actively participates in overseeing risks and strategic management. The organisation views corporate governance in its widest sense, akin to a stewardship, embodying a progressive philosophy and ideology ingrained in the corporate culture. The governance processes and systems of your Company have strengthened over a period of time and resulted in constant improvisation of sustainable and profitable growth.

The Company has complied with the requirements of corporate governance outlined under the Listing Regulations and listed below the status regarding the same.

## BOARD OF DIRECTORS

### Composition

The Board of Radico Khaitan is constituted in compliance with the provisions of the Companies Act, 2013 (the "Act"), Listing Regulations and in accordance with the good corporate governance practices. The Board functions either as a full Board or through its committees constituted to oversee specific operational areas. The composition of the Board is in conformity with the Listing Regulations, embodying the optimum

combination of professionalism, knowledge and experience and consists of eminent individuals.

The Chairman plays a key role in promoting and building integrity within the Board and organisation for the benefits of all its stakeholders. The Managing Director takes a lead role in steering the organisation towards achieving its long-term goals.

As on March 31, 2024, the Board of the Company is comprising of eight members, consisting one executive Chairman, two executive directors (Managing Director and Whole-time Director), and five independent directors including an Independent Woman Director.

An Independent Director chairs the Audit Committee, Nomination, Remuneration and Compensation Committee and Stakeholders' Relationship Committee.

The brief profile of the Board Members is available on the website of the Company, i.e. [www.radicokhaitan.com](http://www.radicokhaitan.com).

### Board Meetings

During the financial year ended March 31, 2024, four meetings of the Board of Directors were held on May 25, 2023, August 03, 2023, November 06, 2023 and February 06, 2024. The maximum time gap between two meetings did not exceed 120 days.

The Board meets at least once in every quarter to review the quarterly financial results and operations of the Company. In addition to the above, the Board meets as and when necessary to deliberate on various issues relating to the business of the Company. The tentative annual calendar of Board Meetings for the ensuing year is decided well in advance by the Board and is published as part of the Annual Report.

All the Directors have informed the Company annually and periodically about their Directorship and Membership on the Board / Committees of other companies. As per the disclosures received from directors, none of the Director on the Board:

- holds directorships in more than ten public companies;
- serves as Director or as independent directors in more than seven listed entities;
- who are the Executive Directors, serves as independent directors in more than three listed entities;
- holds membership in more than ten Committees; and
- holds chairmanship in more than five Committees.

Note: The above consist membership/ chairmanship of Audit Committee and Shareholders' Relationship Committee in Indian Public Companies only.

Composition of the Board of Directors as on March 31, 2024, attendance at the Board meetings held during the Financial Year ended March 31, 2024, attendance at the last AGM and details of other directorships and committee positions are given below:

Name	Category	Attendance at Meetings		Last AGM attended	No. of Directorship in other Bodies Corporates	No. of Chairmanships/ Memberships of Committees		Directorships and Category of Directorship in other listed companies
		Board Meetings held during the tenure	Board Meetings attended			Chairmanship	Membership	
Dr. Lalit Khaitan	Promoter, Chairman & Managing Director	4	3	Leave sought	1	-	-	-
Mr. Abhishek Khaitan	Promoter and Managing Director	4	4	Yes	1	-	-	-
Mr. Krishan Pal Singh	Whole- time Director	4	4	Yes	2	-	1	-
Dr. Raghupati Singhania	Non- Executive Independent Director	4	1	Leave sought	14	2	4	1. JK Tyre & Industries Limited - Chairman & Managing Director 2. JK Lakshmi Cement Limited - Non-Executive Non-Independent Director 3. Bengal & Assam Company Limited - Non-Executive Non-Independent Director 4. JK Agri Genetics Limited - Non-Executive Non-Independent Director
Mr. Sarvesh Srivastava	Non- Executive Independent Director	4	4	Yes	-	1	1	-
Ms. Sushmita Singha	Non- Executive Independent Director	4	4	Leave sought	4	1	1	1. Kajaria Ceramics Limited - Non-Executive Independent Director 2. Hindustan Tin Works Limited - Director
Mr. Sharad Jaipuria	Non- Executive Independent Director	4	4	Leave sought	5	1	2	-
Mr. Tushar Jain	Non- Executive Independent Director	4	3	Leave sought	3	-	1	-

**Notes:**

- Mr. Abhishek Khaitan is son of Dr. Lalit Khaitan.
- Pursuant to Regulation 26 of the Listing Regulations, Chairmanship/ Membership of the Audit Committee and the Stakeholders' Relationship Committee of Indian Public Companies (excluding Section 8 companies), whether listed or not, have been considered. Chairmanship/Membership of the Audit Committee and Stakeholders' Relationship Committee held by the Directors in Radico Khaitan are also included.
- Directorships include directorships in Private Limited Companies and companies under Section 8 of the Act.

## Tenure

In compliance with the Section 152 of the Companies Act, 2013, at ensuing Annual General Meeting, except the Chairman & Managing Director and Independent Directors, all other Directors of the Company are liable to retire by rotation. One-third of the said rotational directors shall retire at the Annual General Meeting and being eligible, offer themselves for reappointment.

## Board Procedures

The Board meets at regular intervals to discuss and decide on business strategies/policies and to review the financial position of the Company.

The Board and its Committees' meetings are governed by a structured and detailed agenda. The agenda along with comprehensive notes and background material are circulated at least 7 days in advance before each meeting to all the Directors to facilitate effective discussion and decision making. The Board members may bring up any other matter for consideration of the Board, in consultation with the Chairman. The information as specified in Part A of Schedule II of the Listing Regulations is regularly made available to the Board.

Presentations are made by the Chairman & Managing Director, Managing Director and the Senior Management Personnel on the Company's performance, operations, plans and other matters on a periodic basis. The proceedings of the meetings of the Board and its Committees are recorded in the form of minutes, which are circulated to the Board/ respective Committee members for perusal within the stipulated period mentioned under the Act and Secretarial Standard-1 issued by the Institute of Company Secretaries of India. The important decisions taken at the Board and its Committee meetings are communicated to the concerned departments / divisions for necessary actions.

The Board has complete access to any information within the Company, which is specified in Part A of Schedule II of the Listing Regulations.

## Independent Directors

In the opinion of the Board, the Non-Executive Independent Directors fulfil the conditions of independence as specified in Section 149(6) of the Act, read with Rules made thereunder and Regulation 16(1) (b) of the Listing Regulations and are independent from the management of the Company. A formal letter of appointment has been issued to the Independent Directors pursuant to the provisions of the Act and the Listing Regulations. The terms and conditions for appointment of Independent Directors are available on the website of the Company <https://www.radicokhaitan.com/wp-content/uploads/2019/10/RKL-Terms-and-Conditions-of-Appointment-of-Independent-Directors.pdf>.

Further, Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

During FY2024, one meeting of the Independent Directors was held on May 25, 2023. Except Dr. Raghupati Singhania, all Independent Directors were present at the meeting. In the said meeting the Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, the Board as a whole and Chairman of the Company, taking into account the views of Executive Directors and Non- Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## Familiarisation Programme for Independent Directors

At the time of appointing an Independent Director, a formal letter of appointment is given to him/her, which inter alia explains the role, functions, duties and responsibilities expected from him/her as a Director of the Company. The directors were also explained in detail the compliances required from them under the Act and other relevant regulations and affirmation taken with respect to the same. The Chairman & Managing Director also conducts one to one discussion with the newly appointed directors to familiarise them with the Company's operations. Further, the Company has put in place a system to familiarise the independent directors about the Company, its products, business and the on-going events relating to the Company.

The details of familiarisation programme as attended by the Independent Directors is available on the website of the Company at - <https://www.radicokhaitan.com/wp-content/uploads/2024/07/Familiarisation-Program-2023-24.pdf>.

## Key Board qualification, expertise and attributes

The Board of Directors are collectively responsible for selection of a member on the Board. The Nomination, Remuneration and Compensation Committee of the Board follows defined criteria for identifying, screening, recruiting and recommending candidates for election of a Director on the Board.

The Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed to ensure that Radico Khaitan's Board follows the highest standards of Corporate Governance.

The criteria for appointment to the Board include:

- composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
- desired age and diversity on the Board;
- size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of the law;
- professional qualifications, expertise and experience in specific area of relevance to the Company;
- balance of skills and expertise in view of the objectives and activities of the Company;
- avoidance of any present or potential conflict of interest;
- availability of time and other commitments for proper performance of duties; and
- personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, pioneering mind-set.

The table presented below summarises the key, skills/expertise/competencies identified by the Board as required in the context of the business and sector in which the Company functions effectively and which are available with the board, and attributes which are taken into consideration while nominating candidates to serve on the Board.

Financial	Management of the Finance function of enterprises, resulting in proficiency in complex financial management, capital allocation and financial reporting processes or experience in actively supervising a principal financial officer, principal accounting officers, controller, auditor or persons performing similar functions.
Gender, ethnic, national, or other diversity	Representation of gender, ethnic, geographic, cultural, or other perspectives that expand the Board's understanding of the needs and viewpoints of our customers, employees, governments and other stakeholders.
Global Business	Experience in driving business success in markets around the world, with an understanding of diverse business environment, economics conditions, cultures and regulatory frameworks and a board perspective on global market opportunities.
Leadership	Extended leadership experiences for a significant enterprise, resulting in a practical understanding of organisations, processes, strategic planning and risk management. Demonstrated strengths in developing talent, planning succession and driving change and long - term growth.
Technology	Significant background in technology, resulting in knowledge of how to anticipate technological trends, generate disruptive innovation and extend or create new business models.
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long- term effective stakeholder engagements and driving corporate ethics and values.

In the table below, the specific areas of focus or expertise of individual board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean that the member does not possess the corresponding qualification or skill.

#### Key qualifications/expertise/competencies:

Director	Financial	Diversity	Global Business	Leadership	Technology	Mergers and acquisitions	Board service and governance	Strategy and Planning
Dr. Lalit Khaitan	√	√	√	√	√	√	√	√
Mr. Abhishek Khaitan	√	√	√	√	√	√	√	√
Mr. Krishan Pal Singh	√	√	√	√	√	-	√	√
Dr. Raghupati Singhania	√	√	√	√	√	√	√	√
Mr. Sarvesh Srivastava	√	√	√	√	√	√	√	-
Ms. Sushmita Singha	√	√	√	-	-	-	√	√
Mr. Sharad Jaipuria	√	√	√	√	√	√	√	-
Mr. Tushar Jain	√	√	√	√	√	√	√	√

## SUCCESSION PLANNING

The Nomination, Remuneration and Compensation Committee works with the Board on the leadership succession planning to ensure orderly succession in appointments to the Board and Senior Management Personnels. The Company strives to maintain an appropriate balance of skills and experience within the organisation and the Board endeavours to introduce new perspectives while maintaining experience and continuity.

The Company strategically aligns its workforce planning with business planning, thereby ensuring the allocation of essential financial and human resources to achieve its objectives effectively.

Our Board with broad and diverse skills and viewpoints is well-equipped to steer the Company towards its strategic goals. We also foster a culture of nurturing management talent within the organization, empowering our workforce to aspire to future leadership positions.

### Conflict of interests

Each Director informs the Company on an annual basis about the Board and the Committee positions he / she occupies in other companies including Chairmanships and notifies changes during the year. Members of the Board while discharging their duties, avoid conflict of interest in the decision-making process. The members of the Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

### Pecuniary relationships or transactions with the Non-Executive Directors

The Non-executive directors, except receiving sitting fees, had no pecuniary relationship or transactions with the Company in their personal capacity during FY2024.

## COMMITTEES OF THE BOARD

Currently, there are eight (8) Committees of the Board, namely: Audit Committee, Nomination, Remuneration and Compensation Committee, Stakeholders' Relationship Committee, Environmental, Social and Governance ("ESG") Committee, Sustainability and Corporate Social Responsibility ("Sustainability and CSR") Committee, Risk Management Committee, Committee of Independent Directors and Committee of Directors. The Board has approved the terms of reference for these Committees in accordance with the applicable provisions of the Act and Listing Regulations. These Committees meet as often as required, statutorily or otherwise. The minutes of the meetings of the Committees are placed before the Board for discussions and noting. Recommendations made by these Committees have been accepted by the Board. The Company Secretary officiates as the Secretary of these Committees.

Terms of reference, composition, quorum, meetings, attendance and other relevant details of the Board Committees are as under:

### Audit Committee:

As on March 31, 2024, the Audit Committee comprises of three Non-executive Independent Directors. The members of the Audit Committee are Mr. Sarvesh Srivastava (Chairman of the Committee), Dr. Raghupati Singhania and Mr. Tushar Jain. All Members of the Audit Committee are financially literate and bring in expertise in the fields of finance, taxation, economics and risk management.

The Audit Committee invites Chief Financial Officer, Statutory Auditors, Internal Auditors and Cost Auditors to attend the meetings. Company Secretary acts as Secretary to the Audit Committee.

### Meetings and Attendance:

During the year, the Audit Committee met four times, i.e. on May 25, 2023, August 03, 2023, November 06, 2023 and February 06, 2024.

The attendance of the Members at the Audit Committee Meetings held during FY2024 are as under:

Name	Position	Category	Meeting details	
			Held	Attended
Mr. Sarvesh Srivastava	Chairman	Non-Executive Independent Director	4	4
Dr. Raghupati Singhania	Member	Non-Executive Independent Director	4	1
Mr. Tushar Jain	Member	Non-Executive Independent Director	4	4

### Terms of Reference:

The terms of reference of the Audit Committee are in accordance with the Regulation 18 read with Part C of Schedule II of the Listing Regulations and Section 177 of the Act.

The role of the Audit Committee, inter alia, includes the following:

- (1) overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) 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 Act;
  - (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;
  - (g) modified opinion(s) in the draft audit report;
- (5) reviewing, with the management, the quarterly 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 or any subsequent modification of transactions of the Company with related parties;
- (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, 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 there on;
- (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) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) carrying out any other function as is mentioned in the terms of reference of the audit committee;
- (21) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances /investments existing as on the date of coming into force of this provision;

(22) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;

(23) to review the following documents:

- (a) management discussion and analysis of financial condition and results of operations;
- (b) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (c) internal audit reports relating to internal control weaknesses;
- (d) appointment, removal and terms of remuneration of the chief internal auditor; and
- (e) statement of deviations for the following-
  - (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of Listing Regulations.
  - (ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of Listing Regulations; and

(24) Undertake any other matters as may be prescribed under law or as the Board may decide from time to time.

Apart from the above, the Company has an internal audit team, headed by a senior person, who reports to the Chief Financial Officer and the Audit Committee. From time to time, the Company's adequacy of internal controls covering financial, operational, compliance, IT applications, etc., are reviewed by the Internal Audit team and presentations are made to the Audit Committee on the findings of such reviews. The Audit Committee, inter alia, reviews the adequacy of internal audit function and the internal audit reports including those related to internal control weaknesses.

### **Nomination, Remuneration and Compensation Committee**

#### **Composition:**

During the year under review, Mr. Sarvesh Srivastava was appointed as a Member of the Committee effective from July 18, 2023. As on March 31, 2024, the Nomination, Remuneration and Compensation Committee comprises of four Non-executive Independent Directors, viz., Dr. Raghupati Singhania (Chairman of the Committee), Mr. Tushar Jain, Mr. Sharad Jaipuria and Mr. Sarvesh Srivastava.

#### **Meetings and Attendance:**

During the year, the Nomination, Remuneration and Compensation Committee met twice, i.e. on May 25, 2023 and August 03, 2023.

The attendance of the Members at the Nomination, Remuneration and Compensation Committee Meetings during FY2024 is as under:

Sl. No.	Name	Position	Category	Meeting details	
				Held	Attended
1	Dr. Raghupati Singhania	Chairman	Non-Executive Independent Director	2	0
2	Mr. Tushar Jain	Member	Non-Executive Independent Director	2	2
3	Mr. Sharad Jaipuria	Member	Non-Executive Independent Director	2	2
4	Mr. Sarvesh Srivastava	Member	Non-Executive Independent Director	1	1

#### **Terms of reference:**

The terms of reference of the Nomination, Remuneration and Compensation Committee is in accordance with the Regulation 19 and part D of Schedule II of the Listing Regulations and Section 178 of the Act.

The role of the Nomination, Remuneration and Compensation Committee, inter alia, includes the following:

1. Formulation of attraction and retention strategies for employees;
2. Formulation and recommendation to the Board, a policy relating to remuneration of directors, key managerial personnel and other employees;
3. Formulation of criteria for determining qualifications, positive attributes and independence of a director and evaluation of Independent Directors and Board;
4. Formulation of criteria for evaluation of performance of independent directors and the board of directors;

5. Devising a policy on Board Diversity;
6. Identification of persons who are qualified to become directors and who may be appointed in the senior management in accordance with the criteria laid down by the Committee and recommend to the Board their appointment and removal;
7. Determine the compensation (including salaries and salary adjustments, incentives/benefits, bonuses) and Performance targets of the Chairman and of the Managing Directors & CEO;
8. Determine the Board regarding extension or continuation of the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
9. Recommend to the board, all remuneration, in whatever form, payable to senior management;
10. Review the employee development strategies;
11. Assess the learning and development needs of the directors and recommend learning opportunities which can be used by directors to meet their needs for development;
12. Review all human resource related issues including succession plan of key personnel;
13. Recommendation to the Board the remuneration payable to managerial persons in case of no profit or inadequate profit taking into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration while bringing objectivity in determining the remuneration package while striking a balance between the interest of the company and the shareholders;
14. For every appointment of an independent director, the Nomination, Remuneration and Compensation Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation and prepare a description of the role and capabilities required of an independent director;
15. Recommendation to the Board for appointment of a person as an independent director, who shall have the capabilities as identified by the Committee in accordance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. For the purpose of identifying suitable candidates, the Committee may:
  - a) use the services of an 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;
16. Determining the following with respect to the ESOP Schemes/ Plans approved by the Company from time to time:
  - a) the quantum of options to be granted, per employee and in aggregate;
  - b) conditions under which options vested in employees may lapse in case of termination of employment for misconduct;
  - c) The exercise period within which the employee should exercise the option and that the option would lapse on failure to exercise the option within the exercise period;
  - d) The specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;
  - e) The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
  - f) The grant, vest and exercise of option in case of employees who are on long leave;
  - g) The procedure for cashless exercise of options; and
  - h) Allotment of shares upon exercise of options by the Employees;
17. Determine the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration by the Committee
  - a. the number and the price of ESOS shall be adjusted in a manner such that total value of the ESOS remains the same after the corporate action.
  - b. for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad shall be considered.

- c. the vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the option holders;
18. Listing of options issued under ESOP Schemes/ Plans approved by the Board/ Shareholders of the Company, with the Stock Exchanges and to execute necessary documents/ to take necessary actions, as the Committee may deem fit, in this regard; and
19. To exercise all such roles and powers as prescribed under section 178 of the Companies Act, 2013 read with Rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and as may be decided by the Board from time to time.

## REMUNERATION OF DIRECTORS

The details of remuneration paid to Executive and Non-Executive Directors during FY2024 are given below:

### (i) Remuneration to Managing/ Whole-time Directors

Sr. No	Particulars	(₹ in Lakh)		
		Dr. Lalit Khaitan, Chairman and Managing Director	Mr. Abhishek Khaitan, Managing Director	Mr. Krishan Pal Singh, Whole-time Director
1	Salary	1,074.07	1,074.07	205.86
2	Commission Payable (as a % of profit)	-	-	-
3	House Rent Allowance	-	-	-
4	Contribution to Provident Fund and Superannuation Fund	78.34	79.34	9.39
5	Perquisite Value of Stock Options	-	-	-
6	Allowances/ Perquisites	139.52	60.70	2.83
7	Variable Pay/Others	1.95	2.65	2.50
<b>Total</b>		<b>1,293.88</b>	<b>1,216.76</b>	<b>220.58</b>

### Service Contracts, Notice Period and Severance Fees

Appointments of Chairman and Managing Director, Managing Director and Whole-time Director are contractual. Their appointments are terminable on 3 calendar months' notice of a sum equivalent to remuneration for the notice period or part thereof in case of shorter notice. No severance fee is payable to the Chairman and Managing Director, Managing Director and Whole-time Director.

### (ii) Remuneration to Non-Executive Independent Directors

The Company considers the time and efforts put in by the Non-Executive Independent Directors in deliberations at the Board and Committee meetings. They are remunerated by way of sitting fees of ₹ 40,000 for attending each Board meeting and ₹ 15,000 for attending respective Committee meetings in which they are member.

Details of Equity Shares held and sitting fees of the Non-Executive Independent Directors for the Financial Year ended March 31, 2024 are presented below:

Sl. No.	Name	No. of Equity Shares of ₹ 2 held	No. of Stock Options	Sitting Fees (in ₹)
1	Dr. Raghupati Singhania	Nil	Nil	55,000
2	Mr. Sarvesh Srivastava	Nil	Nil	2,80,000
3	Ms. Sushmita Singha	Nil	Nil	2,05,000
4	Mr. Tushar Jain	1,000	Nil	2,25,000
5	Mr. Sharad Jaipuria	1,000	Nil	2,80,000

Other than holding Shares and sitting fees as indicated above, the Non-Executive Directors did not have any pecuniary relationship or transactions with the Company during the year under review. The Company has adopted remuneration criteria for Non-executive Directors in compliance with the Listing Regulations. Criteria for making payment to Non-executive Directors is available on the website of the Company, i.e. [www.radicokhaitan.com](http://www.radicokhaitan.com) as a part of Nomination and Remuneration Policy.

### Performance Evaluation and its Criteria

Pursuant to the provisions of the Act, the Listing Regulations and Performance Evaluation Policy of the Company, the Board has carried out the annual evaluation of its own performance, evaluation of the performance of the Directors individually and evaluation of the working of Board Committees. A structured questionnaire has been prepared covering various aspects of the Board's functioning such as adequacy of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance of the Board as a whole was evaluated by each Director. Board committees were evaluated by the respective committee members. Directors were evaluated individually by the Board of Directors (excepting the Director himself). Independent Directors were additionally evaluated for their performance and fulfilment of criteria of independence and their independence from the Management. Further, the

performance evaluation of the Chairman and Managing Director and the Non-independent Directors was carried out by the Independent Directors. The Directors have expressed their satisfaction with the evaluation process.

Outcome of the evaluation was submitted to the Chairman of the Company. The Chairman briefed the outcome of the performance evaluation to the Board.

### Risk Management Committee Composition:

As on March 31, 2024, the Risk Management Committee comprises of four members, Dr. Lalit Khaitan (Chairman of the Committee), Mr. Abhishek Khaitan, Mr. Sharad Jaipuria and Mr. Dilip K. Banthiya.

### Meeting and Attendance:

During the year, Risk Management Committee met four times, i.e. on May 25, 2023, August 03, 2023 and November 06, 2023 and February 06, 2024.

The attendance of Members at the Risk Management Committee Meetings held during FY2024 is as under:

Sl. No.	Name	Position	Category	Meeting details	
				Held	Attended
1	Dr. Lalit Khaitan	Chairman	Executive Director	4	3
2	Mr. Abhishek Khaitan	Member	Executive Director	4	4
3	Mr. Sharad Jaipuria	Member	Non-Executive Independent Director	4	3
4	Mr. Dilip K. Banthiya	Member	Chief Financial Officer	4	4

### Terms of Reference:

The Board had constituted Risk Management Committee to focus on risk management including determination of Company's risk appetite, risk tolerance and regular risk assessments which includes risk identification, risk quantification and risk evaluation etc.

The role of the Risk Management Committee, inter alia, includes the following:

1. To formulate a detailed risk management policy which shall include:
  - a) framework for identification of internal and external risks specifically faced by the Company, including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity; and
5. To undertake any other matters as may be prescribed under law or as the Board may decide from time to time.

The Risk Management Committee coordinates its activities with other committees, where there is any overlap with activities of such committees, as per the framework laid down by the Board.

The Risk Management Committee has powers to seek information from any employee to obtain outside legal or other professional advice and to secure attendance of outsiders with relevant expertise, if it considers necessary.

### Stakeholders' Relationship Committee

#### Composition:

As on March 31, 2024, the Stakeholders' Relationship Committee comprises of three Directors, viz., Mr. Sharad Jaipuria (Chairman of the Committee), Mr. Sarvesh Srivastava and Mr. Krishan Pal Singh.

The attendance of the Members at the Stakeholders' Relationship Committee Meetings held during FY2024 is as under:

Name	Position	Category	Meeting details	
			Held	Attended
Mr. Sharad Jaipuria	Chairman	Non-Executive Independent Director	4	3
Mr. Sarvesh Srivastava	Member	Non-Executive Independent Director	4	4
Mr. Krishan Pal Singh	Member	Executive Director	4	4

#### Terms of Reference:

The terms of reference of the Stakeholders' Relationship Committee include the following:

- (1) To resolve the grievances of the security holders of the Company including addressing the 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;
- (2) To review measures taken for effective exercise of voting rights by shareholders;
- (3) To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; and
- (4) To review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

### Meeting and Attendance:

During the year, Stakeholders' Relationship Committee met four times, i.e. on May 25, 2023, August 03, 2023, November 06, 2023 and February 06, 2024.

#### Details of the Compliance Officer:

Name	Mr. Dinesh Kumar Gupta
Designation	Sr. Vice President - Legal, Company Secretary & Compliance Officer
Address	<b>Radico Khaitan Limited</b> Plot No. J-1, Block B-1, Mohan Co-operative Industrial Area, Mathura Road, New Delhi - 110 044 Tel. Nos.: +91 11 4097 5444/ 555 Fax Nos: 41678841-42 Email: investor@radico.co.in

#### Shareholders' complaints/queries

During the year, the Company received 81 complaints, which were duly resolved to the satisfaction of the shareholders. No complaint was pending as on March 31, 2024. The same has been filed with the stock exchanges on quarterly basis pursuant to the provisions of the Listing Regulations.

In addition, the Company also receives various queries from the shareholders from time to time. Details pertaining to the nature of queries received during the financial year ended March 31, 2024 are given below:

Nature of Queries	Pending at the beginning of the year	Received during the year	Disposed off during the year	Pending at the end of the year
Non-receipt of Dividend Warrants	0	527	527	0
Clarification regarding Shares	0	1,044	1,044	0
Request/ Inquiry for transmission of shares and name deletion	0	408	408	0
Others/ Miscellaneous	0	3,894	3,894	0
<b>Total</b>	<b>0</b>	<b>5,873</b>	<b>5,873</b>	<b>0</b>

All the requests and queries received during the financial year ended March 31, 2024, were duly addressed and no queries were pending for resolution on that date.

The Company provides shareholder services in the following time frame:

Sl. No.	Nature of Complaints/ Queries	No. of days for disposal
1	Demat of Shares	15 days
2	Dividend revalidation / issue of Dividend Drafts	7 days
3	Change of Address/ Bank Mandate	2 days
4	General queries	2 days

### Sustainability and Corporate Social Responsibility Committee

#### Composition:

As on March 31, 2024, the Sustainability and CSR Committee comprises of four Directors, viz., Dr. Lalit Khaitan (Chairman of the Committee), Mr. Abhishek Khaitan, Mr. Krishan Pal Singh and Ms. Sushmita Singha.

#### Meeting and Attendance:

During the year, the Sustainability and CSR Committee met twice on May 25, 2023 and February 06, 2024.

The attendance of Members at the Sustainability and CSR Committee Meetings held during FY2024 is as under:

Name	Position	Category	Meeting details	
			Held	Attended
Dr. Lalit Khaitan	Chairman	Executive Director	2	2
Mr. Abhishek Khaitan	Member	Executive Director	2	2
Mr. Krishan Pal Singh	Member	Executive Director	2	2
Ms. Sushmita Singha	Member	Non-Executive Independent Director	2	2

#### Terms of Reference:

The terms of reference of the Sustainability and CSR Committee includes the following:

##### i. Sustainability:

- To take all steps and decide all matters relating to triple bottom line indicators viz. ESG; and
- To take all necessary steps related to ESG Reporting, if any.

##### ii. CSR:

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company;
- To recommend the Annual Action Plan including amount of expenditure to be incurred on the activities referred to in the CSR Policy and review of the same; and
- To monitor the CSR Policy including CSR projects/ programmes of the Company.

##### iii. Business Responsibility Policies:

- To review and implement Business Responsibility policies; and
- To monitor the implementation of the aforesaid policies.

##### iv. Any other role as mentioned in the CSR Policy and as may be decided by the Board from time to time.

### Environmental, Social and Governance Committee

#### Composition:

As on March 31, 2024, the Environmental, Social and Governance Committee ("ESG Committee") comprises of three Directors, viz., Mr. Tushar Jain (Chairman of the Committee), Mr. Abhishek Khaitan and Ms. Sushmita Singha.

#### Meeting and Attendance:

During the year, the ESG Committee met once on May 25, 2023

The attendance of Members at the ESG Committee Meetings held during FY2024 is as under:

Name	Position	Category	Meeting details	
			Held	Attended
Mr. Tushar Jain	Chairman	Non-Executive Independent Director	1	1
Mr. Abhishek Khaitan	Member	Executive Director	1	1
Ms. Sushmita Singha	Member	Non-Executive Independent Director	1	1

### Terms of Reference:

The terms of reference of the ESG Committee includes the following:

1. To approve, note & ratify the ESG goals, targets and strategy and monitor performance thereof including the ESG initiatives to ensure long-term value creation for the stakeholders;
2. To overview of material ESG risks (including Climate change risk) and opportunities, approach to mitigate or adapt to the risks along with financial implications of the same;
3. To periodically review the ESG initiatives in the areas of (i) environment including energy consumption, de-carbonization plan and increased sourcing of renewable energy, water management, waste management, other climate related issues, science based targets etc., (ii) Social including Stakeholder engagement and materiality assessment, ESG risk (including human rights) mapping in supply chain etc. and (iii) Governance including business ethics, Anticompetitive practices, privacy and information security, transparency, accounting and core Corporate Governance practices;
4. To review and approve the Charter of ESG and Sustainability Council of the Company;
5. To review the working of ESG and Sustainability Council specific to ESG goals, targets & strategy as approved by ESG Committee;
6. To review ESG reporting in line with various national and global sustainability/ ESG indices and guidelines;
7. To review and noting of the Business Responsibility and Sustainability Report or any other similar report;
8. To do all acts, deeds & things incidental and deemed necessary for achievement of ESG goals, targets and strategy of the Company; and
9. To carry out such other functions as may be delegated by the Board of Directors from time to time, or as may be stipulated under the Act or any other law applicable to the Company, for time being in force.

### CEO / CFO CERTIFICATION:

As stipulated under Regulation 17(8) and Part B of Schedule II of the Listing Regulations, the CEO / CFO Certificate for FY2024, signed by Mr. Abhishek Khaitan, Managing Director as CEO and Mr. Dilip K. Banthiya, CFO is enclosed as **Annexure-A**.

### ETHICS / GOVERNANCE POLICIES

At Radico Khaitan, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all the stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner.

Details of key codes and policies are given below:

- **Code of Conduct for Board of Directors and Senior Management**

The Company has adopted a Code of Conduct for Board of Directors and Senior Management Personnel of the Company in accordance with the requirements of the Listing Regulations. The Code of Conduct is available on website of the Company [www.radicokhaitan.com](http://www.radicokhaitan.com). All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the Financial Year ended March 31, 2024.

- **Declaration of Compliance with the Code of Conduct**

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended March 31, 2024.

**Abhishek Khaitan**

Place: New Delhi  
Date: May 14, 2024

Managing Director  
DIN: 00772865

- **Code of Conduct for Prohibition of Insider Trading**

The Company has adopted a Code of Conduct for Prohibition of Insider Trading with a view to regulate trading in securities of the Company by the Insiders. The Company has also implemented the Policy and Procedures for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information ("UPSI").

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI Insider Trading Regulations"), the Company has established a Structured Digital Database with adequate internal controls and checks such as time stamp and audit trails. The Company has also established effective internal controls to ensure compliance with the

SEBI Insider Trading Regulations. These internal controls are reviewed annually by the Audit Committee and the Board of Directors to ensure effectiveness of such controls. Dealing in the shares of the Company by the Designated Persons is effectively monitored for ensuring compliance with the Code. Report on dealing in the shares of the Company by the Designated Persons is placed before the Chairman of the Audit Committee and the Board on a quarterly basis.

- **Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information**

The Company has adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information with a view to facilitate prompt, uniform and universal dissemination of unpublished price sensitive information. The Code also includes the Policy for Determination of Legitimate Purposes. The Code is posted on the Company's website and the same is available at the weblink <https://www.radicokhaitan.com/wp-content/uploads/2019/09/Code-of-Conduct-for-Prohibition-of-Insider-trading-1.pdf>.

- **Vigil Mechanism and Whistleblower Policy**

Pursuant to Section 177(9) and (10) of the Act and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism to facilitate Directors and employees to report the management about the unethical behaviour, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimisation of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz. <https://www.radicokhaitan.com/wp-content/uploads/2019/03/Whistle-Blower-Policy-Vigil-Mechanism.pdf>.

- **Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and other employees**

The Company has a Policy on Nomination and Remuneration for Directors, Key Managerial Personnel ("KMP") and Senior Management Personnel of the Company. The Policy aims to ensure that the persons appointed as Directors, KMP and Senior Management Personnel possess the requisite qualifications, experience, expertise and attributes commensurate to their positions and level and that the remuneration of such persons is fair, reasonable and sufficient to attract,

retain and motivate the personnel to manage the Company successfully. The Policy contains, inter alia, provisions pertaining to their appointment and removal as well as remuneration. The Policy is displayed on the Company's website and web-link for the same is <https://www.radicokhaitan.com/wp-content/uploads/2019/03/RKL-Policy-on-Nomination-Remuneration-and-Diversity-2020.pdf>

- **Dividend Distribution Policy**

The Company has formulated and implemented the Dividend Distribution Policy in accordance with the Listing Regulations. The Policy is displayed on the Company's website and the web-link for the same is <https://www.radicokhaitan.com/wp-content/uploads/2019/03/Dividend-Distribution-Policy.pdf>

- **Policy for determining Material Subsidiaries**

Pursuant to Regulation 16(1)(c) of the Listing Regulations, the Company has formulated a Policy for Determining Material Subsidiary. The Policy is available on the Company's website and web-link for the same is <https://www.radicokhaitan.com/wp-content/uploads/2022/05/Policy-for-Determining-Material-Subsidiaries.pdf>.

- **Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions**

The Company has formulated the Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions. The Policy is displayed on the Company's website and the web-link for the same is <https://www.radicokhaitan.com/wp-content/uploads/2019/09/Related-Party-Transaction-Policy.pdf>.

- **Policy on Determination and Disclosure of Materiality of Events and Information**

The Company has adopted the Policy for Determination and Disclosure of Materiality of Events and Information. This policy aims to ensure timely and adequate disclosure of all material and price sensitive events and information to the Stock Exchanges and on the website of the Company. The Policy is displayed on the Company's website and weblink of the same is <https://www.radicokhaitan.com/wp-content/uploads/2023/08/Policy-on-Determination-of-Materiality-for-Disclosure-of-events-or-information.pdf>.

- **Corporate Social Responsibility Policy**

Policy on Corporate Social Responsibility is displayed on the Company's website and weblink for the same is <https://www.radicokhaitan.com/wp-content/uploads/2022/09/CSR-Policies.pdf>.

● **Archival Policy**

Archival Policy is displayed on the Company’s website and weblink for the same is <https://www.radicokhaitan.com/wp-content/uploads/2019/03/Archival-Policy.pdf>.

- Policy for Preservation of Documents
- Policy on Board Diversity
- Succession Plan for Board Members and Senior Management
- Performance Evaluation Policy
- Health, Safety and Environment (HSE) Policy

- Risk Management Policy

- Foreign Exchange and Derivatives Risk Management Policy

- Data & Cyber Security Policy

● **Prevention of Sexual Harassment Policy**

Your Company has adopted a Policy on Prevention of Sexual Harassment of women at workplace with an objective to ensure a protective and equal platform for working of women in the organisation. The Company has zero tolerance towards sexual harassment. Radico Khaitan has formed Internal Complaint Committee which meets at regular intervals.

Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as under:

Sl. No.	Particulars	Details
1	Number of complaints filed during FY2024	Nil
2	Number of complaints disposed of FY2024	Nil
3	Number of complaints pending as at March 31, 2024	Nil

● **Anti-Corruption and Bribery Policy**

We at Radico Khaitan conduct our business in an ethical and honest manner. We believe in zero-tolerance approach to bribery and corruption. We believe in doing business in a professional and fair manner and with integrity in all our business dealings and relationships and to implement effective systems to counter bribery. Our Associates are prohibited from engaging in any bribery, including direct bribery and indirect bribery and payments through third parties.

The Company has adopted Anti-Corruption and Bribery Policy to set out responsibilities to comply with the laws of Bribery and Corruption.

**GENERAL BODY MEETINGS**

Date, time and location of the last three Annual General Meetings of the Company are given below:

Year	Location	Meeting Date	Time	No. of special resolutions set out at the AGM
2022-2023	Rampur Distillery, Bareilly Road Rampur - 244 901 (U.P.)	September 28, 2023	01:00 P.M.	3
2021-2022	Rampur Distillery, Bareilly Road Rampur - 244 901 (U.P.)	September 29, 2022	01:00 P.M.	3
2020-2021	Rampur Distillery, Bareilly Road Rampur - 244 901 (U.P.)	September 28, 2021	01:00 P.M.	1

All special resolutions set out in the notices for these Annual General Meetings were passed by the shareholders at the respective meetings with requisite majority. There is no Resolution passed through postal ballot during the year.

**MEANS OF COMMUNICATION**

A. Quarterly/ Half-yearly/ Nine-months/ Annual Audited Financial Results of the Company are published in the ‘Business Standard’ and regional

newspaper, ‘Hindustan’, Moradabad edition, in compliance with the Listing Regulations.

The Financial Results of the Company are also posted up on the Company’s corporate website: <https://www.radicokhaitan.com/investor-relations/>. The presentations on performance of the Company are placed on the Company’s website for the benefit of the institutional investors, analysts and other shareholders immediately after the conclusion of investors call for the financial

results. The Company also conducts calls/meetings with investors immediately after declaration of financial results to brief them on the performance of the Company. These calls are attended by the Chairman and Managing Director, Managing Director and CEO, CFO, Company Secretary and Head - investor relations. The Company promptly uploads on its website transcript and audio recordings of such calls. Management Discussions and Analysis Report, which forms part of this Annual Report, is also being mailed to all the members of the Company.

- B. The Company diligently works towards excellence in stakeholders and investors communication. It believes in sharing all material information that may directly or indirectly affect the financial and operational performance of the Company and consequently the share price.
- C. Your Company provides necessary information to the Stock Exchanges in terms of the rules and regulations issued by the Securities and Exchange Board of India.
- D. Online feedback form is placed on the website of the Company to enable the shareholders to provide feedback about shareholder services.
- E. For the Financial Year ending March 31, 2025, quarterly financial results will be announced as per the tentative schedule detailed below:

**E. Listing on Stock Exchanges:**

The Company's securities are listed on the following stock exchanges:

Name of Stock Exchange	Address	Stock Code
BSE Ltd. (BSE)	Floor 25, P.J. Towers Dalal Street, Mumbai - 400 001	532497
National Stock Exchange of India Ltd. (NSE)	Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051	RADICO

The Company has paid the listing fees to the stock exchanges and custodian fees to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for FY2025. The International Security Identification Number (ISIN) allocated to the Company by NSDL and CDSL is INE944F01028.

**F. Registered Office:**

Rampur Distillery, Bareilly Road, Rampur - 244 901, Uttar Pradesh.

Not later than August 14, 2024	First Quarter
Not later than November 14, 2024	Second Quarter and Half Yearly
Not later than February 14, 2025	Third Quarter and Nine Months
Not later than May 30, 2025	Fourth Quarter and Annual

**GENERAL SHAREHOLDER INFORMATION**

**A. Company Registration details:**

The Company is registered in the State of Uttar Pradesh, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L26941UP1983PLC027278.

**B. Date, time and venue of the 40<sup>th</sup> Annual General Meeting:**

August 07, 2024 at 12:30 P.M. at Rampur Distillery, Bareilly Road, Rampur - 244 901, Uttar Pradesh.

**C. Financial Year:**

The Company follows the Financial Year beginning from 1<sup>st</sup> April of every year and ends on 31<sup>st</sup> March of the next subsequent year.

**D. Book closure and Dividend payment details:**

The Book closure will start from Friday, July 26, 2024 and end on Wednesday, August 07, 2024 (both day inclusive) and Dividend shall be paid on or before Friday, September 06, 2024

**G. Website:**

[www.radicokhaitan.com](http://www.radicokhaitan.com)

**H. E-mail ID for Investor's Grievances:**

[investor@radico.co.in](mailto:investor@radico.co.in)

The above exclusive e-mail id is disclosed by the Company on its website and the material correspondence, publications and communications to the shareholders at large.

**I. Stock price data:**

The monthly high and low prices and volumes of your Company's shares traded on BSE and NSE during FY2024 are given below:

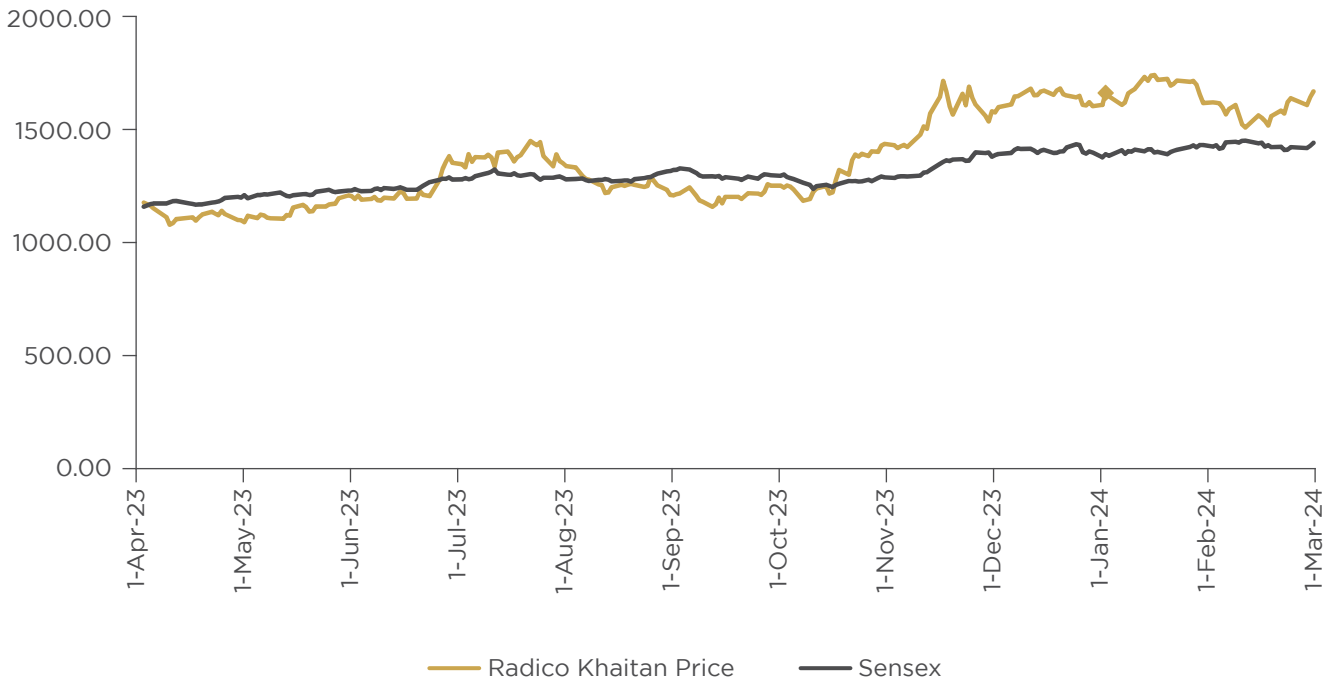
Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. of Shares)
April 2023	1,206.45	1,069.60	1,43,804	1,206.40	1,068.55	36,94,958
May 2023	1,191.15	1,081.05	1,66,697	1,192.00	1,083.00	32,15,191
June 2023	1,241.25	1,164.10	1,46,501	1,240.00	1,165.00	38,94,511
July 2023	1,468.95	1,210.05	4,23,204	1,470.00	1,210.60	91,47,616
August 2023	1,478.45	1,204.00	3,55,210	1,478.00	1,203.55	63,40,786
September 2023	1,305.00	1,155.00	2,48,339	1,305.00	1,155.00	43,44,976
October 2023	1,266.70	1,140.95	7,33,206	1,266.90	1,141.25	39,83,444
November 2023	1,537.85	1,218.35	8,97,160	1,537.85	1,218.05	76,30,002
December 2023	1,882.05	1,511.00	5,11,325	1,885.10	1,510.05	98,00,485
January 2024	1,700.00	1,571.80	1,67,365	1,703.00	1,573.25	29,00,143
February 2024	1,819.00	1,558.80	1,84,610	1,820.00	1,558.65	35,25,742
March 2024	1,741.00	1,476.00	1,91,945	1,742.00	1,473.35	46,71,815

Note: Volume is the total monthly volume of trade in Radico Khaitan's shares on BSE and NSE, respectively.

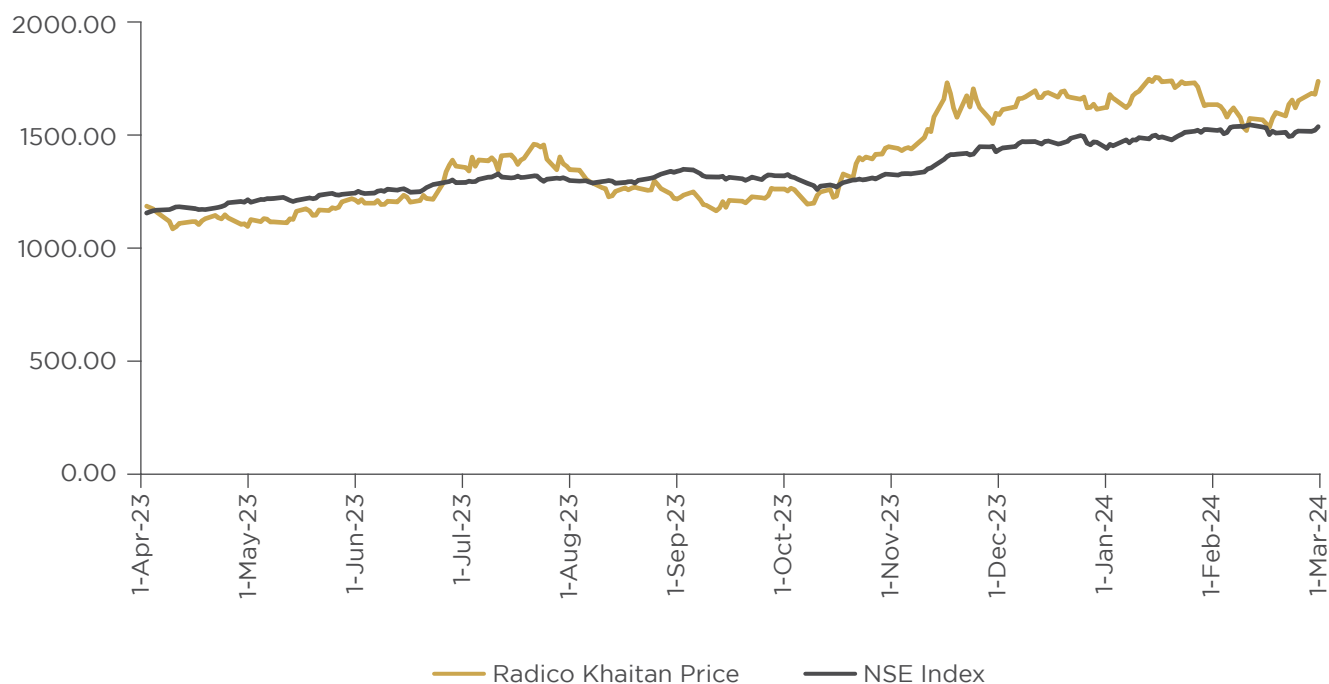
The Chart below shows the comparison of your Company's share price movement on BSE vis-à-vis the movement of the BSE Sensex and vis - a vis - NSE Nifty for the FY2024. The shares of the Company are traded in the A category at BSE and are also actively traded on NSE.

Performance of the share price of the Company in comparison to BSE Sensex and NSE Nifty:

**Radico Khaitan Share Price Vis-a-vis BSE Sensex (rebased)**



## Radico Khaitan Share Price Vis-a-vis NSE - Nifty (rebased)

**J. Share transfer system:**

Trading in equity shares of the Company is permitted only in dematerialised form. The dematerialised shares are directly transferred by the depositories to the beneficiaries. Members holding shares in physical form are, therefore, advised to convert their shares in dematerialised form.

**K. Distribution of Shareholdings:**

The Category wise distribution of shareholding of the Company as on March 31, 2024 is given below:

Sl. No.	Category of Shareholders	Total no. of Shares	% of total no of Shares
1	Promoters	5,38,29,818	40.27
2	Mutual Funds	2,49,99,514	18.70
3	Banks and Indian Financial Institution	3,958	-
4	Alternate Investment Funds	29,62,652	2.22
5	Insurance Companies	50,75,327	3.80
6	FII's/FPIs	2,48,42,531	18.58
7	Private Corporate Bodies	29,73,913	2.21
8	Indian Public	1,82,94,187	13.67
9	NRI's/OCBs	7,32,909	0.55
10	Central/State Government	516	-
<b>Total</b>		<b>13,37,15,325</b>	<b>100.00%</b>

The value wise distribution of Shareholding as on March 31, 2024 is given below:

SR No.	Category (Amount)	No. of Holders	% to Holders	Physical (Shares)	Electronic (Shares)	(Total shares)	Amount	% to Equity
1	up to 5000	1,10,943	99.25	5,99,333	92,41,136	96,91,738	1,93,83,476.00	7.25
2	5001 - 10000	408	0.36	76,895	13,48,608	14,39,070	28,78,140.00	1.08
3	10001-20000	182	0.16	14,260	13,22,782	12,81,118	25,62,236.00	0.96
4	20001-30000	43	0.04	0	5,70,013	5,24,828	10,49,656.00	0.39
5	30001-40000	33	0.03	15,500	7,11,407	5,91,882	11,83,764.00	0.44
6	40001-50000	19	0.02	0	4,45,030	4,27,683	8,55,366.00	0.32
7	50001-60000	18	0.02	0	4,91,509	4,87,304	9,74,608.00	0.36
8	60001-100000	25	0.02	0	10,72,511	9,43,454	18,86,908.00	0.71
9	100001 and above	110	0.10	0	11,78,06,341	11,83,28,248	23,66,56,496.00	88.49
<b>Total</b>		<b>1,11,781</b>	<b>100.00</b>	<b>7,05,988</b>	<b>13,30,09,337</b>	<b>13,37,15,325</b>	<b>26,74,30,650</b>	<b>100.00</b>

**L. Dematerialization of shares and liquidity:**

The Company's shares are tradable in the electronic form only. The Company has established connectivity with the National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") through KFin Technologies Limited, Registrar and Transfer Agents ("RTA").

As on March 31, 2024, 13,30,09,337 shares (99.47% of the total paid-up share capital) were held in dematerialized form and the rest in physical form.

In terms of Regulation 40(1) of Listing Regulations, as amended, securities can be transferred only in dematerialised form with effect from April 01, 2019. SEBI vide its Circular dated January 25, 2022 clarified that listed entities/ RTAs shall now issue a Letter of Confirmation in lieu of the share certificate while processing any investor service requests viz. issue of duplicate share certificates, exchange/ sub-division/ splitting/consolidation of securities, transmission/ transposition of securities. We request the shareholders, who are holding shares in physical mode to dematerialize their shares.

**M. Unclaimed Dividend/Shares:**

Dividends remaining unclaimed for seven years from the date of transfer to the unpaid dividend account shall be transferred along with the underlying shares to the Investor Education and

Protection Fund ("Fund"). Dividends pertaining to the Financial Years 1994-95 to 2015-16 remaining unpaid and shares pertaining to unpaid dividends up to the Financial Year 2015-16 have been transferred to the Fund.

Shareholders who have not encashed their warrants relating to the dividends from the Financial Years 2016-17 to 2022-23 are requested to immediately approach the Registrar and Transfer Agent for claiming the dividend. The details of unclaimed/unpaid dividend are available on the website of the Company at [www.radicokhaitan.com](http://www.radicokhaitan.com).

Dividend along with underlying shares which were transferred to the Fund can be claimed back by the shareholders by following the procedure mentioned in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and Circulars/ Notifications issued by the Ministry of Corporate Affairs, from time to time, in this regard.

The Company will sent the individual communication to the concerned Members whose shares are liable to be transferred to the Fund during the current Financial Year to take immediate action in the matter. The Company will also publish a Notice in the newspapers informing the Members who have not claimed their dividend for a period of 7 years to claim the same from the Company before they are transferred to the Fund.

Details of Unclaimed Dividend transferred to the Fund are given below:

Financial Year	Date of declaration of Dividend	Total Dividend (₹)	Unclaimed Dividend as on 31-3-2024	Due date of Transfer to IEPF account (₹)
FY2002	16.07.2002	38,579,176.00	730,556.00	22.08.2009
FY2003	19.07.2003	34,721,258.40	914,312.00	24.08.2010
FY2004	17.07.2004	38,579,176.00	973,284.00	22.08.2011
FY2005	16.11.2005	42,437,093.60	983,341.00	21.12.2012
FY2006	25.09.2006	48,223,970.00	1,135,840.00	30.10.2013
FY2007	26.09.2007	51,231,109.50	922,432.00	05.11.2014
FY2008	30.09.2008	51,231,109.50	1,065,509.00	16.10.2015
FY2009	15.09.2009	30,738,665.70	699,978.00	07.10.2016
FY2010	09.09.2010	79,300,632.60	1,620,668.00	26.10.2017
FY2011	09.09.2011	92,853,567.80	1,630,738.00	24.09.2018
FY2012	24.09.2012	106,195,503.20	2,312,827.00	11.10.2019
FY2013	30.09.2013	106,356,544.00	2,349,982.00	21.10.2020
FY2014	30.09.2014	106,431,012.00	2,625,925.00	21.10.2021
FY2015	30.09.2015	106,431,012.00	2,333,861.00	09.11.2022
FY2016	11.07.2016	106,431,012.00	2,348,962.00	08.09.2023

**N. Details regarding shares in the Suspense Account pursuant to Schedule V(F) of the Listing Regulations are given below:**

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 01, 2023	Nil	Nil
Shareholders who approached the Company for transfer of shares from suspense account during FY2024	Nil	Nil
Shareholders to whom shares were transferred from the suspense account during FY2024	Nil	Nil
Aggregate number of shareholders and the outstanding shares in the suspense account lying as at March 31, 2024	Nil	Nil
Number of shares transferred to Investors Education and Protection Fund during FY2024	209	116,914

The voting rights on the shares outstanding in the suspense account as on March 31, 2024 shall remain frozen till the rightful owner of such shares claims the shares.

Toll Free No. 18 00 3454 001  
Fax No. 040-23430814  
Email Id: einward.ris@kfintech.com

**O. Plant locations:**

These details have been provided in the Section 'Corporate Information' in the Annual Report.

**P. Green initiative:**

Ministry of Corporate Affairs has undertaken a Green Initiative in Corporate Governance whereby the shareholders desirous of receiving notices, documents and other communication from the Company through electronic mode, can register their e-mail addresses with the Company.

Your Company encourages the shareholders to register their e-mail addresses with the Company or its Registrar and Share Transfer Agent, M/s. Kfin Technologies Limited, by sending a letter signed by the shareholders on addresses given below or through e-mail and intimate changes in the email address from time to time.

**Q. Address for Correspondence:**

Radico Khaitan Limited  
Plot No. J-1, Block B-1  
Mohan Co-operative Industrial Area, Mathura Road,  
New Delhi - 110 044.  
Tel: +91 11 4097 5444/ 555  
Fax: +91 11 41678841-42  
Email: investor@radico.co.in

**M/s. Kfin Technologies Limited**

Karvy Selenium Tower B,  
Plot number 31 & 32, Gachibowli, Financial District,  
Nanakramguda,  
Serilingampally, Hyderabad - 500032, Telangana  
Ph: +91 040 6716 1517  
<https://www.kfintech.com/>

**R. Credit Ratings and any revisions thereto for debt instruments or any Fixed Deposit Programme or any scheme or proposal involving mobilisation of funds, whether in India or Abroad:**

The Company has not issued any debt instruments and did not have any fixed deposit programme or any scheme or proposal involving mobilisation of funds in India or abroad during the financial year ended March 31, 2024.

The Company's long-term bank facilities are rated as CARE AA- (Double A Minus) with a positive outlook and short-term bank facilities are rated CARE A1+ (A One Plus). There was no revision in the said ratings during the year under review.

**AFFIRMATIONS AND DISCLOSURES**

**Compliances with Governance Framework**

The Company is in compliance with all mandatory requirements under the Listing Regulations.

**A. Going concern:**

The Board is satisfied that the Company has adequate resources to continue its business for the foreseeable future and consequently considers it appropriate to adopt the going concern basis in preparing the financial statements

**B. Related party transactions:**

All transactions entered into with the Related Parties, as defined under the Act and Regulation 23 of the Listing Regulations, during the Financial Year, were in the ordinary course of business and on an arm's length basis. There were no materially significant transactions with Related Parties during the financial year that may have a potential conflict with the interests of the Company at large. Related

party transactions have been disclosed under significant accounting policies and notes forming part of the Financial Statements in accordance with "IND AS". A statement of transactions with Related Parties is periodically placed before the Audit committee for review and approval.

The Audit Committee reviews at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to the omnibus approval granted.

The Audit Committee, during FY2024, has approved related party transactions by granting omnibus approval in line with the Policy on Related Party Transactions and the applicable provisions of the Act read with the Rules issued thereunder and the Listing Regulations (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force).

**C. Details of non-compliance by the Company:**

The Company has complied with all requirements specified under the Listing Regulations as well as other regulations and guidelines. Consequently, there were no strictures or penalties imposed on the Company by SEBI or Stock Exchanges or any statutory authority on any matter related to the capital markets during the last three financial years.

**D. Disclosure of Accounting Treatment:**

The Company follows Accounting Standards prescribed by the Companies Accounting Standard Rules, 2021 (as amended) and relevant provisions of the Act. In preparation of financial statements, the Company has not adopted a treatment different from what is prescribed in the Accounting Standards. The financial statements for the year have been prepared in accordance with and in compliance of Schedule III of the Act.

**E. Audit Qualifications:**

During the year under review, there is no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.

**F. Disclosure of commodity price risks or foreign exchange risk and commodity hedging activities:**

The Company has adequate risk assessment and minimisation system in place including for commodities. The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, disclosure in terms of SEBI circular no. SEBI/HO/CFD/CMD1/ CIR/P/2018/0000000141 dated November 15, 2018 is not required.

**G.** Certificate from Secretarial Auditor regarding compliance of conditions of Corporate Governance by the Company is attached herewith as a part of the report as **Annexure-B**.

**H.** 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 is annexed herewith as a part of the report as **Annexure-C**.

**I.** The Company and its subsidiaries have paid aggregate fees of ₹ 92.16 Lakhs (Excluding GST) to the Statutory Auditors and its network firms/entities for audit and non-audit services availed during FY2024.

**J.** During FY2024, no loans/advances in the nature of debt was given by the Company and its subsidiaries to firms/companies in which directors are interested.

**K. Material Subsidiaries:**

As on March 31, 2024, the Company has no material subsidiary.

**L.** The Company has complied with the Corporate Governance requirements as specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

**M. Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity**

As on March 31, 2024, no FCCBs/GDRs/ ADRs/ Warrants or convertible instruments were outstanding.

**N. Disclosure of agreements binding listed entities as disclosed under clause 5A of paragraph A of Part A of Schedule III of SEBI Listing Regulations:**

No such Agreement was disclosed to the Company.

**EXTENT TO WHICH NON-MANDATORY (DISCRETIONARY) REQUIREMENTS HAVE BEEN ADOPTED**

The status of adoption of non-mandatory requirements as specified in Regulation 27(1) read with Part E of Schedule II to the Listing Regulations is given below:

- The requirement relating to maintenance of office by Non-Executive Chairman is voluntary. The Chairman of the Company is an Executive Director.

- The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results, as approved by the Board, are disseminated to Stock Exchanges and updated on the website of the Company.
- Modified opinion(s) in audit report - There are no modified opinions in audit report.
- Reporting of Internal Auditor - In accordance with the provisions of Section 138 of the Act, the Company has appointed an Internal Auditors who report to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee, which reviews the audit reports and suggests necessary action.
- Separate posts of Chairman and CEO - The Chairman of the Board is an Executive Director. His position is separate from that of the Managing Director and CEO.

**For and on behalf of the Board**

**Dr. Lalit Khaitan**

Chairman & Managing Director

DIN-00238222

Place: New Delhi

Date: May 14, 2024

## CEO/CFO Certification

This is to certify that:

- A. We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2024 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee:
1. significant changes in internal control over financial reporting during the year;
  2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For and on behalf of the Board**

Place: New Delhi  
Date: May 14, 2024

**Dilip Kumar Banthiya**  
Chief Financial Officer

**Abhishek Khaitan**  
Managing Director  
DIN: 00772865

**Annexure B**

## Certificate on Corporate Governance

To,  
The Members of  
Radico Khaitan Limited  
CIN: L26941UP1983PLC027278  
Rampur Distillery, Bareilly Road,  
Rampur-244901, Uttar Pradesh

1. We have examined the compliance of the conditions of Corporate Governance by Radico Khaitan Limited ('the Company') for the Financial Year ended on March 31, 2024, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to the review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and the representation made by the directors and the management, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**TVA & Co. LLP**  
Company Secretaries

**Tanuj Vohra**  
Partner

M. No.: F5621, C.P. No.: 5253  
UDIN: F005621F000367061  
PR No. 708/2020

Place: New Delhi  
Date: May 14, 2024

## Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V, Para C, clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
Radico Khaitan Limited  
CIN: L26941UP1983PLC027278  
Rampur Distillery, Bareilly Road, Rampur  
Uttar Pradesh -244901

We have examined the relevant Registers, Records, Forms, Returns and Disclosures received from the Directors of Radico Khaitan Limited having CIN L26941UP1983PLC027278 and having Registered Office at Rampur Distillery, Bareilly Road, Rampur-244901, Uttar Pradesh (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para C, clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers and the representation given by the Management, we hereby certify that none of the Directors on the Board of the Company as stated below, for the Financial Year ended on March 31, 2024, have been debarred or disqualified from being appointed or continuing as Director of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sl. No.	Name of Director	DIN	Date of appointment in Company
1	Dr. Lalit Kumar Khaitan	00238222	January 28, 2003
2	Mr. Abhishek Khaitan	00772865	January 28, 2003
3	Mr. Krishan Pal Singh	00178560	January 28, 2003
4	Dr. Raghupati Singhanian	00036129	January 28, 2003
5	Mr. Sarvesh Srivastava	06869261	May 30, 2014
6	Mr. Sharad Jaipuria	00017049	August 08, 2019
7	Mr. Tushar Jain	00053023	August 08, 2019
8	Ms. Sushmita Singha	02284266	April 01, 2019

It is solemnly the responsibility of Directors to submit relevant declarations and disclosures with complete and accurate information in compliance with the relevant provisions. Further, ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company and our responsibility is to express an opinion 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.

**TVA & Co. LLP**  
Company Secretaries

**Tanuj Vohra**  
Partner

M. No.: F5621, C.P. No.: 5253  
UDIN: F005621F000367136  
PR No. 708/2020

Place: New Delhi  
Date: May 14, 2024

# Business Responsibility & Sustainability Report

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L26941UP1983PLC027278
2. Name of the Listed Entity	RADICO KHAITAN LIMITED
3. Year of incorporation	July 21, 1983
4. Registered Office Address	Rampur Distillery, Bareilly Road, Rampur - 244901, Uttar Pradesh
5. Corporate Office Address	Plot No. J-I, Block B-I, Mohan Co-operative Industrial Area, Mathura Road, New Delhi-110044
6. E-mail	investor@radico.co.in
7. Website	www.radicokhaitan.com
8. Telephone	011 40975444/555
9. Financial year for which reporting is being done	2023-24
10. Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11. Paid-up Capital	₹ 26,74,30,650
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Dinesh Kumar Gupta Contact: 011 40975444 E-mail: investor@radico.co.in
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)	The disclosure under this Report are made on Standalone Basis for Radico Khaitan Limited
14. Whether the company has undertaken reasonable assurance of the BRSR Core?	No
15. Name of assurance Provider	Not Applicable
16. Type of assurance obtained	Not Applicable

### II. Products/services

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

Description of Main Activity	Description of Business Activity	% of Turnover of the entity
Manufacturing	Alcohol and Alcoholic Products	98.80%

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

Product/Service	NIC Code	% of total Turnover contributed
Manufacturing of Alcohol and Alcoholic Products	1101	98.80%

### III. Operations

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

Location	Number of plants	Number of offices	Total
National	42	19	61
International	Nil	Nil	Nil

## 20. Markets served by the entity:

### a. Number of locations

Locations	Number
National (No. of States)	29
International (No. of Countries)	100

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

6.56%

### c. A brief on types of customers

- State government / state-owned corporation
- Canteen Stores Department
- Private distributors / retailers in open market
- Export customers

## IV. Employees

### 21. Details as at the end of Financial Year: FY2024

#### a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	1194	1170	97.99%	24	2.01%
2.	Other than Permanent (E)	0	0	0	0	0
3.	<b>Total employees (D + E)</b>	<b>1194</b>	<b>1170</b>	<b>97.99%</b>	<b>24</b>	<b>2.01%</b>
<b>WORKERS</b>						
4.	Permanent (F)	275	275	100.00%	0	0
5.	Other than Permanent (G)	2326	2266	97.00%	60	3.00%
6.	<b>Total workers (F + G)</b>	<b>2601</b>	<b>2541</b>	<b>98.00%</b>	<b>60</b>	<b>2.00%</b>

#### b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	<b>Total differently abled employees (D + E)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	3	3	100.00%	0	0
5.	Other than permanent (G)	0	0	0	0	0
6.	<b>Total differently abled workers (F + G)</b>	<b>3</b>	<b>3</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>

### 22. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.50%
Key Management Personnel	4	0	0

Note: Key Management Personnel includes two directors.

**23. Turnover rate for permanent employees and workers**

Particulars	FY2024			FY2023			FY2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	16.50%	0.70%	17.20%	12.92%	0.47%	13.39%	10.69%	0.42%	11.11%
Permanent Workers	10.90%	0	10.90%	4.21%	0	4.21%	4.26%	0	4.26%

**V. Holding, Subsidiary and Associate Companies (including joint ventures)****24. (a) Names of holding / subsidiary / associate companies / joint ventures**

S. 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	Radico Spiritzs India Private Limited	Subsidiary	100%	No
2	Accomreal Builders Private Limited	Subsidiary	100%*	No
3	Compaqt Era Builders Private Limited	Subsidiary	100%*	No
4	Destihomz Buildwell Private Limited	Subsidiary	100%*	No
5	Equibuild Realtors Private Limited	Subsidiary	100%*	No
6	Proprent Era Estates Private Limited	Subsidiary	100%*	No
7	Binayah Builders Private Limited	Subsidiary	100%*	No
8	Firstcode Reality Private Limited	Subsidiary	100%*	No
9	Radico NV Distilleries Maharashtra Limited	Joint Venture	36%	No

\*100% holding through Wholly-owned Subsidiary, Radico Spiritzs India Private Limited

**VI. CSR Details**

25. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes

(ii) Turnover: ₹ 15,48,388 Lakhs (FY 2023-24)

(iii) Net worth: ₹ 2,37,737 Lakhs (FY 2023-24)

**VII. Transparency and Disclosures Compliances**

**26. 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)	FY2024			FY2023		
	(If Yes, then provide web-link for grievance redress policy)	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	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes	0	0	NA	0	0	NA
Shareholders	Yes	81	0	NA	225	0	NA
Employees and workers	Yes	0	0	NA	0	0	NA
Customers	Yes	26	0	NA	0	0	NA
Value Chain Partners	No	0	0	NA	0	0	NA
Other (please specify)	NA	NA	NA	NA	NA	NA	NA

The Company has comprehensive Grievance Redressal Mechanism in place and the weblink is <https://www.radicokhaitan.com/wp-content/uploads/2024/07/Stakeholder-Grievance-Redressal-Policy.pdf>.

**27. 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:

S. 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.	Water Management and conservation: <ul style="list-style-type: none"> <li>• Re use</li> <li>• Recycle</li> </ul>	R	High water usage in liquor manufacturing process can lead to resource scarcity and increased cost	<ul style="list-style-type: none"> <li>• Water recharge facility in village ponds with the “Art of Living”</li> <li>• Maintaining over 150 water recharging structure in 38 villages.</li> <li>• Recycling of processed water back in to process, which reduces the fresh water consumption.</li> <li>• Adopted zero liquid discharge mechanism</li> </ul>	Negative

S. No. identified	Material issue	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)
2.	Value Engineering and Sustainability	O	<p>Leveraging improved glass technology to produce glass bottles at lower weight reduce pressure on depleting of natural resources and cost optimization.</p> <p>Removal of mono-carton in certain brands reducing paper usage leading to saving of natural resources.</p> <p>Use of PET bottles in premium brands, reducing energy consumption and landfill.</p>	-	Positive
3.	Waste Management: <ul style="list-style-type: none"> <li>• Glass Bottle</li> <li>• Plastic Bottle</li> <li>• E-waste</li> <li>• Process Waste</li> </ul>	R&O	<p><b>Risk:</b> Inadequate waste management may lead to regulatory non-compliances &amp; will have negative impact on environment.</p> <p><b>Opportunity:</b> Effective waste management optimizes cost and reduces environmental impact.</p>	<ul style="list-style-type: none"> <li>• Use of licensed vendor for effective waste disposal to ensure regulatory compliance.</li> <li>• Recycle of glass &amp; plastic bottles will also have positive impact on cost.</li> </ul>	<p>Negative: Cost to ensure effective disposal and regulatory compliance.</p> <p>Positive: Cost reduction due to recycling.</p>
4.	Regulatory Compliance	R	Non-compliance with environmental and social regulations can result in fines and operational disruptions.	Establishment of a compliance monitoring team and regular audits.	Negative: Costs of compliance monitoring; Positive: Avoidance of fines and legal issues.

S. 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)
5.	Human Capital	R	Human capital being one of the important pillars of growth, it is imperative for the Company to attract and retain the right talent to ensure strategic business growth	<ul style="list-style-type: none"> <li>Talent acquisition and onboarding-effective recruitment and structured on boarding</li> <li>Skill development training-continuous learning and skill gap analysis</li> <li>Performance management-clear expectation and 360-degree feedback system</li> <li>Employee engagement and retention-recognition and reward, work life balance, career growth opportunity</li> </ul>	Negative
6.	Climate Change <ul style="list-style-type: none"> <li>Energy Efficiency</li> <li>Carbon Footprint</li> </ul>	R	High energy consumption contributes to carbon emissions and increased operational costs.	<ul style="list-style-type: none"> <li>Transition to renewable energy</li> <li>Planting trees</li> <li>Adopting green technology</li> <li>Replacing coal with Husk and generating power</li> </ul>	Negative: Capital expenditure for new technology; Positive: Reduced energy costs and potential carbon credits.
7.	Health and Safety of Employees	R	Ensuring a safe working environment is crucial to avoid accidents and ensure compliance with regulations.	Regular safety training programs and investment in safety equipment.	Negative: Costs of training and equipment; Positive: Reduced risk of accidents and associated costs.
8.	Product Responsibility and Ethical Marketing	R	Promoting responsible drinking and ethical marketing can enhance brand trust and loyalty.	Development of responsible marketing campaigns and educational initiatives	Positive: Increased customer loyalty and brand value; Negative: Costs of campaign development.

S. 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)
9.	Lowering Carbon Foot Print	O	In both the manufacturing unit, major power consumption is generated through captive power plants, utilising renewable energy sources and bio-fuels. One plant is 100% self-sufficient.	-	Positive: Use of captive power by utilization of bio fuel saved cost and protects environment
10.	Corporate Governance	O	Good governance practices contribute towards improving our ESG rating and attract investors, ensure regulatory compliances.	-	Positive

**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	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity’s policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	<a href="https://www.radicokhaitan.com/investor-relations/">https://www.radicokhaitan.com/investor-relations/</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Policies of the Company have been communicated with the key value chain partners.								

**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.**

All the policies have been developed considering relevant national & International standards covering:

- ISO 9001:2015 (Quality Management System)
- ISO 22000:2005 (Food Safety Management System)

**5. Specific commitments, goals and targets set by the entity with defined timelines, if any.**

The Company is committed to reducing Greenhouse Gas (GHG) emissions and have short-term and long-term targets in this regard.

**6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.**

In brief, the Company’s performance is consistent with its stated commitment to achieving the goals as covered in point 5 above

**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).**

We are steadfast in our belief that true value lies in sustainability. Our mission is to create lasting benefits that are economically viable, environmentally friendly, and socially responsible. By harnessing renewable energy sources and reducing resource consumption per unit of production, we strive to implement responsible practices within our industry.

Our initiatives are meticulously aligned with the United Nations Sustainable Development Goals (UN SDGs). We are committed to deepening this integration, ensuring that our efforts contribute meaningfully to a brighter, greener future.

Radico Khaitan is deeply committed to ensuring environmental sustainability in all our operations, by way of recycling of glass bottles, value engineering, lowering carbon foot print, recycling of plastic waste and tree plantation.

Recognizing the critical importance of water as a scarce natural resource, our plants consistently incorporate rainwater harvesting and ground-level recharging initiatives. These efforts are central to our approach, reflecting our commitment to water conservation and management. The Company has adopted a collaborative and hands-on strategy to effectively address the water-related challenges faced by the communities in the vicinity of its operations.

**8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).**

Sustainability & Corporate Social Responsibility Committee

**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.**

Yes, the Company has constituted an Environment, Social and Governance Committee (ESG Committee) along with a Sustainability and Corporate Social Responsibility Committee to oversee the Sustainability issues. Details of the Committees are given in the Corporate Governance Section of this Annual Report.

**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)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
	The Managing Director, Whole-time Director and Key Managerial Personnel consistently evaluate the Company’s performance in accordance with its policies. The results of these reviews are periodically communicated to the Board and its Committees, by highlighting the key aspects of the assessments.									Ongoing basis and reviewed by the committee periodically (Quarterly)								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company is in compliance with all applicable statutory requirements. No non-compliance was observed against any NGRBC Principles.																	

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.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	N	N	N	N	N	N	N	N	N

The working of the Policies is reviewed from time to time by the Board, Audit Committee and the Management in their respective areas. However, no external evaluation of working of the Policies was carried out.

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)									

Not Applicable

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

**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 programs on any of the Principles during the financial year:

Segment	Total number of training and awareness programs held	Topics /principles covered under the training and its impact	%age of persons in respective category covered by the awareness programs
Board of Directors	2	<ul style="list-style-type: none"> <li>Review on regulatory developments</li> <li>Familiarization with the policies of the Company</li> <li>Workshop on Risk Management</li> </ul>	100.00%
Key Managerial Personnel	2	<ul style="list-style-type: none"> <li>Review on regulatory developments</li> <li>Familiarization with the policies of the Company</li> <li>Workshop on Risk Management</li> </ul>	100.00%
Employees other than BOD and KMPs	98	Premium Brand Selling, Hazardous Waste Management, Food Safety Management, Safety Management, and Skill updation etc.	52.00%
Workers	7	<ul style="list-style-type: none"> <li>Sensory Evaluation,</li> <li>Fire Fighting</li> <li>Hazardous Waste Management</li> </ul>	4.00%

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 (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NIL	NA	NA	NA	NA
Settlement	NIL	NA	NA	NA	NA
Compounding fee	NIL	NA	NA	NA	NA

Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial Institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	NIL	NA	NA	NA	NA
Punishment	NIL	NA	NA	NA	NA

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 Regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

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, the Company has adopted an Anti- bribery Policy and the same is available on website at <https://www.radicokhaitan.com/wp-content/uploads/2021/03/Radico-Anti-bribery-Policy.pdf>.

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

**Programs**

Particulars	FY2024	FY2023
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest

Particulars	FY2024		FY2023	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

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

None

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

Particulars	FY2024	FY2023
Number of days of accounts payables	40	48

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:

Particulars		FY2024	FY2023
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Not identifiable	Not identifiable
	b. Number of trading houses where purchases are made from	Not identifiable	Not identifiable
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Not identifiable	Not identifiable
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	Not identifiable	Not identifiable
	b. Number of dealers / distributors to whom sales are made	Not identifiable	Not identifiable
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	Not identifiable	Not identifiable
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	3.35%	Not identifiable
	b. Sales (Sales to related parties / Total Sales)	N.A.	Not identifiable
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	18.86%	Not identifiable
	d. Investments ( Investments in related parties / Total Investments made)	100%	Not identifiable

**Leadership Indicators**

1. Awareness programs conducted for value chain partners on any of the Principles during the financial year

Total Number of Awareness programmes held	Topics/ Principal covered under the training	Percentage of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil	NA	NA

2. 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, the Company has a Code of Conduct for Directors and Senior Management, consisting guidelines for avoiding conflict of interests of the Company with the members of the Board and to ensure that all Directors shall always act in the interest of the Company. The Code of Conduct may be accessed on the website of the Company at <https://www.radicokhaitan.com/wp-content/uploads/2019/09/Code-of-Conduct-for-Directors-and-Senior-Management.pdf>.

**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.

	FY2024	FY2023	Details of improvements in environmental and social impacts
R&D	Nil	Nil	
Capex	22.00%	42.00%	

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

Yes

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

The resources involved in the manufacturing processes are efficient and sustainable. The Company gives preference in selection of vendors for procurement of raw material, who comply with the various principles of sustainability. Majority of suppliers of raw material are located within a radius of 200 Kilometers of the manufacturing units of the Company which helps to minimize transportation.

- 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.

S. No.	Material	Mode	Description
1	Plastics	Recycler	Under Extended Producer Responsibility (EPR) program through registered recycler in accordance with Plastic Waste Management Act
2	E-waste	Recycler	Scrap of E-waste being sold to registered recycler as per E-Waste Management Rules, 2022
3	Batteries	Buyback	Disposed under buy back policies with OEMS.
4	Hazardous Waste	Recycler	Used/Spent Oil, discarded empty drums sent to authorized vendor as per central pollution control board for recycling.
5	Other Non-Hazardous Waste	NA	NA

- 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.

During FY2024, as part of its Extended Producers Responsibility, Radico Khaitan recycled 6724 MT of post-consumer used plastic waste, resulting in significant sustainability impact.

**Leadership Indicators**

- 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? - No

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.
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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
	Not Applicable	

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	
	FY2024	FY2023
Glass Bottle*	20.80%	22.60%

\*% recycled bottles used for key brands

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:

	FY2024			FY2023		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging) (MT)	0	6724.00	0	0	7202	1702.58
E-waste	0	0	0	0	0	0
Hazardous waste	0	0	0	0	0	0
Other waste	0	0	0	0	0	228.00

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 Bottle*	20.80%

\* % recycled bottles used for certain key brands

### 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)
<b>Permanent employees</b>											
Male	1170	1170	100.00%	1170	100.00%	0	0	0	0	0	0
Female	24	24	100.00%	24	100.00%	24	100.00%	0	0	0	0
<b>Total</b>	<b>1194</b>	<b>1194</b>	<b>100.00%</b>	<b>1194</b>	<b>100.00%</b>	<b>24</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other than Permanent employees</b>											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**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)
<b>Permanent workers</b>											
Male	275	275	100%	275	100%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>275</b>	<b>275</b>	<b>100%</b>	<b>275</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Other than Permanent workers</b>											
Male	2266.00	2266.00	100.00%	2266.00	100.00%	0	0.	0	0%	0	0%
Female	60.00	60.00	100.00%	60.00	100.00%	60.00	100.00%	0	0%	60.00	100.00%
<b>Total</b>	<b>2326.00</b>	<b>2326.00</b>	<b>100.00%</b>	<b>2326.00</b>	<b>100.00%</b>	<b>60.00</b>	<b>2.58%</b>	<b>0</b>	<b>0%</b>	<b>60.00</b>	<b>2.58%</b>

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

Particulars	FY2024	FY2023
Cost incurred on well-being measures as a % of total revenue of the company	0.10%	0.10%

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

Benefits	FY2024			FY2023		
	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	100.00%	100.00%	Y*	100.00%	100.00%	Y
Gratuity	100.00%	100.00%	Y	100.00%	100.00%	Y
ESI	8.00%	12.00%	Y	10.00%	17.00%	Y

\*Radico maintains a trust authorized by the EPFO under the ministry of labour.

**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.

Yes, the Company is dedicated to ensure that all employees and workers with disabilities have access to the essential resources and facilities at their respective premises and offices. This commitment includes the provision of specialized equipment, accessible workspaces, and any necessary accommodations to support their daily functions effectively. Radico aims to foster an inclusive and supportive environment that acknowledges and respects the diverse needs and abilities of differently-abled employees and workers, thereby enabling them to perform their roles efficiently and comfortably within the organization.

**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, the Company is deeply committed to provide equal opportunities in employment and fostering an inclusive workplace where all employees are treated with the utmost respect and dignity. This commitment is reflected in the Equal Opportunity Policy adopted by the Company, which adheres to the provisions outlined under the Disabilities Act, 2016 and the Disabilities Rules, 2017.

The Policy ensures that individuals with disabilities are given fair and equitable consideration in all aspects of employment, including recruitment, hiring, training, and career development. We, at Radico strive to eliminate any barriers that might hinder their full participation in the workplace. By doing so, we aim to create an environment where the talents and contributions of differently-abled employees are recognized and valued.

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	NA	NA	NA	NA
Female	NA	NA	NA	NA
Total	NA	NA	NA	NA

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

Particulars	Yes/No (If yes, then give details of the mechanism in detail)
Permanent Workers	Yes, the Company has a complaint and grievance reporting process in place. Workers are free to reach functional head or HR team directly or through union at their respective locations.
Other than Permanent Workers	
Permanent Employees	Yes, the Company has a complaint and grievance reporting process in place. All the employees, whether or not permanent, are free to reach their HOD first to resolve their grievances, if not satisfied, they can directly reach out to the HR/Unit Head as the case may be.
Other than Permanent Employees	

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

Category	FY2024			FY2023		
	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)	% (D / C)
Total Permanent Employees	1194	0	0	1068	0	0
Male	1170	0	0	1042	0	0
Female	24	0	0	26	0	0
Total Permanent Workers	275	143	52.00%	261	149	57.08%
Male	275	143	52.00%	261	149	57.08%
Female	0	0	0	0	0	0

8. Details of training given to employees and workers

Category	FY2024					FY2023				
	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 / D)
<b>Employees</b>										
Male	1170	95	8.00%	510	44.00%	1042	469	45.00%	653	62.66%
Female	24	11	46.00%	10	41.66%	26	26	100%	0	0
<b>Total</b>	1194	106	9.00%	520	43.95%	1068	495	47.00%	653	61.14%
<b>Workers</b>										
Male	275	196	71.27%	173	62.90%	261	247	94.70%	180	69.00%
Female	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	275	196	71.27%	173	62.90%	261	247	94.70%	180	69.00%

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

Category	FY2024			FY2023		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	Under Review	Under Review	Under Review	1042	796	76.00%
Female	Under Review	Under Review	Under Review	26	20	77.00%
<b>Total</b>	Under Review	Under Review	Under Review	1068	816	76.00%
<b>Workers</b>						
Male	Under Review	Under review	Under Review	261	202	77.00%
Female	Under Review	Under review	Under Review	0	0	0
<b>Total</b>	Under Review	Under review	Under Review	261	202	77.00%

**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?

The occupational health and safety management system has been implemented in accordance with the requirements of the Factories act to cover the following location:

- Rampur Plant, Uttar Pradesh
- Bajpur Plant, Uttarakhand
- Bahadurgarh Plant, Haryana
- Reengus Plant, Rajasthan
- Sitapur Plant, Uttar Pradesh
- All lease units and tie-up units

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

The Company focuses on monitoring of health and safety related condition for employees and workers. The Company undergoes audit on yearly basis to ensure health and safety environment assessment, hygiene and upholding of human rights.

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

Yes, reporting and monitoring of leakage, induction and fire safety trainings are performed to inform workers about risks and safety processes to be followed.

- 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*	FY2024	FY2023
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

\* including in the contract workforce

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

The Company has a policy on safety health and environment (SHE), which covers all the operations of the Company. Further, regular safety related trainings are provided to employees periodically as per annual calendar. Continuous efforts are being made to reduce green house gas emission, creating a safe & healthy working environment. Periodic health check ups and on site medical support are also provided by the Company.

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

Particulars	FY2024			FY2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

**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	100.00%
Working Conditions	100.00%

**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.**

Not Applicable

**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).**

(A) Employees: YES

(B) Workers: YES

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

Before making payment to supply chain we ensure that all statutory dues have been paid by supply chain by taking the challans and return form of relevance statutory dues.

**3. 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. of 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	
	FY2024	FY2023	FY2024	FY2023
Employees	Nil	Nil	NA	NA
Workers	Nil	Nil	NA	NA

**4. 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)**

No

**5. 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

**6. 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.**

Not Applicable

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

The process for identifying key stakeholder groups of the entity involves systematically recognizing all groups of people who are affected by the Company and have an interest in its various operations. This includes a thorough assessment to ensure comprehensive inclusion.

Key stakeholder groups encompass a wide array of individuals and entities, such as vendors, suppliers, and the local community. The Company aims to foster transparency, accountability, and inclusivity in its operations. Radico Khaitan promotes sustainable and responsible business practices and ensures that the interests and concerns of all key stakeholder groups shall be duly acknowledged and addressed.

**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	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Website, E-mail and one to one/ group meet	As and when required	<ul style="list-style-type: none"> <li>Assessment of Product quality and development</li> <li>Addressing grievances and concerns</li> <li>Providing assurance and solutions</li> <li>Feedback and suggestions</li> </ul>
Employees	No	Website, E-mail, Training Sessions, Performance review meet, Employee surveys and periodical work meet	On-going basis	<ul style="list-style-type: none"> <li>Empowering work environment</li> <li>Personal Development and Growth</li> <li>Health and Safety</li> <li>Grievance Resolution</li> <li>Compensation</li> <li>On-job Trainings</li> </ul>
Statutory Bodies	No	Ongoing Meetings and Dialogues	On-going basis	<ul style="list-style-type: none"> <li>Regulatory Compliances</li> <li>Transparency in Disclosures</li> <li>Corporate Governance Practices</li> </ul>
Investors	No	Earnings Call, Investors/ Analysts Meet, One to One Meet and General Meetings	Earnings Call - Quarterly Investors/ Analysts Meet, One to One Meet - As and when required General Meeting - Annual	<ul style="list-style-type: none"> <li>Updates on Financial Results and Business Performance</li> <li>Addressing Investors' Concerns and queries</li> <li>Providing Insights on Corporate Governance Mechanism</li> </ul>

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Community	No	Website, E-mail and Public Hearings	As and when required	<ul style="list-style-type: none"> <li>• Communication regarding Sustainable growth</li> <li>• Addressing grievances and concerns</li> <li>• Providing assurance and solutions</li> </ul>
Suppliers and Vendors	No	Website and E-mail, one to one/ group meet	As and when required	<ul style="list-style-type: none"> <li>• Communication regarding Sustainable use of natural resources</li> <li>• Addressing grievances and concerns</li> <li>• Providing assurance and solutions</li> <li>• Infrastructural Support</li> </ul>
Industrial Association	No	Participation in various Trade Associations and events, Membership in various Committees and Forums	On-going basis	<ul style="list-style-type: none"> <li>• Responsible Corporate Citizenship</li> <li>• Discussion on Best Industrial Practices</li> <li>• Updatations with Regulatory Amendments</li> <li>• Compliance and Transparency</li> </ul>
Media	No	Press Conference, Press Release, Media Events, Conclaves, Participation in Forums and Summits and one-to-one interaction by Senior Management	On-going basis	<ul style="list-style-type: none"> <li>• Addressing stakeholders</li> <li>• Product Launch</li> <li>• Branding and Sponsorships</li> <li>• Corporate and Brand Image Building Process</li> <li>• Sharing Management views</li> </ul>

### 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.**

The Company endeavors to update all its stakeholders on economic, environmental, and social topics on a periodic basis. To facilitate effective consultation, the Board has empowered various committees within the organization to engage with stakeholders regularly on ESG matters. These committees are responsible for conducting consultations and gathering feedback from stakeholders. The feedback collected during these interactions is communicated to the Management to ensure that stakeholder perspectives are considered in decision-making processes.

**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, Stakeholder consultation is actively used to support the identification and management of environmental and social topics. Interaction with stakeholders is a continuous process, and actions are initiated based on the feedback received. ESG activities are implemented wherever feasible. When necessary, the inputs from stakeholders are incorporated into the Company's policies and SOPs to ensure that their concerns and suggestions are adequately addressed and integrated into our strategic approach.

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

Not Applicable

**PRINCIPLE 5: Businesses should respect and promote human rights**

**Essential Indicators**

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

Category	FY2024			FY2023		
	Total (A)	No. of employees/workers covered (B)	% (B / A)	Total (C)	No. of employees/workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	1194	31	2.60%	1068	188	17.60%
Other than permanent	0	0	0	0	0	0
<b>Total Employees</b>	1194	31	2.60%	1068	188	17.60%
<b>Workers</b>						
Permanent	275	29	10.55%	261	53	20.30%
Other than permanent	0	0	0	0	0	0
<b>Total Workers</b>	275	29	10.55%	261	53	20.30%

2. Details of minimum wages paid to employees and workers, in the following format

Category	FY2024					FY2023 (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)
<b>Employees</b>										
<b>Permanent</b>	1194	0	0	1194	100.00%	1068	0	0	1068	100.00%
Male	1170	0	0	1170	100.00%	1042	0	0	1042	100.00%
Female	24	0	0	24	100.00%	26	0	0	26	100.00%
<b>Other than Permanent</b>	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
<b>Workers</b>										
<b>Permanent</b>	275	0	0	275	100.00%	261	0	0	261	100.00%
Male	275	0	0	275	100.00%	261	0	0	261	100.00%
Female	0	0	0	0	0	0	0	0	0	0
<b>Other than Permanent</b>	2326	2326	100.00%	0	0	0	0	0	0	0
Male	2266	2266	100.00%	0	0%	0	0	0%	0	0%
Female	60	60	100.00%	0	0%	0	0	0%	0	0%

### 3. Details of remuneration/salary/wages, in the following format

#### a. Median remuneration/wages:

Particulars	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (INR in Lakhs)	Number	Median remuneration/ salary/ wages of respective category (INR in Lakhs)
Board of Directors (BoD)	3	929	0	0
Key Managerial Personnel	2	190	0	0
Employees other than BOD and KMP	1165	6.9	24	11.5
Workers	275	3.6	0	0

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

Parameter	FY2024	FY2023
Gross wages paid to females as % of total wages*	1.60%	1.60%

\*Note: Wages includes female worker and employee both.

### 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, we have designated the Human Resources (HR) and Industrial Relations (IR) team at each of our locations as the focal point responsible for addressing human rights impacts or issues. This team is tasked with identifying, assessing, and managing any human rights concerns that arise due to our business activities. They ensure that all such situations are handled promptly and effectively, adhering to our Company's commitment to uphold human rights standards.

### 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Radico Khaitan upholds human rights standards by embedding them into relevant policies, processes, and guidelines throughout its business operations. The Company conducts training sessions to enhance internal awareness and education on human rights practices. Our grievance mechanism ensures that employees, vendors, suppliers, and customers have secure, 24/7 access to raise concerns and report breaches confidentially and anonymously, without fear of retaliation.

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

Particulars	FY2024			FY2023		
	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	NA	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA
Forced Labour/ Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other human rights related issues	Nil	Nil	NA	Nil	Nil	NA

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

Particulars	FY2024	FY2023
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.**

The various policies of the Company like anti-discrimination at work place, anti-harassment at work place, whistle blower policy have adequate process defined to ensure that the identity of the complainant is kept secret and concerns/complains are addressed by an independent committee.

**9. Do human rights requirements form part of your business agreements and contracts?**

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	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others	

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

Not Applicable

**Leadership Indicators**

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

Not Applicable

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

Not Applicable

**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, the plants of the entity is accessible to differently abled visitors, as per the requirements or the Rights of Persons with Disabilities Act, 2016

**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	NA
Discrimination at workplace	NA
Child Labour	NA
Forced Labour/Involuntary Labour	NA
Wages	NA
Others	NA

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

Not Applicable

**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:**

Parameter	FY2024	FY2023
<b>From renewable sources</b>		
Total electricity consumption (A) (in KWH)	71773932.00	36294418.40
Total fuel consumption (B) (in KWH)	58992.00	116232.00
Energy consumption through other sources (C) (in KWH)	0.00	0.00
<b>Total energy consumed from renewable sources (A+B+C)</b> (in KWH)	71832924.00	36410650.40
<b>From non-renewable sources</b>		
Total electricity consumption (D) (in KWH)	43688212.00	17083874.00
Total fuel consumption (E) (in KWH)	126958.00	278094.00
Energy consumption through other sources (F) (in KWH)	3450186	0.00
<b>Total energy consumed from nonrenewable sources (D+E+F)</b> (in KWH)	47265356	17361968.00
<b>Total energy consumed (A+B+C+D+E+F)</b> (in KWH)	119098280.00	53772618.40
<b>Energy intensity per rupee of turnover</b> (Total energy consumed / Revenue from operations)	76.91	42.19
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP)	1759.87	965.42
<b>Energy intensity in terms of physical output</b>	-	-
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. **N**

Note 1: The energy consumption reported in the table above includes data pertaining to Owned Manufacturing sites.

Note 2: For 'intensity per rupee of turnover', total revenue from operations has been considered as turnover as per the Audited Standalone Financial Statements.

Note 3: The Purchasing Power Parity (PPP) factor considered is 22.88 as recommended by OECD (Organisation for Economic Co-operation and Development).

**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.**

Not Applicable, as the Company does not fall in the category (as Designated Consumer) of industries mandated under the Performance, Achieve and Trade (PAT) scheme.

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

Parameter	FY2024	FY2023
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0.00	0.00
(ii) Groundwater	566267.00	688445.00
(iii) Third party water	22152.00	25218.00
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
<b>Total volume of water withdrawal (in kilolitres)</b> <b>(i + ii + iii + iv + v)</b>	588419.00	713663.00
<b>Total volume of water consumption (in kilolitres)</b>	963179.00	713663.00
<b>Water intensity per rupee of turnover</b> (Total water consumption / Revenue from operations)	0.62	0.56

Parameter	FY2024	FY2023
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP)	14.23	12.81
<b>Water intensity in terms of physical output</b>	-	-
<b>Water intensity</b> (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. **N**

Note 1: The water withdrawal and consumption reported in the table above includes data pertaining to Owned Manufacturing sites.

Note 2: For 'intensity per rupee of turnover', total revenue from operations has been considered as turnover as per the Audited Standalone Financial Statements.

Note 3: The Purchasing Power Parity (PPP) factor considered is 22.88 as recommended by OECD (Organisation for Economic Co-operation and Development).

**4. Provide the following details related to water discharged:**

Parameter	FY2024	FY2023
<b>Water discharge by destination and level of treatment (in kilolitres)*</b>		
(i) To Surface water		
- No treatment	0.00	0.00
- With treatment - please specify level of treatment	0.00	0.00
(ii) To Groundwater		
- No treatment	0.00	0.00
- With treatment - please specify level of treatment	0.00	0.00
(iii) To Seawater		
- No treatment	0.00	0.00
- With treatment - please specify level of treatment	0.00	0.00
(iv) Sent to third-parties		
- No treatment	0.00	0.00
- With treatment - please specify level of treatment	0.00	0.00
(v) Others		
- No treatment	0.00	0.00
- With treatment - please specify level of treatment	0.00	0.00
<b>Total water discharged (in kilolitres)</b>		

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.

\*Radico Khaitan has Zero Liquid Discharge mechanism. The entire process cycle ensures that all the water is either reused or evaporated, leaving behind only solid residues. This means there is no liquid discharge to any external bodies of water, including rivers, sea, or the ground.

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

Yes, Radico Khaitan has installed a new condensate processing unit at the cost of about ₹ 1,963 Lakhs for reutilizing process condensate across all plant in evaporators, lees, RO permeate water and all other inorganic waste-water stream for cooling tower make up and molasses dilution, flour dilution in Liquefaction. It will reduce our ground water pumping and help us in maintaining zero liquid discharge. We have increased Bio gas production (green energy) from 3000 to 3500 M3/Day with CPU upgradation with benefit of fresh water saving due to recycling of CPU-treated water.

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

Parameter	Please specify unit	FY2024	FY2023
NOx	Micro gram/m <sup>3</sup>	62.95	67.00
Sox	Micro gram/m <sup>3</sup>	53.28	36.00
Particulate matter (PM)	Micro gram/m <sup>3</sup>	150.45	87.00
Persistent organic pollutants (POP)		NA	NA
Volatile organic compounds (VOC)		NA	NA
Hazardous air pollutants (HAP)		NA	NA
Others - please Specify		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 **N**

Note: Air emission details in the table above include data pertaining to Radico Khaitan owned plants.

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

Parameter	Unit	FY2024	FY2023
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent (Million Kg)	91.82*	12.2
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent (Million Kg)	0.00	0.00
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	(MT/₹ in Lakh)	0.06	0.01
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	(MT/₹ in Lakh)	1.42	0.23
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>		-	-
<b>Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity</b>		-	-

\*Purchasing Power Parity (PPP) taken 24.059

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. **N**

\* The above figure contain CO<sub>2</sub> - 0.0195 and CH<sub>4</sub> - 91.80

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

The Company is committed to reduce Greenhouse Gas (GHG) emissions and have short-term and long-term targets in this regard. The steps taken in this regard are:

**USING RECYCLED GLASS BOTTLES:**

Given the nature of our industry, our operations involve a significant use of glass bottles. We have made it a priority to champion the use of recycled glass in our business. This approach helps preserve valuable resources such as sand and non-renewable energy sources, aligning with our broader environmental goals. Our focused efforts have yielded impressive results, increasing the proportion of recycled glass bottles from 4.5% in FY2019 to 20.8% in FY2024 for our key brands.

**VALUE ENGINEERING:**

Radico Khaitan has implemented various value-engineering opportunities to optimise raw material cost without compromising on product quality. Leveraging improved glass technology to produce glass bottles at lower weight is an example which has not only helped to optimise raw material cost but will also reduce pressure on depleting of natural resources used in the manufacture of glass bottles. This has resulted in savings of about 1,450 MT of glass consumption during the year. Removal of monocarton in certain brands has reduced paper usage by 3,100 MT and resulted in saving natural resources. Furthermore, we moved to 26.5 gm, PET bottles in 180 ml SKU of 8PM Premium Black whisky which will reduce the energy consumption on manufacturing and PET being 100% recyclable.

**LOWERING CARBON FOOT PRINT:**

In FY2024, we made significant strides towards this goal at our Rampur plant. Impressively, 84% of our total power consumption was generated through our captive power plants, utilising renewable energy sources and bio-fuels. An additional 14% was produced using low-sulphur coal, adhering strictly to the Ministry of Environment and Forests (MoEF) guidelines. Only 2% of our power needs were met through external sources such as the grid or diesel generators. Today, the Rampur campus proudly stands as 100% self-sufficient in power generation, underpinned by our captive power plants.

Our Sitapur distillery operations commenced in September 2024. Prior to this, the Sitapur plant relied entirely on outsourced power. Since the distillery operations began, the campus has achieved 100% self-sufficiency through its captive power plants. Impressively, 98% of the total power consumed at Sitapur since September 2024 has been generated using bio-fuels.

**RECYCLING PLASTIC WASTE:**

In FY2024, we recycled 6,724 metric tonnes of post-consumer plastic waste. This initiative significantly reduces environmental pollution and underscores our commitment to responsible waste management and business sustainability.

**TREE PLANTATION:**

In FY2024, we enhanced our environmental stewardship by planting over 6,000 trees across various locations in Rampur District. Apart from that we are taking care of the growth of about more than 13000 plants, planted during the previous years. This initiative contributes to local biodiversity, improves air quality, and underscores our dedication to fostering a greener, healthier environment.

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

Parameter	FY2024	FY2023
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	6724.00	8,904.58
E-waste (B)	0	0
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	63.00	228
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	0	0
<b>Total (A+B + C + D + E + F + G+ H)</b>	6787.00	9132.58
<b>Waste intensity per rupee of turnover</b> (Total waste generated /revenue from operation)	0.004	0.01
<b>Waste intensity per rupee of turnover adjusted Purchasing for Power Parity (PPP)</b> (Total Revenue waste from generated / operations adjusted for PPP)	0.10	0.17
<b>Waste intensity in terms of physical output</b>	-	-
<b>Waste intensity</b> (optional) - the relevant metric may be selected by the entity	-	-

Parameter	FY2024	FY2023
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	6724.00	7202.00
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>6,724.00</b>	<b>7,202.00</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

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. **N**

Note 1: The waste details reported in the table above includes data pertaining to Owned Manufacturing sites

Note 2: For 'intensity per rupee of turnover', total revenue from operations has been considered as turnover as per the Audited Standalone Financial Statements.

Note 3: The Purchasing Power Parity (PPP) factor considered is 22.88 as recommended by OECD (Organisation for Economic Co-operation and Development).

Note 4: The waste quantity reported in the table above is accounted for at the time of disposal and therefore waste disposed has been considered as waste generated.

**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.**

The organization has established a standardized methodology for the purpose of identifying, segregating, and quantifying generated waste. Additionally, it has implemented the principles of the 3Rs (Reduce, Reuse, Recycle) in managing generated waste prior to its disposal. Notably, this involves the implementation of the Effluent Treatment Plant within the plant, enabling primary and secondary water treatment, followed by the internal reutilization of treated water within the facility. After volume reduction through MEE<sup>(1)</sup> & R.O.<sup>(2)</sup>, remaining effluent is stored in intermediate Holding Tank and transfer to impervious Holding Lagoon (designed as per CPCB norms) ensuring no impact on underground water quality and hand pumps are installed for periodically checks of water quality through inspecting authorities. Effluent is sent for Bio-Composting, using sugar mill press mud to manufacture highly valuable and micro-nutrient rich organic manure as Bio-compost. The Bio-compost manufactured in the Distillery is being packed in bags and largely selling to company like fertilizer companies.

<sup>(1)</sup> MEE plant refers to a Multiple-Effect Evaporator plant. This is a system used to evaporate water or other solvents from a solution, usually to concentrate the remaining solutes.

<sup>(2)</sup> R.O. plant refers to a Reverse Osmosis plant, which is a water purification system that uses the reverse osmosis process to remove contaminants from water. This process involves forcing water through a semipermeable membrane, which filters out impurities, such as salts, bacteria, and other dissolved substances, resulting in purified water.

**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:**

S. 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.
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Not Applicable: All our operations and offices are in designated industrial parks/areas. None of them are in or around ecologically sensitive areas. Environmental clearance is not required for any manufacturing facility or offices.

**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
New Green Field Distillery" M/s Radico Khaitan Limited. Sitapur Uttar Pradesh.	EC22A022UP176988	July 14, 2022	Yes	Yes	www.radicokhaitan.com

**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: Yes. The entity is compliant with all applicable environmental laws, regulations, guidelines and provisions of India such as the Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and control of pollution) Act, 1981, the Environment Protection Act, 1986, Hazardous Wastes (Management and Handling Rules, 2003/2008/2016, public liability Insurance act, 1991 along with their amendments and rules.**

S. 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
	Not Applicable			

**Leadership Indicators**

**1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): Not Applicable**

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

- (i) Name of the area: Rampur
- (ii) Nature of operations: Manufacturing Unit
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY2024	FY2023
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0.00	0.00
(ii) Groundwater	185040	190440
(iii) Third party water	0.00	0.00
(iv) Seawater / desalinated water	0.00	0.00
(v) Others	0.00	0.00
<b>Total volume of water withdrawal (in kilolitres)</b>	185040	190440
<b>Total volume of water consumption (in kilolitres)</b>	559800	621259
<b>Water intensity per rupee of turnover</b> (Water consumed / turnover)	0.36	0.49
<b>Water intensity</b> (optional) relevant metric may be selected by the entity	0.00	0.00
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water	0.00	0.00
- No treatment	0.00	0.00
- With treatment - please specify level of treatment	0.00	0.00

Parameter	FY2024	FY2023
(ii) Into Groundwater	0.00	0.00
- No treatment	0.00	0.00
- With treatment – please specify level of treatment	0.00	0.00
(iii) Into Seawater	0.00	0.00
- No treatment	0.00	0.00
- With treatment – please specify level of treatment	0.00	0.00
(iv) Sent to third parties	0.00	0.00
- No treatment	0.00	0.00
- With treatment – please specify level of treatment	0.00	0.00
(v) Others	0.00	0.00
- No treatment	0.00	0.00
- With treatment – please specify level of treatment	0.00	0.00
<b>Total water discharged (in kilolitres)</b>	<b>0.00</b>	<b>0.00</b>

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.

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

Parameter	Unit	FY2024	FY2023
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	NA	NA
<b>Total Scope 3 emissions per rupee of turnover</b>		NA	NA
<b>Total Scope 3 emission intensity</b> (optional) – the relevant metric may be selected by the entity		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.

3. With respect to the ecologically sensitive areas reported at Question 11 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.

Not Applicable

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:

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Cogen Power plant of 11.75 MW installed & commissioned, power generating using rise husk	Cogen III Power plant of 11.75 MW was installed & commissioned, here using rise husk /coal as fuel in place of highly costly outsourcing power fuel Diesel / UPPCL. Now RKL Rampur has become self-reliant on power Generation	Sustainable energy practices by using renewable source (rice husk) for power generation and helps in reduction in Green House Gas Emission

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

Yes. Radico Khaitan is committed to ensuring uninterrupted operations and the safety of its stakeholders. It covers the identification of critical business functions, risk assessments, and the implementation of preventive measures. It involves regular risk assessments, employee training, and the establishment of an Incident Response Mechanism. The Business Continuity Plan includes backup systems, and data recovery processes. Post-incident, a detailed assessment and recovery plan will restore operations swiftly.

**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.**

No adverse impact to the environment.

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

Nil

**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.**

5

**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/International)
1	All India Distillers Association	National
2	PHD Chambers of Commerce and Industry	National
3	Uttar Pradesh Distillers' Association	State
4	Confederation of Indian Alcoholic Beverage Companies (CIABC)	National
5	Indo-American Chamber of Commerce	International

**2. 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**

**1. Details of public policy positions advocated by the entity**

S. 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
Not Applicable					

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development****Essential Indicators**

1. 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					

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

S. 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 INR)
Not Applicable						

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

A process at plant/unit level is defined and grievances if any are heard by the head of the plant along with other senior members as defined. The grievances are to be addressed on priority. All grievance are to be recorded and reported to the grievance committee.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

Parameter	FY2024	FY2023
Directly sourced from MSMEs/ small producers	26.46%	28.05%
Directly from within India	95.79%	Not Identifiable*

\*Note: Percentage (%) of material procured from within the district and neighboring district for the FY 2022-23 is not identifiable.

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

Location	FY2024	FY2023
Rural	0.00%	0.00%
Semi-urban	0.00%	0.00%
Urban*	2.80%	5.40%
Metropolitan*	0.40%	0.40%

\*Job creation here taken as vacancies arises and filled by new employee/worker

**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
Not Applicable	

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 INR)
Not Applicable			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? No
- (b) From which marginalized /vulnerable groups do you procure? Not Applicable
- (c) What percentage of total procurement (by value) does it constitute? Not Applicable

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

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

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
Not Applicable		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Radico Bhujal Shakti Project - Water Literacy Programme	315	Not identifiable
2.	Radico Art of Living Skill Development Skill	5500	Not identifiable
3.	Sustainability Commitments - Sitapur	2000	Not identifiable

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner**

**Essential Indicators**

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.  
The Company has a well defined mechanism in place to address concern of consumers. The Company also takes feedback about its products. Contact details for any complain/suggestion are printed on each bottle.
2. 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%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

**3. Number of consumer complaints in respect of the following:**

Particulars	FY2024			FY2023		
	Received during the year	Pending resolution at end of year	Remark	Received during the year	Pending resolution at end of year	Remark
Data privacy	Nil	Nil	NA	Nil	Nil	NA
Advertising	Nil	Nil	NA	Nil	Nil	NA
Cyber-security	Nil	Nil	NA	Nil	Nil	NA
Delivery of essential services	Nil	Nil	NA	Nil	Nil	NA
Restrictive Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Unfair Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Other (Legal)	4	Nil	NA	Nil	Nil	NA

**4. Details of instances of product recalls on account of safety issues:**

Particulars	Number	Reasons for recall
Voluntary recalls	Nil	Nil
Forced recalls	Nil	Nil

**5. 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.**

Not Applicable

**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 - Not Applicable
- Impact, if any, of the data breaches - Not Applicable

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

www.radicokhaitan.com

 <https://www.facebook.com/officialradicokhaitan>
 <https://www.instagram.com/radicokhaitan>
 <https://twitter.com/radicokhaitan>
 [https://www.youtube.com/channel/UCVVWh6\\_IqUSVswj6E6KalmQ](https://www.youtube.com/channel/UCVVWh6_IqUSVswj6E6KalmQ)
 [www.linkedin.com/company/officialradicokhaitan](http://www.linkedin.com/company/officialradicokhaitan)

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

**Customer Responsibility Initiatives**

From time to time, drives are initiated for responsible consumption amongst its consumers. The Company displays all the information regarding its products, its ingredients etc. in line with the applicable laws.

Our promotional materials at the retail outlets also include a health warning in English as well as vernacular language. Products also carry the warning about responsible drinking and harmful impact of alcohol consumption.

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

Not Applicable

**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. We carry out surveys to gauge customer/consumer satisfaction for our product. Additional information about the product is displayed on the labels, over and above what is mandated. Radico Khaitan periodically assesses consumer trends, consumer choice, preference, and consumer satisfaction through need-based surveys.

# Independent Auditor's Report

## To the Members of Radico Khaitan Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

1. We have audited the accompanying standalone financial statements of Radico Khaitan 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.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

#### 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.

#### Key audit matter

##### Revenue recognition and trade receivables

Refer to note 1.05 to the accompanying standalone financial statements for the Company's significant accounting policies relating to revenue recognition and note 27 for the details of revenue recognized during the year.

The Company derives its revenue from sale of alcohol and other alcoholic products to a wide range of customers through a network of distributors and state government corporations. Owing to the multiplicity of the Company's products, volume of sales transactions, size of distribution network, nature of customers and varied terms of contracts with different customers, revenue is determined to be an area involving significant risk in line with the requirements of the Standards on Auditing and hence required significant auditor attention.

#### How our audit addressed the key audit matter

Our audit procedures related to revenue recognition included, but were not limited, to the following:

- Understood the nature of revenue transactions and evaluated the appropriateness of the accounting policy adopted by the management in accordance with Ind AS 115;
- Evaluated the design and tested the operating effectiveness of Company's internal controls around revenue recognition including relating to determination of variable consideration and satisfaction of performance obligations;
- On a sample basis, tested revenue transactions recorded during the year, and transactions recorded before and after year end basis inspection of supporting documents such as customer contracts, purchase orders, price lists, proof of dispatch and

**Key audit matter**

Further Ind AS 115, “Revenue from Contracts with Customers” (‘Ind AS 115’), requires management to make certain key judgements, such as, identification of performance obligations in contracts with customers, determination of transaction price for the contract including variable consideration in the form of rebates, discounts and pay-outs to distributors under various promotional schemes of the Company, and assessment of satisfaction of the performance obligations under each contract representing the transfer of control of the products sold to the customers including state government corporations.

Evaluation is also required to be made in respect of principal versus agent relationship of the Company with its ‘tie-up units’ and ‘royalty units’ as explained in the significant accounting policy disclosures referred above.

Further, the Company has significant balance of trade receivables amounting to ₹ 97,815.01 Lacs as at 31 March 2024 as disclosed under note 9 to the accompanying standalone financial statements. These receivables include dues from state government corporations and private distributors. The Company provides for expected credit loss on such trade receivables based on past experience which is adjusted to reflect current and estimated future economic conditions.

Due to the extent of industry knowledge and skills needed to design and execute audit procedures to address the risks of material misstatements in revenue recognition and related trade receivables, significance of the amounts and judgments involved in assessing appropriate revenue recognition, and existence and recoverability of trade receivables, these matters are considered key audit matters in the current year audit.

**How our audit addressed the key audit matter**

delivery including regulatory documents used for movement of liquor as per applicable regulations, invoices, etc. For such samples tested, reviewed the terms of the contracts with customers to assess the appropriateness of Company’s identification of performance obligations, its determination of transaction price, including allocation thereof to performance obligations and identification of the point of revenue recognition, in order to ensure revenue is recorded with the correct amount and in the correct period;

- Tested the adequacy of accruals made for various rebates and discounts committed to the distributors of the company basis the promotion schemes active as at the year-end;
- Performed substantive analytical procedures including review of price, quantity and product mix variances and analysis of discounts; and
- Evaluated adequacy of the disclosures made in the accompanying financial statements in respect of revenue recognition in accordance with financial reporting framework.

Further, our audit procedures pertaining to related trade receivables included, but were not limited, to the following:

- Circularised requests for direct balance confirmations to a sample of customers for outstanding balances as at year-end and evaluated the responses received;
- Performed other alternate procedures which included testing of invoices, proof of supply and subsequent collection of invoices for the confirmations not received;
- Evaluated the appropriateness of the model used by the management in determination of expected credit losses, including inputs and assumptions such as classes of customers, past trends of recovery and default rates as adjusted for future expectations, basis our understanding of the business and relevant market conditions;
- Recomputed the ageing of trade receivables for a sample of invoices and tested mathematical accuracy of the workings prepared by the management;
- Evaluated the disclosures made in accompanying standalone financial statements in respect of trade receivables in accordance with applicable financial reporting framework.

**Key audit matter****Additions to property, plant and equipment including capital work in progress**

Refer notes 1.08, 2 and 2A to the accompanying standalone financial statements

The Company has capitalized expenditure incurred in setting up a new manufacturing facility plant at Sitapur, UP amounting to ₹ 45,419.15 Lacs in the current year towards such expansion plans as further explained in note 2 and 2A to the accompanying Standalone financial statements.

Determining whether expenditure incurred is operational or capital in nature may require judgement and is essential in order to ensure that the recognition and measurement principles given under Ind AS 16, Property, Plant and Equipment ('Ind AS 16') are met

Further, the aforementioned capital expenditure has been partly funded from the specific borrowing raised for such purpose. Accordingly, the borrowing costs incurred on such borrowings have been included as a capital expenditure in accordance with the provisions of Ind AS 23, Borrowing Costs ('Ind AS 23').

This has been determined as a key audit matter due to the significance of the capital expenditure during the year and the risk that the elements of costs (including borrowing costs) that are eligible for capitalization are appropriately capitalised in accordance with the recognition criteria provided under Ind AS 16 and Ind AS 23.

**How our audit addressed the key audit matter**

Our audit procedures with respect to additions to property, plant and equipment including capital work in progress included, but were not limited, to the following:

- Evaluated the design and implementation and tested the operating effectiveness of key controls surrounding the capitalization of costs;
- Reviewed management's capitalisation policy, including application of the aforesaid policy, in accordance to assess consistency with the requirements set out by under Ind AS 16;
- Ensured that the borrowing cost capitalized is as per the principles of Ind AS 23;
- Tested the additions made to property, plant and equipment and capital work-in-progress on a sample basis for their nature and purpose to ensure that the capitalization is as per Company's accounting policy and is recorded in the correct period and in the correct class of assets;
- For projects completed during the year, reviewed the project completion/handover certificate provided by the management to determine whether the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the management;
- Assessed the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable accounting standards.

**Information other than the Financial Statements and Auditor's Report thereon**

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information such as Management Discussion and Analysis, Report on Corporate Governance, Directors' Report, etc. included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this 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 Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends 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;
  - 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 matters 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 reporting under 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 37 to the standalone financial statements, has disclosed the impact of pending litigations 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 has been no delay in transferring amounts, 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 64(h) to the 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 64(i) to the 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 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 no 40 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. Based on our examination which included test checks, the Company, in respect of financial year commencing on April 01, 2023, has used an accounting software 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 software except that, audit trail feature was not enabled at database level for accounting software SAP to log any direct data changes, as described in note 66 to the standalone financial statements. 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.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Ashish Gupta**

Partner

Place: New Delhi

Membership No.: 504662

Date: May 14, 2024

UDIN: 24504662BKGECJ7858

## Annexure I

**Referred to in paragraph 16 of the Independent Auditor's Report of even date to the members of Radico Khaitan 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 three year, 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 (including investment 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 2 to the standalone financial statements, are held in the name of the Company, except for the following properties, for which the Company's management is in the process of getting the registration in the name of the Company:

Description of property	Gross carrying value (₹ In Lacs)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Land in the state of Telangana	769.00	Anab-e-Shahi Wines and Distilleries Private	No	2004-05	Held in the name of erstwhile transferor companies which were amalgamated with the Company through approved Court Schemes. Also refer note 62
Land in the state of Madhya	21.44	Abhishek Cement Limited	No	2003-04	Held in the name of erstwhile transferor companies which were amalgamated with the Company. Also refer note 62

- (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 goods-in-transit. 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 book records. In respect of goods-in-transit, these have been confirmed from corresponding receipt and/or dispatch inventory records.

- (b) As disclosed in note 64(n) to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of ₹ 5 crores by banks based on the security of current assets during the year. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/statements are in agreement with the books of account of the Company for the respective periods, which were subject to audit/review.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company
- (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. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of guarantees and security provided by it.
- (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 specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing 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, with the appropriate authorities. 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:

(₹ In Lacs)

Name of Statute	Nature of dues	Gross Amount (₹ in Lakhs)	Amount paid under protest (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Andhra Pradesh VAT Act 2005	Value added Tax	42.24	19.28	2012-13	Hon'ble Andhra Pradesh Court
Kerala VAT Act 2003	Value added Tax	84.13	-	2014-15	Hon'ble Kerala High Court
Finance Act 1994	Service Tax	47.74	4.77	2016-17 & 2017-18	CESTAT, New Delhi
Finance Act 1994	Service Tax	19.12	1.43	October 2016 to June 2017	Commissioner Appeals

(₹ In Lacs)

Name of Statute	Nature of dues	Gross Amount (₹ in Lakhs)	Amount paid under protest (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Uttar Pradesh Excise Act 1910	Excise Duty	102.32	31.90	1995 to 2005	Hon'ble Allahabad High Court
		245.88	245.88	1995 to 2006	
		263.57	65.89	2023-24	Hon'ble Supreme Court
		181.25	-	2016-17	
		1,822.77	455.68	2020-21	
Kerala Excise Act 1910	Excise duty	6.03	-	2011-12	Hon'ble Supreme Court
Bihar Prohibition and Excise Amendment Act 2018	Excise Duty	333.46	333.46	2021-22	Hon'ble High Court, Patna, Bihar
The Custom Act 1962	Custom Duty	10.73	-	2014-15	Hon'ble High Court, Delhi Bench
Employees' State Insurance Act 1948	Employee's state Insurance scheme	0.89	0.23	May 1975-May 1981	Hon'ble Civil Court, Kanpur
Rajasthan Excise Act 1950	Excise duty	28.43	48.41	2015-16	Excise Commissioner, Rajsathan
Indian Stamp Act 1899	Stamp Duty claim arising out of amalgamation	80.00	-	2007-08	Hon'ble Allahabad High Court
Legal Metrology Act 2009	Re-calibration fees on manufacturing vats/tanks	155.00	-	2004-05	Hon'ble High Court, Lucknow Bench
CGST Act	GST demand on ENA	10,857.00	394.71	July 2017 to September 2021	Additional Commissioner Grade-II Appeals, Moradabad
Income Tax Act 1961	Income Tax*	2,406.72		A.Y. 2014-15	Deputy Commissioner of Income Tax, New Delhi

\* Refer note 37(c)

(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, though idle/surplus funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.

- (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 standalone 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 subsidiaries or joint venture.
- (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 subsidiaries or joint venture.
- (x) (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 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 material 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 including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (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) 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.
- (d) 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.
- (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) (a) According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility pertaining to other than ongoing projects as at end of the current financial year. Accordingly,

reporting under clause 3(xx)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has transferred the remaining unspent amounts towards Corporate Social Responsibility (CSR) under sub-section (5) of section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.

(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

**Ashish Gupta**

Partner

Place: New Delhi

Date: May 14, 2024

Membership No.: 504662

UDIN: 24504662BKGECJ7858

## 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 Radico Khatian Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to the 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 criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone 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 standalone 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 standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone 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 standalone 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 Standalone Financial Statements

6. A Company's internal standalone 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 standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to standalone 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 standalone financial statements.

### Inherent Limitations of Internal Financial Controls with Reference to standalone Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone 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 standalone 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

**Ashish Gupta**

Partner

Place: New Delhi

Membership No.: 504662

Date: May 14, 2024

UDIN: 24504662BKGECJ7858

# Standalone Balance Sheet

as at March 31, 2024

(₹ in Lakhs unless otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
Non-current assets			
Property, plant and equipment	2	165,013.24	120,507.98
Capital work-in-progress	2A	5,293.37	32,564.58
Intangible assets	3	686.44	795.40
Intangible assets under development	3A	129.80	129.80
Financial assets			
Investments	4	13,539.53	13,539.53
Other financial assets	5	3,751.81	3,252.08
Non current tax assets (net)	6	885.15	867.14
Other non-current assets	7	6,149.27	7,505.46
<b>Total non-current assets</b>		<b>195,448.61</b>	<b>179,161.97</b>
<b>Current assets</b>			
Inventories	8	77,968.57	71,541.81
Financial assets			
Trade receivables	9	97,815.01	82,405.59
Cash and cash equivalents	10	8,559.18	12,155.25
Bank balances other than those included in Cash & Cash equivalents	11	1,437.10	921.87
Loans	12	1,476.34	2,226.34
Other financial assets	13	3,530.73	4,627.66
Other current assets	14	17,032.30	13,279.68
<b>Total current assets</b>		<b>207,819.23</b>	<b>187,158.20</b>
<b>Total assets</b>		<b>403,267.84</b>	<b>366,320.17</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	15	2,674.31	2,673.48
Other equity	16	235,062.68	212,527.78
		<b>237,736.99</b>	<b>215,201.26</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	17	28,999.99	28,685.71
Lease liabilities	18	6,122.73	4,518.00
Other financial liabilities	19	18.29	22.33
Deferred tax liabilities (net)	20	9,193.58	7,774.65
<b>Total non-current liabilities</b>		<b>44,334.59</b>	<b>41,000.69</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	21	44,709.06	40,990.12
Lease liabilities	22	2,003.64	1,169.78
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	23	4,123.04	3,561.34
Total outstanding dues of creditors other than micro enterprises and small enterprises	23	22,581.84	23,933.35
Other financial liabilities	24	33,055.10	22,030.70
Other current liabilities	25	12,705.21	16,375.22
Provisions	26	2,018.37	2,057.71
<b>Total current liabilities</b>		<b>121,196.26</b>	<b>110,118.22</b>
<b>Total equity and liabilities</b>		<b>403,267.84</b>	<b>366,320.17</b>
Summary of material accounting policies	1		

The summary of material accounting policies and other explanatory information are an integral part of the standalone financial statements.

As per our report of even date attached

For and on behalf of Board of Directors

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Regn. No. 001076N/N500013

**Dilip K. Banthiya**  
Chief Financial Officer

**Dr. Lalit Khaitan**  
Chairman & Managing Director  
DIN: 00238222

**Ashish Gupta**  
Partner  
Membership No. 504662

**Dinesh Kumar Gupta**  
Sr. Vice President - Legal &  
Company Secretary

**Abhishek Khaitan**  
Managing Director  
DIN: 00772865

**Alok Agarwal**  
Sr. Vice President  
(Finance & Accounts)

Place: New Delhi  
Date: May 14, 2024

Place: New Delhi  
Date: May 14, 2024

# Standalone Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>INCOME</b>			
Revenue from operations	27	1,548,388.17	1,274,391.08
Other income	28	886.77	939.41
<b>Total income</b>		<b>1,549,274.94</b>	<b>1,275,330.49</b>
<b>EXPENSES</b>			
Cost of materials consumed	29	242,133.55	191,759.72
Purchase of stock-in-trade	30	(67.27)	659.01
Change in inventories of finished goods, stock-in-trade and work-in-progress	31	(5,417.63)	(9,626.61)
Excise duty		1,136,535.97	960,109.50
Employee benefits expense	32	19,578.74	16,892.07
Finance costs	33	5,914.79	2,211.64
Depreciation and amortization expense	34	11,376.54	7,090.02
Other expenses	35	105,017.40	78,756.85
<b>Total expenses</b>		<b>1,515,072.09</b>	<b>1,247,852.20</b>
<b>Profit before tax</b>		<b>34,202.85</b>	<b>27,478.29</b>
<b>Tax expense</b>	42		
Current tax		7,239.15	6,889.06
Current tax relating to earlier year		-	-
Deferred tax charged/(credit)		1,387.75	147.06
<b>Profit for the year</b>		<b>25,575.95</b>	<b>20,442.17</b>
<b>Other comprehensive income / (loss)</b>	36		
Items that will not be reclassified to profit or loss		123.89	(249.50)
Income tax relating to items that will not be reclassified to profit or loss		(31.18)	62.79
<b>Total Other comprehensive income / (loss)</b>		<b>92.71</b>	<b>(186.71)</b>
<b>Total comprehensive income for the year</b>		<b>25,668.66</b>	<b>20,255.46</b>
<b>Earnings per equity share of face value of ₹ 2 each</b>	41		
Basic (in ₹)		19.13	15.29
Diluted (in ₹)		19.13	15.29
Summary of material accounting policies	1		

The summary of material accounting policies and other explanatory information are an integral part of the standalone financial statements.

As per our report of even date attached

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Regn. No. 001076N/N500013

**Ashish Gupta**  
Partner  
Membership No. 504662

Place: New Delhi  
Date: May 14, 2024

For and on behalf of Board of Directors

**Dilip K. Banthiya**  
Chief Financial Officer

**Dinesh Kumar Gupta**  
Sr. Vice President - Legal &  
Company Secretary

**Alok Agarwal**  
Sr. Vice President  
(Finance & Accounts)

Place: New Delhi  
Date: May 14, 2024

**Dr. Lalit Khaitan**  
Chairman & Managing Director  
DIN: 00238222

**Abhishek Khaitan**  
Managing Director  
DIN: 00772865

# Standalone Statement of Changes in Equity

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## A. Equity Share Capital

(₹ in Lakhs)

Particulars	Note	Amount
<b>Balance as at April 1, 2022</b>		<b>2,673.48</b>
Changes in equity share capital	15	-
<b>Balance as at March 31, 2023</b>		<b>2,673.48</b>
Changes in equity share capital	15	0.83
<b>Balance as at March 31, 2024</b>		<b>2,674.31</b>

## B. Other Equity

Particulars	Reserves and surplus				Total
	Securities premium	General reserves	Share option outstanding account	Retained earnings	
<b>Balance as at April 1, 2022</b>	38,257.36	40,000.00	133.95	117,615.78	196,007.09
Profit for the year	-	-	-	20,442.17	20,442.17
Other comprehensive income	-	-	-	(186.71)	(186.71)
<b>Total comprehensive income for the year</b>	-	-	-	<b>20,255.46</b>	<b>20,255.46</b>
Recognition of share based payment expenses	-	-	275.45	-	275.45
<b>Transactions with owners in their capacity as owners:</b>					
Dividends (refer note 40)	-	-	-	(4,010.22)	(4,010.22)
<b>Balance as at March 31, 2023</b>	<b>38,257.36</b>	<b>40,000.00</b>	<b>409.40</b>	<b>133,861.02</b>	<b>212,527.78</b>
Profit for the year	-	-	-	25,575.95	25,575.95
Other comprehensive income	-	-	-	92.71	92.71
<b>Total comprehensive income for the year</b>	-	-	-	<b>25,668.66</b>	<b>25,668.66</b>
Issue of equity shares	364.36	-	-	-	364.36
Transfer from share option outstanding account on exercise of options	249.64	-	(249.64)	-	-
Recognition of share based payment expenses	-	-	513.11	-	513.11
<b>Transactions with owners in their capacity as owners:</b>					
Dividends (refer note 40)	-	-	-	(4,011.23)	(4,011.23)
<b>Balance as at March 31, 2024</b>	<b>38,871.36</b>	<b>40,000.00</b>	<b>672.87</b>	<b>155,518.45</b>	<b>235,062.68</b>

Summary of material accounting policies 1

The summary of material accounting policies and other explanatory information are an integral part of the standalone financial statements.

As per our report of even date attached

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Regn. No. 001076N/N500013

**Ashish Gupta**  
Partner  
Membership No. 504662

For and on behalf of Board of Directors

**Dilip K. Banthiya**  
Chief Financial Officer

**Dinesh Kumar Gupta**  
Sr. Vice President - Legal &  
Company Secretary

**Alok Agarwal**  
Sr. Vice President  
(Finance & Accounts)

**Dr. Lalit Khaitan**  
Chairman & Managing Director  
DIN: 00238222

**Abhishek Khaitan**  
Managing Director  
DIN: 00772865

Place: New Delhi  
Date: May 14, 2024

Place: New Delhi  
Date: May 14, 2024

# Standalone Statement of Cash Flows

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
<b>Profit for the year before tax</b>	<b>34,202.85</b>	<b>27,478.29</b>
<b>Adjustments for</b>		
Depreciation and amortization expense	11,376.54	7,090.02
Loss/ (Profit) on sale of property, plant and equipment (net)	-	(32.85)
Profit on sale of current investment	(14.42)	(125.38)
Loss on sale / write off assets	56.41	0.60
Finance costs	5,914.79	2,211.64
Interest income	(335.29)	(319.52)
Liabilities no longer required written back	(23.19)	(96.13)
Provision for expected credit loss and bad debt	800.26	406.72
Provision for non-moving/ obsolete Inventory	82.49	287.19
Employees stock option scheme	513.11	275.45
Dividend income on investments	(359.99)	-
<b>Cash flows from operating activities before working capital changes</b>	<b>52,213.56</b>	<b>37,176.03</b>
<b>Change in working capital</b>		
Inventories	(6,509.24)	(18,143.70)
Trade receivables	(16,209.68)	(7,236.42)
Financial assets including loan	1,857.23	2,497.39
Other assets	(3,793.77)	483.03
Financial liabilities	2,341.05	5,737.37
Provisions	84.55	133.18
Trade payables	(766.62)	4,045.28
Other liabilities	(3,669.99)	4,881.98
<b>Cash flow from operating activities before taxes</b>	<b>25,547.09</b>	<b>29,574.14</b>
Net Income tax paid (net of refund)	(7,257.16)	(7,191.13)
<b>Net cash flow from operating activities (A)</b>	<b>18,289.93</b>	<b>22,383.01</b>
<b>B. Cash flow from investing activities</b>		
Acquisition of property, plant & equipment, capital work in progress, intangible assets and intangible under development	(25,235.30)	(71,253.44)
Proceeds from sale of property, plant & equipment	1,311.51	2,912.90
Proceeds from sale of current investment	14.42	125.38
Interest received	447.02	256.87
Dividend received	359.99	-
Movement in other bank balances (net)	(1,153.98)	(452.09)
<b>Net cash used in investing activities (B)</b>	<b>(24,256.34)</b>	<b>(68,410.38)</b>

## Standalone statement of Cash Flows

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares (including securities premium)	365.21	-
Interest portion of lease payment	(432.67)	(161.08)
Principal lease payments	(1,505.65)	(655.10)
Repayment of long term borrowings (including current maturities of long term borrowing)	(4,930.76)	(12.50)
Proceeds from long term borrowings	14,600.00	32,400.00
Proceeds from short term borrowings (net)	3,718.94	22,501.89
Dividend paid	(4,011.23)	(4,010.21)
Interest paid	(5,433.50)	(1,879.81)
<b>Net cash flow from financing activities (C)</b>	<b>2,370.34</b>	<b>48,183.19</b>
<b>Cash and cash equivalents (A+B+C)</b>	<b>(3,596.07)</b>	<b>2,155.83</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>12,155.25</b>	<b>9,999.43</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>8,559.18</b>	<b>12,155.26</b>
<b>Reconciliation of cash and cash equivalents</b>		
Cash in hand	12.31	12.54
Balances with banks		
In current account	8,546.87	12,142.71
	<b>8,559.18</b>	<b>12,155.25</b>

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.

Changes in liabilities arising from financing activities, refer note 57

Summary of material accounting policies 1

The summary of material accounting policies and other explanatory information are an integral part of the standalone financial statements.

As per our report of even date attached

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Regn. No. 001076N/N500013

**Ashish Gupta**  
Partner  
Membership No. 504662

Place: New Delhi  
Date: May 14, 2024

For and on behalf of Board of Directors

**Dilip K. Banthiya**  
Chief Financial Officer

**Dinesh Kumar Gupta**  
Sr. Vice President - Legal &  
Company Secretary

**Alok Agarwal**  
Sr. Vice President  
(Finance & Accounts)

Place: New Delhi  
Date: May 14, 2024

**Dr. Lalit Khaitan**  
Chairman & Managing Director  
DIN: 00238222

**Abhishek Khaitan**  
Managing Director  
DIN: 00772865

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## Background

Radico Khaitan Limited (the Company) is a public company limited by shares, incorporated and domiciled in India, having its equity shares listed at the National Stock Exchange and the Bombay Stock Exchange. The registered office of the Company is at Bareilly Road, Rampur, Uttar Pradesh. The Company is engaged in the manufacturing and trading of Alcoholic products such as Indian Made Foreign Liquor (IMFL) and Country Liquor. The Company has its presence in India as well as various other global markets.

These standalone financial statements are approved for issue by the Company's Board of Directors on May 14, 2024.

## Material Accounting Policies

### 1.01 Basis of preparation

#### Compliance with Ind AS

These standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provisions of the Act and the presentation and disclosures requirement of Division II of Schedule III to the Act (Ind AS compliant Schedule III), as applicable and the guidelines issued by the Securities and Exchange Board of India .

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Defined benefit plans
- Share based payments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

#### Going concern

These standalone financial statements are prepared on a going concern basis.

### 1.02 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set-out

in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

### 1.03 Fair value measurement

The entity measures financial instruments, such as, derivatives at fair value at each reporting 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 categorised 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:

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

- Level 1-Quoted (unadjusted) market prices in active markets for identical assets or liabilities,
- Level 2-Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable,
- Level 3-Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## 1.04 Foreign currency transactions

The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

Transactions in foreign currencies are accounted for at the exchange rate prevailing on the day of transaction. Exchange differences arising on settlement of such transaction or translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of profit and loss.

## 1.05 Revenue recognition and other income

The Company's revenue is derived from single performance obligation under arrangements in which the transfer of control of product and the fulfillment of the Company's performance obligation occur at the same time.

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. Revenue is measured on the basis of transaction price in accordance with Ind AS 115, after deducting of returns and allowances, trade

discounts and volume rebates, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government with an exception to excise duty. The Company has concluded that it is the principal in all of its revenue arrangements with tie up units since the Company is the primary obligor in all the revenue arrangements, has pricing latitude and is also exposed to inventory and credit risks. In arrangements with tie up units, revenue is recognised at gross value with corresponding cost being recognised under cost of production. Current and deferred tax is recognised in Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively"

However, in case of revenue arrangements with royalty units, the Company has concluded that it is acting as an agent in all such revenue arrangements since the Company is not the primary obligor in all such revenue arrangements, has no pricing latitude and is not exposed to inventory and credit risks. The Company earns fixed royalty for sales made of its products which is recognised as revenue.

The Company has assumed that recovery of excise duty flows to the entity on its own and liability for excise duty forms part of the cost of production, irrespective of whether the goods are sold or not. Revenue therefore includes excise duty.

## Interest income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the Statement of Profit and Loss.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## Royalty income

Royalties are recognised on an accrual basis in accordance with the substance of the relevant agreement.

## Export incentives

Income from export incentives such as duty drawback are recognised on accrual basis. If the entitlements can be estimated with reasonable assurance and conditions precedent to claim are fulfilled.

## Dividend income

Dividend is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend.

## 1.06 Excise duty

In respect of stocks covered by Central Excise, excise duty is provided on closing stocks and also considered for valuation. In respect of country liquor and IMFL stocks, applicable State excise duty/ export duty is provided on the basis of state-wise dispatches identified. In the case of Rectified Spirit/ ENA, it is not ascertainable as to how much would be converted finally into country liquor or IMFL or sold as such and also to which particular state or exported outside India. Duty payable in such cases is not determinable (as it varies depending on the places and the form in which these are dispatched). Hence, the excise duty on such stocks lying in factory is accounted for on clearances of such goods. The method of accounting followed by the Company has no impact on the financial statements of the year.

## 1.07 Taxes

### Current income tax

Income tax expense is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. It establishes provisions where

appropriate on the basis of amounts expected to be paid to the tax authorities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. Current and deferred tax is recognised in Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

**Deferred tax liabilities** are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting nor taxable profit or loss.

In respect of taxable temporary differences associated with interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

**Deferred tax assets** are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax on Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income-tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of deferred tax relating to MAT credit entitlement to the extent there is no longer reasonable certainty that the Company will pay normal income-tax during the specified period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## 1.08 Property, plant and equipment

Property, plant and equipment have been measured at fair value at the date of transition to Ind AS. The entity recognised the fair value

as deemed cost at the transition date, viz., April 01, 2015.

Assets are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Capital work in progress is stated at cost, less accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. When significant parts of plant and equipment are required to be replaced at intervals, the entity depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred. (Refer to note 1.19 regarding significant accounting judgements, estimates and assumptions).

### Depreciation

Cost of leasehold land and leasehold improvements are amortised over the period of lease.

On additions costing less than ₹5000, depreciation is provided at 100% in the year of addition.

The determination of the useful economic life and residual values of property, plant and equipment is subject to management estimation. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

Assets Category	Useful life in Years
Buildings	3 to 90 years
<b>Plant &amp; Machinery</b>	
Plant & Machinery	1 to 25 years
Computers	3 year to 10 year
Office Equipments	1 to 10 years
Software	3 to 5 years
Furniture & Fixtures	1 to 10 years
Vehicles	5 to 10 years

Useful lives of asset classes determined by management estimate, which are different than those prescribed under Schedule II of the Act are supported by internal technical assessment of the useful lives. Estimated useful lives based on technical evaluation considers the impact of additional depreciation for working extra shifts.

## Disposals

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

## 1.09 Intangible assets

On transition to Ind AS, the entity has elected to continue with the carrying value of all of intangible assets (except goodwill which was impaired) and use that carrying value as the deemed cost of intangible assets.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or

the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

## Intangible assets under development

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

## Amortization

Based on the anticipated future economic benefits, the life of Brands & Trade Marks are amortised over twenty years on straight line method.

Software are amortised over a period of three years on straight line method.

## 1.10 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 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.

## Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

## 1.11 Inventories

Finished goods, stock in trade and work-in-progress are valued at lower of cost or net realisable value. Cost includes cost of conversion and other expenses incurred in bringing the goods to their location and condition. Raw materials, packing materials, stores and spares are valued at lower of cost or net realisable value. Cost is ascertained on "moving weighted average" basis for all inventories.

In case of manufactured finished goods and work-in-progress, fixed production overheads are allocated on the basis of normal capacity of production facilities. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis. Adequate allowance is made for obsolete and slow moving items.

Maturing inventories and raw materials which are retained for more than one year are classified as current assets, as they are expected to be realised in the normal operating cycle.

Physical verification of all major inventory items is carried out atleast once a year. The variance if any identified are appropriately adjusted. This is in accordance with Ind AS 23, as they are manufactured of large quantity on the repetitive basis.

## 1.12 Leases

### Entity as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to

dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing as a starting point, adjusted to reflect changes in financing conditions since third party financing was received; and
- makes adjustments specific to the lease, e.g. term and security.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

## Short-term leases

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

## 1.13 Impairment of non-financial assets

At each reporting date, the company reviews the carrying amount of its assets to determine whether there are any indications that those assets have suffered an impairment loss. If any such indication exists, recoverable amount of the assets is estimated in order to determine the extent of impairment loss.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or entity's of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

## 1.14 Provisions, Contingent Liabilities and Contingent Assets

### Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. A provision is made in respect of onerous contracts, i.e., contracts in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contracts. Provisions are not recognised for other future operating losses. The carrying amounts of provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

## Contingent liability and contingent assets

Contingent liabilities are not recognized but are disclosed where possibility of any outflow in settlement is remote. Contingent assets are not recognised but disclosed where an inflow of economic benefits is probable.

## 1.15 Employee benefits

### Short-term obligations

Liabilities for salaries and wages, including non-monetary benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized up to the end of the reporting period and are measured at the amounts expected to be paid on settlement of such liabilities. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

### Other long-term employee benefit obligations

The liabilities for earned and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

### Post-employment obligations

The Company operates the following post-employment schemes:

### Gratuity obligations

The Company operates a defined benefit gratuity plan for employees. The Company has obtained group gratuity scheme policies from Life Insurance Corporation of India to cover the gratuity liability of these employees. The difference in the present value of the defined benefit obligation and the fair value of plan assets at the end of the reporting

period is recognized as a liability or asset, as the case may be, in the Balance Sheet. The defined benefit obligation is calculated annually on the basis of actuarial valuation using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

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

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in OCI.

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

### Provident Fund Obligation

The Company makes contribution to the recognised provident fund - "The Rampur Distillery & Chemical Company Limited Employee Provident Fund Trust", which is a defined benefit plan to the extent that the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company's obligation in this regard is determined by an independent actuary and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.

Company's contribution to the provident fund is charged to Statement of Profit and Loss.

## 1.16 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.

### Initial recognition and measurement

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

directly attributable to the acquisition or issue of financial assets and financial liabilities, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities recognised at FVTPL are recognized immediately in Statement of Profit and Loss.

## A. Financial assets

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

### Subsequent measurement

Financial assets are subsequently classified as measured at:

- amortised cost
- fair value through other comprehensive income (FVTOCI)
- fair value through profit or loss (FVTPL)

### Trade receivables and loans:

Trade receivables that do not contain a significant financing component are measured at transaction price in accordance with Ind AS 115 and Loans are initially recognised at fair value. Subsequently these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses (ECL). The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

### Financial assets measured at amortised cost:

A financial asset is measured at amortised cost if both the following conditions are met:

- a). The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b). Contractual terms of the instruments give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method.

EIR is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the debt instrument or where appropriate, a shorter period, to the net carrying amount on initial recognition.

The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables, loans, etc.

### Measured at fair value through other comprehensive income:

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

### Measured at fair value through Profit or Loss:

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

### Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The entity makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

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Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

## Investment in Subsidiary

Investments in subsidiaries and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

## Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or the same are transferred.

## Impairment of financial assets

Expected credit losses (ECL) are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category, as per policy approved by the Board of Directors.

For financial assets, as per Ind AS 109, the Company recognises 12 months expected credit losses for all originated or acquired financial assets if at the reporting date. The credit risk of the financial asset has not increased significantly since its initial recognition.

Expected credit losses are measured as lifetime expected credit losses for trade receivable and for other financial asset if the credit risk on financial asset increases significantly since its initial recognition.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

## B. Financial liabilities

Financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument

### Subsequent measurement

- Financial liabilities are subsequently measured at amortised cost using the EIR method.

- Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

## Trade and other payables

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

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per credit period. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

## Derecognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

## Reclassification of financial assets

No reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the entity's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The entity does not restate any previously recognised gains, losses (including impairment gains or losses).

## C. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone 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,

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

to realise the assets and settle the liabilities simultaneously, includes balances written off against provisions.

## 1.17 Derivative financial instruments

The entity uses derivative financial instruments, such as forward currency contracts, interest rate swaps to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

## 1.18 Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise balance at banks and cash on hand and short-term deposits with an original maturity of three months or less, highly liquid investments that are readily convertible which are subject to an insignificant risk of changes in value.

## 1.19 Significant accounting judgements, estimates and assumptions

The preparation of the standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, contingent liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates .

### Judgements

In the process of applying the accounting policies, management has made the following judgements, which have most significant effect on the amounts recognised in the separate financial statements:

#### a) Arrangement containing lease

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such

as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Radico's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

#### b) Revenue recognition

The entity assesses its revenue arrangements against specific criteria, i.e. whether it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services, in order to determine if it is acting as a principal or as an agent. The entity has generally concluded that it is acting as a principal in all its revenue arrangements.

When deciding the most appropriate basis for presenting revenue or costs of revenue, both the legal form and substance of the agreement between the entity and its business partners are reviewed to determine each party's respective role in the transaction.

Where the entity's role in a transaction is that of a principal, revenue is recognised on a gross basis. This requires revenue to comprise the gross value of the transaction billed to the customer, net off sales tax/VAT/GST, trade discounts and rebates but inclusive of excise duty with any related expenditure charged as an operating cost.

### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation and 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 entity 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 market changes or circumstances arising that are beyond the control

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

of the entity. Management has made the estimates and assumptions considering the short to medium term impact, to the best of understanding. Such changes are reflected in the assumptions when they occur.

## a) Impairment reviews

At each reporting date, the entity reviews the carrying amount of its non-financial assets to determine whether there are any indication that those assets have suffered an impairment loss. If any such indication exists, recoverable amount of the assets is estimated in order to determine the extent of impairment loss.

Impairment reviews in respect of the relevant CGUs are performed at least annually or more regularly if events indicate that this is necessary.

Impairment reviews are based on discounted future cash flows. The future cash flows which are based on business forecasts, the long-term growth rates and the pre-tax discount rates, that reflects the current market assessment of the time value of money and the risk specific to the asset or CGU, used are dependent on management estimates and judgements. Future events could cause the assumptions used in these impairment reviews to change.

## b) Allowance for uncollectible account receivables and advances

Trade receivables and certain financial assets do not carry any interest unlike other interest bearing financials assets viz intercorporate deposits. Such financial assets are stated at their carrying value as reduced by impairment losses determined in accordance with expected credit loss. Allowance as per expected credit loss model is based on simplified approach which is based on historically observed default rates and changed as per forward-looking estimates. In case of trade receivables entity uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables which is also based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. The

actual loss could differ from the estimate made by the management .

## c) Taxes

The entity is subject to income tax laws as applicable in India. Significant judgement is required in determining the provision for taxes as the tax treatment is often by its nature complex, and cannot be finally determined until a formal resolution has been reached with the relevant tax authority which may take several years to conclude. Amounts provided are accrued based on management's interpretation of country specific tax laws and the likelihood of settlement. The entity recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Actual liabilities could differ from the amount provided which could have a consequent adverse impact on the results and net position of the entity.

## d) Pension and post-retirement benefits

The cost of defined benefit plans viz. gratuity, provident fund, leave encashment, etc. are determined using actuarial assumptions. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

Further details about defined benefit plans are given in note no. 52.

**e) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets**

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation /

amortisation for future periods is revised if there are significant changes from previous estimates.

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

**1.21 Recent accounting pronouncement**

**Standard notified but not yet effective**

The Ministry of Corporate Affairs ("MCA") has not notified any new standard or amendment to the existing standard under the Companies (Indian Accounting Standard) Rules 2023 .

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 2. Property, Plant and Equipment

Particulars	Owned assets						Right-of-use assets#				Total	
	Freehold land	Buildings	Plant & equipments	Furniture & fixtures	Vehicles	Leasehold improvements	Office equipments	Leasehold land	Building	Plant & Machinery		Land
<b>Gross carrying amount</b>												
<b>As at April 01, 2022</b>	11,512.26	12,293.22	69,967.23	1,869.02	1,426.29	2,276.42	410.96	7,113.77	2,410.55	242.58	-	109,522.30
Additions	110.25	7,512.99	34,903.32	454.57	494.01	298.49	155.94	-	242.78	4,964.62	-	49,136.97
Disposals	-	-	6,763.81	-	121.73	-	8.19	-	57.83	-	-	6,951.56
<b>As at March 31, 2023</b>	<b>11,622.51</b>	<b>19,806.21</b>	<b>98,106.74</b>	<b>2,323.59</b>	<b>1,798.57</b>	<b>2,574.91</b>	<b>558.71</b>	<b>7,113.77</b>	<b>2,595.50</b>	<b>5,207.20</b>	<b>-</b>	<b>151,707.71</b>
Additions	1,696.47	5,655.88	44,969.97	192.53	324.35	151.04	110.27	-	527.35	3,426.63	-	57,054.49
Disposals	35.83	-	1,805.27	93.78	141.35	-	69.38	-	-	-	-	2,145.61
<b>As at March 31, 2024</b>	<b>13,283.15</b>	<b>25,462.09</b>	<b>141,271.44</b>	<b>2,422.34</b>	<b>1,981.57</b>	<b>2,725.95</b>	<b>599.60</b>	<b>7,113.77</b>	<b>3,122.85</b>	<b>8,633.83</b>	<b>-</b>	<b>206,616.59</b>
<b>Accumulated depreciation</b>												
<b>As at April 01, 2022</b>	-	2,660.88	22,101.76	456.29	520.30	594.00	181.00	322.98	1,322.57	242.57	-	28,402.35
Charge for the year	-	536.57	4,639.62	338.22	208.70	459.97	87.02	49.13	414.86	103.48	-	6,837.57
Disposals	-	-	3,886.03	-	121.73	-	5.93	-	26.50	-	-	4,040.19
<b>As at March 31, 2023</b>	<b>-</b>	<b>3,197.45</b>	<b>22,855.35</b>	<b>794.51</b>	<b>607.27</b>	<b>1,053.97</b>	<b>262.09</b>	<b>372.11</b>	<b>1,710.93</b>	<b>346.05</b>	<b>-</b>	<b>31,199.73</b>
Charge for the year	-	807.79	8,183.72	385.99	241.40	483.76	102.51	169.07	423.03	384.05	-	11,181.32
Disposals	-	-	562.66	90.64	57.57	-	66.83	-	-	-	-	777.70
<b>As at March 31, 2024</b>	<b>-</b>	<b>4,005.24</b>	<b>30,476.41</b>	<b>1,089.86</b>	<b>791.10</b>	<b>1,537.73</b>	<b>297.77</b>	<b>541.18</b>	<b>2,133.96</b>	<b>730.10</b>	<b>-</b>	<b>41,603.35</b>
<b>Net carrying amount</b>												
<b>As at March 31, 2023</b>	<b>11,622.51</b>	<b>16,608.76</b>	<b>75,251.39</b>	<b>1,529.08</b>	<b>1,191.30</b>	<b>1,520.94</b>	<b>296.62</b>	<b>6,741.66</b>	<b>884.57</b>	<b>4,861.15</b>	<b>-</b>	<b>120,507.98</b>
<b>As at March 31, 2024</b>	<b>13,283.15</b>	<b>21,456.85</b>	<b>110,795.03</b>	<b>1,332.48</b>	<b>1,190.47</b>	<b>1,188.22</b>	<b>301.83</b>	<b>6,572.59</b>	<b>988.89</b>	<b>7,903.73</b>	<b>-</b>	<b>165,013.24</b>

# Refer note 38 for disclosure pertaining to leases.

Refer note 37(a) for disclosures of contractual commitments for the acquisition of property, plant and equipment.

Refer note 62 for title deed for immovable property not held in the name of company

Refer note 17 and note 21 for information on property, plant and equipment pledged as security by the Company.

## 2A. Capital Work-in-Progress

Particulars	Total
<b>Gross carrying amount</b>	
<b>As at April 01, 2022</b>	<b>2,898.48</b>
Additions	72,499.56
Transferred to property, plant & equipment	41,830.46
Disposals	1,003.00
<b>As at March 31, 2023</b>	<b>32,564.58</b>
Additions	25,053.14
Transferred to property, plant & equipment	48,749.60
Disposals	3,574.75
<b>As at March 31, 2024</b>	<b>5,293.37</b>

Refer note 58 for disclosure of aging schedule of capital work in progress.

## 3. Intangible Assets

Particulars	Brands & trade marks	Software	Total
<b>Gross carrying amount</b>			
<b>As at April 01, 2022</b>	<b>2,552.26</b>	<b>411.05</b>	<b>2,963.31</b>
Additions	-	107.95	107.95
Disposals	-	11.80	11.80
<b>As at March 31, 2023</b>	<b>2,552.26</b>	<b>507.20</b>	<b>3,059.46</b>
Additions	-	86.28	86.28
Disposals	-	-	-
<b>As at March 31, 2024</b>	<b>2,552.26</b>	<b>593.48</b>	<b>3,145.74</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

Particulars	Brands & trade marks	Software	Total
<b>Accumulated amortization</b>			
<b>As at April 01, 2022</b>	<b>1,651.51</b>	<b>371.89</b>	<b>2,023.40</b>
Charge for the year	215.49	36.96	252.45
Disposals	-	11.79	11.79
<b>As at March 31, 2023</b>	<b>1,867.00</b>	<b>397.06</b>	<b>2,264.06</b>
Charge for the year	141.15	54.09	195.24
Disposals	-	-	-
<b>As at March 31, 2024</b>	<b>2,008.15</b>	<b>451.15</b>	<b>2,459.30</b>
<b>Net carrying amount</b>			
<b>As at March 31, 2023</b>	<b>685.26</b>	<b>110.14</b>	<b>795.40</b>
<b>As at March 31, 2024</b>	<b>544.11</b>	<b>142.33</b>	<b>686.44</b>

### 3A. Intangible Assets under Development

Particulars	Total
<b>Gross carrying amount</b>	
<b>As at April 01, 2022</b>	<b>129.80</b>
Additions	-
Transferred to property, plant & equipment	-
Disposals	-
<b>As at March 31, 2023</b>	<b>129.80</b>
Additions	-
Transferred to property, plant & equipment	-
Disposals	-
<b>As at March 31, 2024</b>	<b>129.80</b>

Refer note 63 for aging schedule of intangible assets under development.

### 4 Non-current Investments

Particulars	As at March 31, 2024	As at March 31, 2023
<b>i. Investments in Subsidiary (Unquoted)</b>		
<b>a. Equity shares - carried at cost</b>		
Radico Spiritz India Private Limited -10,000 (previous year 10,000) equity shares of ₹ 10 each, fully paid up	1.00	1.00
<b>ii. Investments in Joint Venture (Unquoted)</b>		
<b>a. Equity Shares - carried at cost</b>		
Radico NV Distilleries Maharashtra Limited - 13,58,503 (previous year: 13,58,503) equity shares of ₹ 100 each, fully paid up	13,538.53	13,538.53
	<b>13,539.53</b>	<b>13,539.53</b>
Aggregate amount of unquoted investments	13,539.53	13,539.53
Aggregate amount of impairment in value of investments	-	-

### 5 Other Non-current Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued on term deposits	19.32	16.39
Deposits with more than 12 months maturity (refer note 11)	353.07	114.42
Security deposits	1,772.65	1,389.50
Advances recoverable in cash	1,606.77	1,731.77
	<b>3,751.81</b>	<b>3,252.08</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 6 Non Current Tax Assets (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax (net of provisions):	885.15	867.14
	<b>885.15</b>	<b>867.14</b>

## 7 Other Non-current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Capital advances		
Unsecured, considered good (also refer note 45)	5,608.40	7,005.74
Prepaid expense	540.87	499.72
	<b>6,149.27</b>	<b>7,505.46</b>

## 8 Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
(Lower of cost and net realizable value)		
Raw materials (refer note (a) below)	14,086.23	9,439.98
Work-in-progress	22,807.53	19,648.92
Finished goods (refer note (b) & (c) below)	25,072.91	26,162.62
Stock-in-trade	396.66	655.23
Stores & spares (including promotional material)	6,986.57	7,149.40
Packing materials	9,512.65	8,955.84
Goods in transit - Raw material	21.40	-
	<b>78,883.95</b>	<b>72,011.99</b>
Less: Allowance for obsolete and non-moving inventories	(915.38)	(470.18)
	<b>77,968.57</b>	<b>71,541.81</b>

### Notes:

- Allowance for obsolete and non-moving inventories amounting to ₹ 445.20 lakhs (previous year: ₹230.72 lakhs) has been recognized as an expense in the Statement of Profit and Loss.
- Includes provision for excise duty and custom duty ₹ 11,381.97 lakhs (previous year ₹ 13,765.20 lakhs)
- Stock of finished goods includes goods-in-transit amounting to ₹ 2,964.94 lakhs (Previous Year ₹ 1,635.71 lakhs)
- Inventories include inventory held by tie up manufacturing units amounting to ₹ 4,208.43 lakhs (previous year ₹ 4,352.74 lakhs).

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 9 Trade Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good - Unsecured	97,815.01	82,405.59
Trade receivables - Credit impaired	3,528.00	3,196.91
	<b>101,343.01</b>	<b>85,602.50</b>
Less: Allowance for expected credit losses	(3,528.00)	(3,196.91)
	<b>97,815.01</b>	<b>82,405.59</b>

### Notes:

- Trade receivables includes receivables from related parties, refer note 45.
- The Company's exposure to credit and currency risks, and impairment allowances related to trade receivables is disclosed in note 51.
- Also refer note 59 for additional disclosure related to trade receivables.
- There is no debts due by directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

## 10 Cash and Cash Equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
In current accounts	8,546.87	12,142.71
Cash on hand	12.31	12.54
	<b>8,559.18</b>	<b>12,155.25</b>

There are no other repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period.

## 11 Bank balances Other than those Included in Cash & Cash Equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
In unpaid dividend accounts	118.36	135.31
Bank deposits #	1,671.81	900.98
Bank deposits with maturity more than 12 months from the reporting date (refer note 5)	(353.07)	(114.42)
	<b>1,437.10</b>	<b>921.87</b>

# Includes bank deposits amounting to ₹ 322.92 lakhs (previous year ₹ 234.30 lakhs) under lien in respect of bank guarantees provided to tax authorities.

## 12 Current Loans

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured- considered good, unless otherwise stated)</b>		
Others		
Loans to parties other than related parties (refer note 53)	1,476.34	2,226.34
	<b>1,476.34</b>	<b>2,226.34</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 13 Others Current Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured- considered good, unless otherwise stated)</b>		
Export benefit receivables	176.48	437.40
Security deposits	1,534.45	1,731.42
Receivables from tie up units	-	321.42
Interest accrued on bank deposits and loans	67.98	182.64
Other Advances recoverable	1,500.00	1,600.00
Advances recoverable	50.06	354.78
Others	201.76	-
<b>Considered doubtful, unsecured</b>		
Interest accrued on bank deposits and loans	112.31	112.31
Less: Allowance for expected credit losses	(112.31)	(112.31)
	<b>3,530.73</b>	<b>4,627.66</b>

## 14 Other Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Considered good, unsecured)</b>		
Advances to suppliers and others	4,634.84	2,559.05
Balances with government authorities*	7,034.70	5,621.32
Prepaid assets	5,362.76	5,099.31
	<b>17,032.30</b>	<b>13,279.68</b>

\* Includes amounts paid under protest amounting to ₹ 1,814.76 lakh (Previous year: ₹ 1,339.49 lakh) in respect of disputed indirect tax matters.

## 15 Equity Share Capital

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorized</b>		
170,000,000 (Previous year 170,000,000) equity shares of ₹ 2/- each	3,400.00	3,400.00
6,000,000 (Previous year 6,000,000) preference shares of ₹ 100/- each	6,000.00	6,000.00
	<b>9,400.00</b>	<b>9,400.00</b>
<b>Issued, subscribed and fully paid</b>		
133,715,325 (Previous Year 133,673,765) equity shares of ₹ 2/- each	2,674.31	2,673.48
	<b>2,674.31</b>	<b>2,673.48</b>

### a. Rights, Preferences & Restrictions attached to equity shares of the Company

The Company has one class of shares, referred to as equity shares having a par value of ₹ 2/-. Each holder of equity shares is entitled to one vote per share. 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.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## b. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Particulars	Number	Amount
<b>As at April 1, 2022</b>	133,673,765	2,673.48
Add: Shares issued on exercise of employee stock option plan (ESOP)	-	-
<b>As at March 31, 2023</b>	<b>133,673,765</b>	<b>2,673.48</b>
Add: Shares issued on exercise of employee stock option plan (ESOP)	41,560	0.83
<b>As at March 31, 2024</b>	<b>133,715,325</b>	<b>2,674.31</b>

## c. Details of shareholders holding more than 5% of total equity shares of the Company #

Particulars Name	As at March 31, 2024		As at March 31, 2023	
	No. of equity shares	Percentage of Holding	No. of equity shares	Percentage of Holding
Sapphire Intrex Limited	45,379,098	33.95%	45,379,098	33.95%

# As per the records of the Company including its register of member.

## d. Aggregate number of shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the year end:

### i) Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the financial year 2019-20 to 2023-24:

Nil (during FY 2018-19 to 2022-23: Nil) equity shares allotted without payment being received in cash during the period of five years immediately preceding March 31, 2024 .

### ii) Shares issued in aggregate number and class of shares allotted by way of bonus shares:

The Company has issued total Nil equity shares (during FY 2018-19 to 2022-23: Nil equity shares) during the period of five years immediately preceding March 31, 2024 as fully paid up bonus shares including shares issued under ESOP scheme for which entire consideration not received in cash.

### iii) Shares bought back during the financial year 2019-20 to 2023-24:

Nil (during FY 2018-19 to 2022-23: Nil) equity shares bought back pursuant to section 68, 69 and 70 of the Companies Act, 2013.

### iv) Shares issued under employee stock option plan (ESOP) during the financial year 2019-20 to 2023-24:

The Company has issued total 3,06,060 equity shares of ₹ 2.00 each (during FY 2018-19 to 2022-23: 3,66,500 equity shares) during the period of five years immediately preceding March 31, 2024 on exercise of options granted under the employee stock option plan (ESOP).

### v) Disclosures required pursuant to Ind AS 102 - Share Based Payment

The Company established Employee Stock Options Plan, duly approved by the shareholders in the meeting held on May 25, 2006 which was effective from July 25, 2006. Accordingly, the Company has granted 47,15,000 equity options up to March 31, 2024 with vesting period over 4 years from the date of the grant. The employees have the options to exercise their right within a period of 3 years from the date of vesting. The compensation cost of stock options granted to employees is accounted by the Company using the fair value method.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

In respect of Options granted under the Employee Stock Options Plan, in accordance with the guidelines issued by SEBI, the accounting value of the options is accounted as deferred employee compensation, which is amortized on a straight line basis over the period between the date of grant of options and eligible dates for conversion into equity shares.

Further, during the current year, the Company has granted 2,15,000 stock options to the eligible employees of the Company as per ESOP Scheme 2006. Each option granted during the year shall entitle the holder to one equity share having face value of ₹ 2 each at an exercise price of ₹ 1,015.37.

## Measurement of fair values

The fair values are measured based on the Black-Scholes-Merton model. The fair value of the options and inputs used in the measurement of the grant date fair values of the equity -settled share based payments are as follows:

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

Particulars	Weighted Average Exercise price per option (₹)	Number of Options
<b>Outstanding as at April 01, 2022</b>	<b>890.79</b>	<b>220,000.00</b>
Options granted during the year	-	-
Options forfeited/lapsed/expired during the year	846.09	(16,666.00)
Options exercised during the year*	-	-
<b>Options outstanding as at March 31, 2023 #</b>	<b>894.46</b>	<b>203,334.00</b>
Exercisable at the end of the year	<b>894.46</b>	<b>203,334.00</b>
<b>Outstanding as at April 10, 2023</b>	<b>894.46</b>	<b>203,334.00</b>
Options granted during the year	1,015.37	215,000.00
Options forfeited/lapsed/expired during the year	791.44	(45,000.00)
Options exercised during the year*	878.74	(41,560.00)
<b>Options outstanding as at March 31, 2024 #</b>	<b>984.63</b>	<b>331,774.00</b>
Exercisable at the end of the year	<b>984.63</b>	<b>331,774.00</b>

\*41,560, (March 31, 2023: NIL) share options were exercised on a regular basis throughout the year. The weighted average share price during the year was ₹ 878.74 respectively (March 31, 2023 : NIL).

#The options outstanding as at March 31, 2024 are with the exercise price of ₹ 928.05 & ₹1015.37 respectively (March 31, 2023 : ₹ 928.05 & ₹ 723.14 ). The weighted average of the remaining contractual life is 1.03 years respectively (March 31, 2023 : 1.03 years).

B) Fair value of the options has been calculated using Black Scholes Pricing Model. The following inputs were used to determine the fair value for options granted during the year ended March 31, 2024.

Option granted 1:	Vest 1	Vest 2	Vest 3	Vest 4
Grant date	June 7, 2023			
Market price (₹)	1,194.55	1,194.55	1,194.55	1,194.55
Expected life (in years)	2.5	3.5	4.5	5.5
Volatility	36.60%	39.81%	39.04%	41.85%
Risk free rate	6.63%	6.68%	6.69%	6.71%
Exercise price (₹)	1,015.37	1,015.37	1,015.37	1,015.37
Dividend yield	0.43%	0.43%	0.43%	0.43%
Fair value per vest (₹)	426.06	508.74	559.12	625.20
Vest (%)	33.34%	22.22%	22.22%	22.22%
Weighted average fair value of option (₹)	518.25	518.25	518.25	518.25
Fair value per option at grant date (in ₹)	426.06	508.74	559.12	625.20

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

<b>Option Granted 2:</b>	<b>Vest 1</b>	<b>Vest 2</b>	<b>Vest 3</b>	<b>Vest 4</b>
Grant date	June 7, 2023			
Market price (₹)	1,194.55	1,194.55	1,194.55	1,194.55
Expected life (in years)	2.5	3.5	4.5	5.5
Volatility	36.60%	39.81%	39.04%	41.85%
Risk free rate	6.63%	6.68%	6.69%	6.71%
Exercise price (₹)	1,015.37	1,015.37	1,015.37	1,015.37
Dividend yield	0.43%	0.43%	0.43%	0.43%
Fair value per vest (₹)	426.06	508.74	559.12	625.20
Vest (%)	25.00%	25.00%	25.00%	25.00%
Weighted average fair value of option (₹)	529.78	529.78	529.78	529.78
Fair value per option at grant date (in ₹)	426.06	508.74	559.12	625.20

<b>Option granted 3:</b>	<b>Vest 1</b>	<b>Vest 2</b>	<b>Vest 3</b>	<b>Vest 4</b>
Grant date	November 2, 2021			
Market price (₹)	1,091.80	1,091.80	1,091.80	1,091.80
Expected life (in years)	2.5	3.5	3.5	4.5
Volatility	15.21%	15.21%	15.21%	15.21%
Risk free rate	5.42%	5.42%	5.42%	5.42%
Exercise price (₹)	928.05	928.05	928.05	928.05
Dividend yield	0.47%	0.47%	0.47%	0.47%
Fair value per vest (₹)	281.36	321.23	321.23	357.69
Vest (%)	32.90%	22.40%	22.40%	22.40%
Weighted average fair value of option (₹)	331.90	331.90	331.90	331.90
Fair value per option at grant date (in ₹)	331.91	-	-	-

<b>Option Granted 4:</b>	<b>Vest 1</b>	<b>Vest 2</b>	<b>Vest 3</b>	<b>Vest 4</b>
Grant date	March 8, 2022			
Market price (₹)	850.80	850.80	850.80	850.80
Expected life (in years)	2.5	3.5	3.5	4.5
Volatility	22.40%	22.40%	22.40%	22.40%
Risk free rate	5.89%	5.89%	5.89%	5.89%
Exercise price (₹)	723.14	723.14	723.14	723.14
Dividend yield	0.47%	0.47%	0.47%	0.47%
Fair value per vest (₹)	245.08	280.91	280.91	312.75
Vest (%)	25.00%	25.00%	25.00%	25.00%
Weighted average fair value of option (₹)	295.05	295.05	295.05	295.05
Fair value per option at grant date (in ₹)	295.05	-	-	-

The measure of volatility used is the annualized standard deviation of the continuously compounded rates of return of stock over the expected lives of different vests, prior to grant date. Volatility has been calculated based on the daily closing market price of the Company's stock on NSE over these years.

For Promoter shareholding, refer note 61

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 16 Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Reserves &amp; surplus</b>		
Securities premium	38,621.72	38,257.36
Share option outstanding account	922.51	409.40
General reserve	40,000.00	40,000.00
Retained earnings	155,518.45	133,861.02
	<b>235,062.68</b>	<b>212,527.78</b>

### Description of nature and purpose of each reserve

**Securities premium:** Securities premium is used to record the premium on issue of shares, which will be utilized in accordance with provisions of the Act.

**Share option outstanding account:** The reserve is used to recognize the grant date fair value of options issued to employees under employee stock option schemes and is adjusted on exercise/ forfeiture of options.

**General reserve:** General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. It is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

**Retained earnings:** Retained earnings are created from the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

## 17 Non Current Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Term loans (secured) from banks</b>		
Vehicle loan	-	2.19
Rupee term loans from banks (refer notes below)	42,571.43	32,900.00
	<b>42,571.43</b>	<b>32,902.19</b>
Less: Current maturities of long-term borrowing (also refer note 21)	(13,571.44)	(4,216.48)
	<b>28,999.99</b>	<b>28,685.71</b>

### Notes

- The loan is secured by i. A first pari passu mortgage and charge on all borrower's immovable properties (owned/leased), pertaining to the project. ii. A first charge by way of hypothecation on all tangible assets and iii. A first charge by way of hypothecation on all rights, title, interest, benefits, claims, etc.
- The Rupee Term loan from bank bearing floating & fixed rate interest ranging from 6.30% to 8.02%
- Terms of repayment are as follows:

Name	Year of Maturity	As at March 31, 2024	As at March 31, 2023
HDFC Bank Limited **	March 2027	19,285.71	17,500.00
AXIS Bank Limited **	Feb 2027	10,285.72	12,000.00
AXIS Bank Limited **	August 2027	13,000.00	3,400.00
YES Bank Limited *	May 2023	-	2.19
		<b>42,571.43</b>	<b>32,902.19</b>

\*Monthly installment

\*\*Quarterly installment

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 18 Non-current Lease Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Leased liabilities (refer note 38)	6,122.73	4,518.00
	<b>6,122.73</b>	<b>4,518.00</b>

## 19 Other Non-current Financial Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits payable	18.29	22.33
	<b>18.29</b>	<b>22.33</b>

## 20 Deferred Tax Liabilities (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities	10,895.63	9,329.57
Deferred tax assets	(1,702.05)	(1,554.92)
	<b>9,193.58</b>	<b>7,774.65</b>

## 21 Current Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured #</b>		
Cash credit facilities from banks (secured) (repayable on demand)	2,148.66	1,694.35
Loan from banks	-	12,500.00
Working capital demand loan	28,988.96	22,579.30
Current maturity of long-term borrowings (refer note 17)	13,571.44	4,216.47
	<b>44,709.06</b>	<b>40,990.12</b>

# Secured by hypothecation of inventories and trade receivables along with interest range of 7.38% to 8.75%.

The Company has been sanctioned working capital limits in excess of 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. The monthly/quarterly/half-yearly returns filed by the Company with such banks or financial institutions are in agreement with the Books of Account of the Company of the respective quarters.

## 22 Current Lease Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Leased liabilities (refer note 38)	2,003.64	1,169.78
	<b>2,003.64</b>	<b>1,169.78</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 23 Trade Payables #

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises (also refer note 55)	4,123.04	3,561.34
Total outstanding dues of creditors other than micro enterprises and small enterprises	22,581.84	23,933.35
	<b>26,704.88</b>	<b>27,494.69</b>

# Also refer note 60 for additional disclosure related to trade payables.

## 24 Others Current Financial Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due on borrowings	248.30	173.77
Employee related payables	1,131.97	884.08
Security deposits payable	5,318.43	3,111.95
Unclaimed dividends #	118.36	135.31
Unspent amount of CSR (refer note 47)	540.93	439.25
Liabilities for rebate	3,791.92	3,402.69
Liabilities for vendor funding	21,226.52	12,471.75
Capital creditors*	663.19	1,380.25
Others	15.48	31.65
	<b>33,055.10</b>	<b>22,030.70</b>

# This does not include any fund lying due to be transferred to the Investor Education and Protection Fund.

\* There is no amount due to MSME Vendors

## 25 Other Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Advances from customers	3,268.73	8,533.17
Statutory dues		
- Custom duty on closing stock	193.20	357.36
- Other statutory dues	9,243.28	7,484.69
	<b>12,705.21</b>	<b>16,375.22</b>

## 26 Current Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Gratuity (refer note 52)	-	204.36
Compensated absences	2,018.37	1,853.35
	<b>2,018.37</b>	<b>2,057.71</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 27 Revenue from Operations

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Sale of manufactured products (includes excise duty)</b>		
Alcohol and other alcoholic products	1,529,837.79	1,262,332.63
Pet bottles and caps	3,085.46	3,787.16
Jaivik khad	361.54	529.83
Others	717.61	863.90
	<b>1,534,002.40</b>	<b>1,267,513.52</b>
<b>Trading of products</b>		
Imported liquor	469.59	418.41
	<b>469.59</b>	<b>418.41</b>
<b>Royalty Income</b>	3,113.23	2,619.38
	<b>1,537,585.22</b>	<b>1,270,551.31</b>
<b>Other operating revenue</b>		
Export incentives	449.25	362.45
Scrap sales & Cattle feed	10,353.70	3,477.32
	<b>10,802.95</b>	<b>3,839.77</b>
<b>Total revenue from operations</b>	<b>1,548,388.17</b>	<b>1,274,391.08</b>

# Also refer note 56 for additional disclosure as per IND AS 115

## 28 Other Income

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
Interest income on		
Bank deposits	96.30	47.17
Loans (including inter corporate deposits)	205.06	248.07
Other financial assets carried at amortized cost	33.93	24.28
Dividend income on non-current investments	359.99	-
Profit on sale of current investments (net)	14.42	125.38
Gain on disposal of property, plant and equipment (net)	-	32.85
Liabilities no longer required written back	23.19	96.13
Miscellaneous income	153.88	365.53
	<b>886.77</b>	<b>939.41</b>

## 29 Cost of Materials Consumed

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
Raw materials		
Opening inventory	9,439.98	9,146.05
Add: Purchases	146,616.03	99,237.08
	<b>156,056.01</b>	<b>108,383.13</b>
Less: Closing inventory	(14,086.23)	(9,439.98)
Raw materials consumed	141,969.78	98,943.15
Packing materials consumed	100,163.77	92,816.57
	<b>242,133.55</b>	<b>191,759.72</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 30 Purchase of Stock-in-Trade

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
Indian Made Foreign Liquor	(0.07)	-
Imported liquor	(67.20)	659.01
	<b>(67.27)</b>	<b>659.01</b>

## 31 Change in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
<b>Opening inventory</b>		
Stock-in-trade	655.23	331.71
Finished goods	26,162.62	17,071.53
Work-in-progress	19,648.92	14,492.44
	<b>46,466.77</b>	<b>31,895.68</b>
<b>Closing inventory</b>		
Stock-in-trade	396.66	655.23
Finished goods	25,072.91	26,162.62
Work-in-progress	22,807.53	19,648.92
	<b>48,277.10</b>	<b>46,466.77</b>
Increase / (Decrease) of excise duty country liquor depot stock	(1,388.23)	30.93
Increase / (Decrease) of excise duty on finished goods	(2,219.07)	4,913.55
	<b>(5,417.63)</b>	<b>(9,626.61)</b>

## 32 Employee Benefits Expense

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
Salaries, wages and bonus	16,867.63	14,843.67
Contribution to provident and other funds (refer note 52)	1,034.28	861.07
Defined benefit plans (refer note 52)	273.94	235.04
Share based payment expense (refer note 16)	513.11	275.45
Staff welfare expenses	889.78	676.84
	<b>19,578.74</b>	<b>16,892.07</b>

## 33 Finance Costs

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
Interest expenses	5,452.46	1,976.33
Interest expenses on lease liabilities (refer note 38)	422.93	161.08
Other borrowing cost	39.40	74.23
	<b>5,914.79</b>	<b>2,211.64</b>

## 34 Depreciation and Amortization Expense

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
Depreciation on property, plant and equipment - owned assets	10,205.15	6,270.10
Depreciation on right on use of assets	976.15	567.47
Amortization of intangible assets	195.24	252.45
	<b>11,376.54</b>	<b>7,090.02</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 35 Other Expenses

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
Power and fuel	13,382.65	7,990.61
Consumption of stores, spares and other consumables	4,266.93	2,813.32
Repairs and maintenance		
Building	225.80	177.18
Plant and equipment	2,895.96	2,131.29
Others	1,281.06	1,220.10
Machinery and other hire charges	6.07	5.50
Insurance	1,274.87	1,106.13
Rent	182.07	185.01
Rates and taxes	16,644.21	11,449.36
Travel and conveyance		
Directors	243.59	225.16
Others	2,205.95	1,884.91
Directors' fee	19.43	16.97
Foreign exchange fluctuations (net)	(362.99)	(576.93)
Miscellaneous expenses	2,357.89	1,893.11
Charity and donation	25.17	15.72
Expense towards corporate social responsibility (refer note 47)	643.96	640.98
Provision for expected credit losses	337.22	392.38
Bio composting expenses	137.17	218.06
Statutory auditor's remuneration (refer note 46)	121.19	117.58
Professional fee and consultation expenses	1,028.77	995.94
Communication expenses	351.94	310.70
Sundry balances written off	486.23	110.48
Loss on sale / write off of assets	56.41	-
Bank charges	51.06	35.71
Bottling charges	12,948.31	11,693.85
Printing stationery & subtraction	273.69	238.83
Watch & ward expenses	474.57	340.93
Breakerage & wastage	197.15	221.50
Selling and distribution:		
Freight outwards	16,022.52	13,942.10
Supervision charges after sales	1,542.08	1,269.98
Supervision charges to supervisors	7,047.31	4,333.13
Rebate discount and allowance	1,279.74	935.19
Advertisement & sales promotion	17,369.42	12,422.07
	<b>105,017.40</b>	<b>78,756.85</b>

## 36 Other Comprehensive Income/(loss)

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
<b>Items that will not be reclassified to profit or loss</b>		
Actuarial (loss) /gain on employee benefits	123.89	(249.50)
Income tax relating to items that will not be reclassified to profit or loss	(31.18)	62.79
	<b>92.71</b>	<b>(186.71)</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 37 Contingent Liabilities, Commitments and Other Claims

### a Capital commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	9,748.28	19,487.37
	<b>9,748.28</b>	<b>19,487.37</b>

### b Contingent liabilities and other claims

#### i) Claims against the Company, not acknowledged as debts

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Disputed liability relating to Employees' State Insurance (ESI) contribution	0.89	0.89
(b) Disputed liability relating to payment of late re-calibration fees on verification and stamping of manufacturing vats/tanks installed at distillery.	155.00	155.00
(c) Disputed VAT/Sales/GST/Entry/Service tax matters under appeal	174.10	176.27
(d) Disputed excise matters	1,160.93	910.51
(e) Disputed Stamp duty claim arising out of amalgamation, being contested	80.00	80.00
(f) Disputed service tax demand on GTA	19.12	-
(g) Disputed custom duty	10.73	-
(h) Disputed income tax matter	119.36	-
	<b>1,720.13</b>	<b>1,322.67</b>

ii) Madhya Pradesh State Industrial Development Corporation Ltd., in February 2007, demanded a sum of ₹168.09 lakhs besides unspecified expenses arising out of the alleged non compliance of conditions relating to its holding of shares in Abhishek Cement Ltd, prior to its merger with Radico Khaitan Ltd. in the financial year 2002-03. The writ petition filed by Company before Madhya Pradesh high court has been partly allowed by confirming the recovery of ₹ 167.32 lakhs against the Company. Further, ₹ 52.80 Lacs has been waived off order dated April 03, 2007. However, the division bench of Madhya Pradesh High Court has stayed the recovery proceedings initiated by local collector office. The court has ordered to maintain ₹ 100.00 lakhs in State Bank of India till the final adjudication of the matter. The matter is since sub-judice.

iii) (a) The applicability of Goods and Service Tax Act 2017 on Extra Neutral Alcohol (ENA) was kept on hold by the GST council vide their minutes of meeting dated August 05, 2017, December 22, 2018, September 20, 2019 and May 28, 2021 wherein the ENA which is meant for the potable purpose was kept under the control of respective State Governments, and accordingly the Company was paying the state taxes on ENA, as applicable in the respective States.

(b) The Deputy Commissioner (State Tax), Sector I, Rampur had issued notices on November 14, 2019, November 15, 2019 and November 16, 2019 for levability of GST on ENA w.e.f. July 2017. The Company filed a writ petition before Hon'ble High Court of Allahabad, challenging these notices, with the plea that potable ENA is kept away from GST by the Council. The Company got the stay on the proceedings under GST from Hon'ble Court on January 10, 2020 and advised the department for filing the counter. Later on the department withdrew their notices and the petition became infructuous.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

- (c) The Deputy Commissioner (State Tax) , Sector I passed an ex-party assessment order treating ENA under VAT @32.5% for A.Y. 2017-18. The Company filed writ petition before the Hon'able Allahabad High Court contesting VAT to be 14.5%. Meanwhile various distilleries and UPSMA filed their writs before the High Court challenging the VAT Notification of @5%, issued by the State Government w.e.f. December 9, 2019, They also challenged the powers of State to levy VAT on Extra Nuetral Alcohol.
- (d) Hon'ble Allahabad High Court decided the writs on September 28, 2021 and declared that ENA, undisputedly should fall under GST regime and the State lost its Legislative competence to enact laws, to impose tax on sales of ENA and have quashed the notification of VAT @ 5%. Thereafter the State Government filed the SLP before the Hon'ble Supreme Court, even CIABAC and ISWAI also filed the SLP against the order of High Court. All the SLPs are tagged, which are yet to be listed for hearing in Hon'ble Supreme Court.

In view of the High Court order dated September 28, 2021, Joint Commissioner-Corporate, State tax, Moradabad issued notices U/S 73(5) ascertaining the GST on ENA for the period July 2017 to September 2021. We filed the reply but the department did not agree with our reply & issued show cause notices U/S 73(1) of GST act for the same period. We filed the reply of SCN with the office of Joint Commissioner, Corporate, however department issued the demand U/S 73 (9) of GST on June 20, 2023 amounting to ₹ 10,857 Lakh (including interest and penalty) for the period ended July 2017 to September 2021, which is challenged by the Company before Additional Commission Appeals at Moradabad. In the mean time on October 7, 2023 GST council in its 52<sup>nd</sup> meeting has decided and recommended that the ENA used for manufacture of alcoholic liquor for human consumption is out side the purview of GST, howecver no formal notification has been issued till date.

- (e) The issue of applicable rate of GST on job work activities for alcoholic beverages was open since inception of GST. This is due to classification of Food & Food products. The GST Council in its 39<sup>th</sup> and 40<sup>th</sup> Council meeting considered the issue, however, due to lack of unanimity, decided that courts should take a view on whether alcoholic beverages are food or otherwise.

Finally, in 45<sup>th</sup> GST Council meeting decision was taken that alcoholic beverage is not "food" and be taxed accordingly. Therefore, w.e.f. October 01, 2021, specific entry was included vide notification no. 06/2021 whereby services of job work in relation to alcoholic beverage is to be taxed @ 18% .

Subsequently, circular no. 164/20/2021 dated October 06, 2021 was issued clarifying that alcoholic beverage is not food and therefore not taxed @ 5% but at recommended rate of 18%. Afterward Department has started to issue notice to our various bottlers & matter is pending in various court. Total approx. demand ₹ 33.02 crore plus interest & penalty if any.

- iv) A fire occurred at our Rampur Plant, U.P. on March 6, 2021 involving two alcohol storage tanks. The Company's emergency response team along with the local fire brigades were able to bring the fire under control without further spread to plant's other areas. There was no loss of life.

This accident resulted in loss of Extra Neutral Alcohol to the tune of 1.81 lakh Alcoholic liters stored in these two tanks resulting into financial loss of ₹152.89 lakhs including the replacement cost of damaged tanks. Since, the same are duly covered under insurance policy, the insurance company had been intimated. As an interim measure claim of ₹ 142.89 lakhs has already been received.

Beside this, the U.P. State Excise Department has issued a show cause notice (SCN) to us claiming Excise Duty amounting to ₹ 1,822.77 lakhs on the lost Alcohol (out of which ₹ 455.69 lakhs has been paid under protest). Based on the opinion of legal counsel, the Company has filed an appeal under Rule 813 of the U.P. Excise Rule before the U.P. Commissioner of Excise seeking the relief from above claim by way of setting aside the above mentioned SCN, considering this loss of alcohol as an unavoidable accident of fire.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

- c During FY2023-24, the Company has received an erroneous demand amounting to ₹ 2,403.51 lakhs via demand order dated 21 March 2024. However, subsequently on perusal of the records it was observed by the assessing officer that the tax credit of advance tax / regular tax paid was not given to the Company and TDS credit was less given to the Company. It being a mistake apparent from records, the same has been rectified by the income tax department via order dated April 1, 2024. Accordingly, the Company has not disclosed same as contingent liability.

## 38 Information on Lease Transactions pursuant to Ind AS 116 - Leases

### Assets taken on lease

The Company has leases for lease land, offices, warehouses, plant and equipment and office equipment. With the exception of short term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets.

#### i Lease payments not included in measurement of lease liability

The expenses related to payments not included in the measurement of the lease liability is as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Short term leases	163.05	162.66
Lease of low value assets	-	-
Variable lease payments	19.02	22.35
<b>Total</b>	<b>182.07</b>	<b>185.01</b>

- ii Total cash outflow for leases for the year ended March 31, 2024 was ₹ 1,938.32 lakhs (March 31, 2023: ₹ 816.18 lakhs).

#### iii Following are the changes in the carrying value of right of use assets

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	12,487.38	7,878.78
Additions	3,953.98	5,207.40
Deletion	-	(57.83)
Depreciation	(976.15)	(540.97)
<b>Balance at end of the year</b>	<b>15,465.21</b>	<b>12,487.38</b>

#### iv The following is the break-up of current and non-current lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Current lease liabilities	2,003.64	1,169.78
Non current lease liabilities	6,122.73	4,518.00
<b>Total</b>	<b>8,126.37</b>	<b>5,687.78</b>

#### v The following is the movement in lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	5,687.78	1,166.77
Additions	3,953.98	5,176.11
Finance cost accrued during the year	422.93	161.08
Payment of lease liabilities (total cash outflow)	(1,938.32)	(816.18)
<b>Balance at end of the year</b>	<b>8,126.37</b>	<b>5,687.78</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## vi Amounts recognised in the Statement of Profit and Loss

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Depreciation charge on right-of-use assets		
Leasehold land	169.07	49.13
Buildings	423.03	414.86
Plant and equipment	384.05	103.48
<b>Total</b>	<b>976.15</b>	<b>567.47</b>
(b) Interest expenses (included in finance cost)	<b>422.93</b>	<b>161.08</b>

## vii Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments as at March 31, 2024 are as follows:

Particulars	Lease Payments	Interest Expense	Net Present Value
Not later than 1 year	2,508.24	504.60	2,003.64
Later than 1 year but not later than 2 year	2,402.01	362.26	2,039.75
Later than 2 year but not later than 3 year	2,128.87	225.49	1,903.38
Later than 3 year but not later than 4 year	1,677.95	93.77	1,584.18
Later than 4 year but not later than 5 year	608.18	17.88	590.30
Later than 5 year	29.49	24.37	5.12
<b>Total</b>	<b>9,354.74</b>	<b>1,228.37</b>	<b>8,126.37</b>

The lease liabilities are secured by the related underlying assets. Future minimum lease payments as at March 31, 2023 are as follows:

Particulars	Lease Payments	Interest Expense	Net Present Value
Not later than 1 year	1,531.62	362.63	1,168.99
Later than 1 year but not later than 2 year	1,463.37	278.43	1,184.94
Later than 2 year but not later than 3 year	1,352.55	194.64	1,157.91
Later than 3 year but not later than 4 year	1,120.69	120.64	1,000.05
Later than 4 year but not later than 5 year	1,212.78	42.07	1,170.71
Later than 5 year	30.27	25.09	5.18
<b>Total</b>	<b>6,711.28</b>	<b>1,023.50</b>	<b>5,687.78</b>

The Company has lease contracts for plant and equipment that contain variable payments. Variable lease payments that depend on production volumes are recognized in the statement of profit and loss in the period in which the condition that triggers those payments occurs and hence are not consider in determining the lease liability. Any changes in production under contracts which includes variable lease payments, would have a proportionate impact on the variable lease payments.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

**39** In the opinion of the Management and to the best of their knowledge and belief, the value on realization of current/non current assets, loans and advances in the ordinary course of business would not be less than the amount at which they are stated in the standalone financial statements.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 40 Dividend

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
<b>Dividend paid</b>		
Dividend for the financial year 2022-23 (₹ 3.00 per share of ₹ 2 each)	4,010.21	-
Dividend for the financial year 2021-22 (₹ 3.00 per share of ₹ 2 each)	-	4,010.21
	<b>4,010.21</b>	<b>4,010.21</b>
<b>Proposed dividend</b>		
Dividend for the financial year 2023-24 (₹ 3.00 per share of ₹ 2 each)#	4,011.46	-
Dividend for the financial year 2022-23 (₹ 3.00 per share of ₹ 2 each)^	-	4,010.21
	<b>4,011.46</b>	<b>4,010.21</b>

# The Board of Directors at its meeting held on May 14, 2024 have recommended a payment of final dividend of ₹ 3.00 per equity share with value of ₹ 2.00 each for the financial year ended March 31, 2024. The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

^ Paid to shareholders during the financial year 2023-24.

## 41 Earnings per Equity Share (EPS)

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
<b>Net profit attributable to equity shareholders</b>		
Net profit for the year (BEPS)	25,575.95	20,442.17
Add: Effect of Dilution, Share options (ESOP)	-	-
Net profit attributable to equity holders adjusted for the effect of dilution (DEPS)	25,575.95	20,442.17
<b>Nominal value per equity share (₹)</b>	<b>2.00</b>	<b>2.00</b>
Total number of equity shares outstanding at the beginning of the year	133,673,765	133,673,765
Total number of equity shares outstanding at the end of the year	133,715,325	133,673,765
<b>Weighted average number of equity shares for calculating basic earning per share</b>	<b>133,696,541</b>	<b>133,673,765</b>
<b>Basic earning per share (₹)</b>	<b>19.13</b>	<b>15.29</b>
<b>Weighted average number of Equity shares adjusted for the effect of dilution</b>	<b>133,773,851</b>	<b>133,645,910</b>
<b>Diluted earning per share (₹)</b>	<b>19.13</b>	<b>15.29</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 42 Income Tax

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
<b>The major components of Income tax expense</b>		
<b>Profit and Loss statement</b>		
Current income tax charge	7,239.15	6,889.06
<b>Total (A)</b>	<b>7,239.15</b>	<b>6,889.06</b>
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	1,387.75	147.06
<b>Total (B)</b>	<b>1,387.75</b>	<b>147.06</b>
<b>Total (A+B)</b>	<b>8,626.90</b>	<b>7,036.12</b>
Other Comprehensive Income (OCI)		
Deferred tax related to items recognized in OCI during the year:		
Net loss/(gain) on re-measurements of defined benefit plans	31.18	(62.79)
Income tax charged to OCI	<b>31.18</b>	<b>(62.79)</b>

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

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
Profit/loss for the year	34,202.85	27,478.30
Statutory income tax rate	25.17%	25.17%
<b>Tax expense at statutory income tax rate</b>	<b>8,608.17</b>	<b>6,915.74</b>
Effect of expenses that are not deductible/(taxable) for determining taxable profits		
CSR and Charity & Donation	168.41	169.24
Interest and penalty & Others	13.25	14.47
Profit on sale of PPE	-	-
Dividend Income	(90.60)	-
Others	(72.33)	(63.32)
<b>Total Tax</b>	<b>8,626.90</b>	<b>7,036.13</b>

### Deferred tax assets/(liabilities) (net)

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
<b>Deferred tax liability arising on account of:</b>		
Property, plant and equipment	10,731.68	9,313.70
Lease assets (net of lease liabilities)	163.93	15.87
<b>Sub total</b>	<b>10,895.61</b>	<b>9,329.57</b>
<b>Deferred tax asset arising on account of:</b>		
Expenses allowed on payment/actual basis	504.95	560.55
Provision for expected credit loss	929.16	845.84
Provision for obsolete and non-moving inventory	230.38	118.34
Others	37.54	30.19
<b>Sub total</b>	<b>1,702.03</b>	<b>1,554.92</b>
<b>Net deferred tax assets/(liabilities)</b>	<b>(9,193.58)</b>	<b>(7,774.65)</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## Movement in deferred tax assets/(liabilities) for the year ended March 31, 2024

Particulars	For the year ended March 31, 2024	Credited/(charged)		For the year ended March 31, 2023
		Profit and loss	OCI	
Tax effect of items constituting deferred tax assets:				
Expenses allowed on payment/actual basis	560.54	(24.41)	(31.18)	504.95
Lease assets (net of lease liabilities)	(15.87)	(148.06)	-	(163.93)
Provision for expected credit loss	845.83	83.33	-	929.16
Provision for obsolete and non-moving inventory	118.34	112.04	-	230.38
Others	30.20	7.34	-	37.54
<b>Deferred tax assets</b>	<b>1,539.04</b>	<b>30.24</b>	<b>(31.18)</b>	<b>1,538.10</b>
Tax effect of items constituting deferred tax liabilities:				
Property, plant and equipment exceeds its tax base	9,313.69	1,417.99	-	10,731.68
<b>Deferred tax liabilities</b>	<b>9,313.69</b>	<b>1,417.99</b>	<b>-</b>	<b>10,731.68</b>
<b>Net deferred tax assets/(liabilities)</b>	<b>(7,774.65)</b>	<b>(1,387.75)</b>	<b>(31.18)</b>	<b>(9,193.58)</b>

## Movement in deferred tax assets/(liabilities) for the year ended March 31, 2023

Particulars	For the year ended March 31, 2023	Credited/(charged)		For the year ended March 31, 2022
		Profit and loss	OCI	
Tax effect of items constituting deferred tax assets:				
Expenses allowed on payment/actual basis	453.18	44.57	62.79	560.54
Lease assets (net of lease liabilities)	18.55	(34.42)	-	(15.87)
Provision for expected credit loss	751.07	94.76	-	845.83
Provision for obsolete and non-moving inventory	88.54	29.80	-	118.34
Others	4.55	25.65	-	30.20
<b>Deferred tax assets</b>	<b>1,315.89</b>	<b>160.36</b>	<b>62.79</b>	<b>1,539.04</b>
Tax effect of items constituting deferred tax liabilities:				
Property, plant and equipment exceeds its tax base	9,006.27	307.42	-	9,313.69
<b>Deferred tax liabilities</b>	<b>9,006.27</b>	<b>307.42</b>	<b>-</b>	<b>9,313.69</b>
<b>Net deferred tax assets/(liabilities)</b>	<b>(7,690.38)</b>	<b>(147.06)</b>	<b>62.79</b>	<b>(7,774.65)</b>

The entity offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 43 Interest in Other Entities

Name of entity	% of ownership interest			
	As at March 31, 2024	As at March 31, 2023	Country of incorporation	Nature of activities
<b>Subsidiary</b>				
Radico Spiritzs India Private Limited	100%	100%	India	Real estate
<b>Step down Subsidiary</b>				
Accomreal Builders Private Limited	100%	100%	India	Real estate
Compagt Era Builders Private Limited	100%	100%	India	Real estate
Destihomz Buildwell Private Limited	100%	100%	India	Real estate
Equibuild Realtors Private Limited	100%	100%	India	Real estate
Proprent Era Estates Private Limited	100%	100%	India	Real estate
Binayah Builders Private Limited	100%	100%	India	Real estate
Firstcode Reality Private Limited	100%	100%	India	Real estate
<b>Interest in Joint Venture</b>				
Radico NV Distilleries Maharashtra Limited	36%	36%	India	Liquor Manufacturing

## 44 Segment Reporting

i) Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Officer, in deciding how to allocate resources and assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company is engaged in the business of manufacture, purchase and sale of beverage alcohol and other allied spirits, including through tie-up manufacturing units. Based on the management approach as defined in Ind AS 108, the Chief Operating Officer evaluates the company's performance based on only one segment i.e. manufacturing and trading in Liquor & Alcohol.

### ii) Geographical information

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.

### Revenue from Operation (excluding excise duty)

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
Domestic	384,957.27	296,582.90
Overseas	26,894.93	17,698.68
	<b>411,852.20</b>	<b>314,281.58</b>

### Note

- (i) There are no non-current assets located outside India.
- (ii) No single external customer amounts to 10% or more of the Company's revenue.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 45 Related Party Transactions and Disclosures

### (1) List of related parties and their relationships:

#### I Key Management personnel:

- (1) Dr. Lalit Khaitan, Chairman & Managing Director
- (2) Mr. Abhishek Khaitan, Managing Director
- (3) Mr. K.P. Singh, Whole Time Director
- (4) Mr. Dilip K Banthiya, Chief Financial Officer
- (5) Mr. Dinesh Kumar Gupta, Company Secretary
- (6) Dr. Raghupati Singhanian, Independent Director
- (7) Mr. Sarvesh Srivastava, Independent Director
- (8) Ms. Sushmita Singha, Independent Director
- (9) Mr. Tushar Jain, Independent Director
- (10) Mr. Sharad Jaipuria, Independent Director

#### II Relatives of Key Management personnel:

- (1) Mrs. Deepshikha Khaitan (Wife of Mr. Abhishek Khaitan)

#### III Enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise:

Sapphire Intrex Limited

#### IV Post employment benefit plan entities:

- (1) The Rampur Distillery & Chemical Company Limited (Employees P. F. Trust)
- (2) The Rampur Distillery & Chemical Company Limited (Employees Group Gratuity Trust)
- (3) The Rampur Distillery & Chemical Company Limited (Employees Superannuation Scheme)

#### V Joint Ventures:

- (1) Radico NV Distilleries Maharashtra Limited

#### VI Subsidiaries:

- (1) Radico Spiritzs India Private Limited

#### VII Step-down Subsidiaries:

- (1) Accomreal Builders Private Limited
- (2) Compaqt Era Builders Private Limited
- (3) Destihomz Buildwell Private Limited
- (4) Equibuild Realtors Private Limited
- (5) Proprent Era Estates Private Limited
- (6) Binayah Builders Private Limited
- (7) Firstcode Reality Private Limited

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## (2) Summary of transaction with related parties

The following transactions were carried out with related parties in the ordinary course of business:

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Key Management Personnel:</b>		
Dr. Lalit Khaitan, Chairman & Managing Director		
Remuneration		
Salary and Allowances	1,074.07	958.44
Contribution to Provident and other Funds	78.34	70.08
Value of benefits, calculated as per Income Tax Rules	139.52	546.23
Director's Sitting fee	1.95	0.95
Mr. Abhishek Khaitan, Managing Director		
Remuneration		
Salary and Allowances	1,074.07	958.44
Contribution to Provident and other Funds	79.34	71.08
Value of benefits, calculated as per Income Tax Rules	60.70	194.25
Director's Sitting fee	2.65	1.90
Mr. K.P.Singh, Whole Time Director		
Remuneration		
Salary and Allowances	205.86	188.25
Contribution to Provident and other Funds	9.39	8.65
Value of benefits, calculated as per Income Tax Rules	2.83	2.70
Director's Sitting fee	2.50	2.50
Dr. Raghupati Singhania, Independent Director		
Director's Sitting fee	0.55	1.80
Mr. Sarvesh Srivastava, Independent Director		
Director's Sitting fee	2.80	2.80
Ms. Sushmita Singha, Independent Director		
Director's Sitting fee	2.05	1.50
Mr. Tushar Jain, Independent Director		
Director's Sitting fee	2.25	1.80
Mr. Sharad Jaipuria, Independent Director		
Director's Sitting fee	2.80	1.95
Mr. Dilip K Banthiya, Chief Financial Officer		
Remuneration		
Salary and Allowances	288.71	273.67
Contribution to Provident and other Funds	12.66	11.73
Value of benefits, calculated as per Income Tax Rules	4.09	4.56
Mr. Dinesh Kumar Gupta, Company secretary		
Remuneration		
Salary and Allowances	74.25	61.48
Contribution to Provident and other Funds	3.67	3.44
Value of benefits, calculated as per Income Tax Rules	2.87	0.77

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

**Enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise :**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Sapphire Intrex Limited</b>		
Rent Paid	74.34	72.72
<b>Contribution paid (Employer's contribution only)</b>		
The Rampur Distillery & Chemical Company Limited (Employees P. F. Trust)	855.72	681.72
The Rampur Distillery & Chemical Company Limited (Employees Group Gratuity Trust)	150.05	484.53
The Rampur Distillery & Chemical Company Limited (Employees Superannuation Scheme)	144.37	125.66
<b>Subsidiary</b>		
<b>Radico Spiritzs India Private Limited</b>		
Capital Advance	2,150.49	560.44
<b>Lease Rent paid</b>		
Radico Spiritzs India Private Limited	5.58	0.70
Accomreal Builders Private Limited	0.81	0.70
Compaqt Era Builders Private Limited	2.36	0.70
Destihomz Buildwell Private Limited	2.25	0.70
Equibuild Realtors Private Limited	2.59	0.70
Proprent Era Estates Private Limited	2.26	0.70
Binayah Builders Private Limited	2.32	0.70
Firstcode Reality Private Limited	2.14	0.70
<b>Joint Venture</b>		
<b>Radico NV Distilleries Maharashtra Limited</b>		
Commission Income (Including GST)	-	238.63
Lease rent paid	70.80	7.08
Bottling Charges Paid *	1,393.60	1,150.36
Tie-up operation income	-	7.96
Expenses towards lease operations	12.46	-
Dividend on Equity Shares	359.99	-
Advance for GST deposited	14.68	-
Purchase of material	8,111.22	7,814.47
Sale of material	-	-

\* Excluding GST refundable on export consignment bottling ₹ 59.58 lakhs (previous year ₹ 58.37 lakhs).

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 3 Summary of closing balances with related parties

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Joint Venture</b>		
<b>Radico NV Distilleries Maharashtra Limited</b>		
Trade payable	78.66	187.19
Investment in equity share	13,538.53	13,538.53
<b>Subsidiaries</b>		
<b>Radico Spiritzs India Private Limited</b>		
Capital advances	4,650.94	2,499.74
Investment in equity share	1.00	1.00
Lease rent payable	-	0.70
<b>Step down subsidiaries</b>		
<b>Lease rent payable</b>		
Accomreal Builders Private Limited	-	0.70
Compagt Era Builders Private Limited	-	0.70
Destihomz Buildwell Private Limited	-	0.70
Equibuild Realtors Private Limited	-	0.70
Proprent Era Estates Private Limited	-	0.70
Binayah Builders Private Limited	-	0.70
Firstcode Reality Private Limited	-	0.70
<b>Enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise :</b>		
<b>Sapphire Intrex Limited</b>		
Security Receivable	60.00	60.00

### Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no outstanding guarantees provided or received for any related party receivables or payables in the current financial year. For the year ended March 31, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties rs, Nil (March 31, 2023: ₹ Nil). This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

## 4 Disclosure requirements pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

There are no loans / advances in nature of loan given by the Company to related parties, accordingly the disclosure requirements pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 46 Payment to Auditors (Excluding GST)

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
i) Audit fee	45.00	45.00
ii) Limited review fee	45.00	42.50
iii) Out of pocket expenses (including taxes)	9.04	14.33
<b>Total</b>	<b>99.04</b>	<b>101.83</b>

## 47 (a) Expenditure towards corporate social responsibility (CSR) activities

In accordance with the provisions of section 135 of the Act, the Board of Directors of the Company had constituted a CSR committee. The details for CSR activities are as follows:

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
i) Gross amount required to be spent by the Company during the year	641.55	640.62
ii) Amount spent during the year on the following:		
(a) For construction / acquisition of any assets	-	-
(b) For purposes other than (a) above	420.96	201.73
iii) Amount unspent/(overspent) during the year and deposited in a scheduled bank (in case of unspent)	223.00	439.25
iv) Amount spent during the year pertaining to previous year (refer note below **)	-	-
v) Shortfall/(Excess) at the end of the year	(2.41)	(0.36)
vi) Reason of Shortfall	NA	NA
vii) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-
<b>Total</b>	<b>643.96</b>	<b>640.98</b>

\*\* ₹ 139.27 lakh spent during the year pertaining to previous years.

## 47 (b) Nature of CSR activities for the financial year

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
(i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation (including contribution to the Swatch Bharat Kosh setup by the Central Government for the promotion of sanitation) and making available safe drinking water.	102.62	67.39
(ii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	14.31	21.00
(iii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	94.73	27.23

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
(iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water (including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga).	22.48	68.07
(v) Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports.	22.12	18.04
(vi) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;	37.27	-
(vii) Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows.	100.00	-
(viii) Administrative overhead	27.43	-
<b>Total</b>	<b>420.96</b>	<b>201.73</b>

The Company does not carry any provisions for corporate social responsibility expenses for the current year and previous year.

## 48 Remittance in Foreign Currency / or to the mandate banks on account of dividends to non residents

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Number of non resident shareholders	2,630	2,750
(ii) Number of shares held by them	60,899,470	26,050,778
(iii) Dividend per share	3.00	3.00
(iv) Financial year to which the dividend relates	2022-23	2021-22

## 49 Foreign Currency Exposure

### Derivatives not designated as hedging instruments

The entity uses foreign currency denominated borrowings and foreign exchange forward contracts to manage some of its transaction exposures. However such foreign currency denominated borrowings have not been designated as hedge. Such derivatives are recorded at mark to market at each reporting date with a corresponding recognition in the Statement of Profit and Loss.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

**The carrying amounts of the Company's foreign currency denominated monetary items are as follows:**

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Foreign Currency	INR	Foreign Currency	INR
<b>Other foreign currency exposures:</b>				
<b>Export receivables</b>				
USD	77.39	6,454.59	62.44	5,133.40
EURO	3.18	285.96	-	-
GBP	0.24	25.33	0.12	12.72
<b>Overseas creditors</b>				
USD	0.61	51.05	0.04	3.63
EURO	0.11	9.73	-	-
<b>Balance with banks</b>				
USD	1.27	105.98	3.66	300.63

## Foreign currency sensitivity- Impact on profit

Change in foreign exchange rates	March 31, 2024		March 31, 2023	
	5% increase	5% decrease	5% increase	5% decrease
USD	325.48	(325.48)	271.52	(271.52)
EURO	13.81	(13.81)	-	-
GBP	1.27	(1.27)	0.64	(0.64)

## Foreign currency sensitivity-Impact on equity

The below table demonstrates the sensitivity to a 1% increase or decrease in the foreign currencies against, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 1% represents management's assessment of reasonably possible change in foreign exchange rate. 1% increase or decrease in foreign exchange rates will have the following impact on profit before tax per rupee:

Change in foreign exchange rates	March 31, 2024		March 31, 2023	
	5% increase	5% decrease	5% increase	5% decrease
USD	243.55	(243.55)	203.18	(203.18)
EURO	10.34	(10.34)	-	-
GBP	0.95	(0.95)	0.48	(0.48)

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 50 Financial Instruments

### A- Category wise classification of Financial Instruments

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	Amortized cost	FVTOCI	FVTPL	Amortized cost	FVTOCI
<b>Financial assets</b>						
Investment						
Equity Instrument	-	13,539.53	-	-	13,539.53	-
Preference Shares	-	-	-	-	-	-
Trade receivables	-	97,815.01	-	-	82,405.59	-
Cash and cash equivalents	-	8,559.18	-	-	12,155.25	-
Bank balances other than above	-	1,437.10	-	-	921.87	-
Loans	-	1,476.34	-	-	2,226.34	-
Other financial assets	-	7,282.54	-	-	7,879.74	-
<b>Total</b>	<b>-</b>	<b>130,109.70</b>	<b>-</b>	<b>-</b>	<b>119,128.32</b>	<b>-</b>
<b>Financial liabilities</b>						
Borrowings	-	73,709.05	-	-	69,675.83	-
Lease liabilities	-	8,126.37	-	-	5,687.78	-
Trade payables	-	26,704.88	-	-	27,494.69	-
Other financial liabilities	-	33,073.39	-	-	22,053.03	-
<b>Total</b>	<b>-</b>	<b>141,613.69</b>	<b>-</b>	<b>-</b>	<b>124,911.33</b>	<b>-</b>

### B- Fair value hierarchy

The following table provides fair value management hierarchy of the company's assets:

Particulars	Level 1	Level 2	Level 3
<b>March 31, 2024</b>			
<b>Assets for which fair values are disclosed (Note 50A)</b>			
Investment			
Equity instrument	-	-	13,539.53
Preference shares	-	-	-
Trade receivables	-	-	97,815.01
Cash and cash equivalents	-	-	8,559.18
Bank balances other than above	-	-	1,437.10
Loans	-	-	1,476.34
Other financial assets	-	-	7,282.54
<b>Total</b>	<b>-</b>	<b>-</b>	<b>130,109.70</b>
<b>Liabilities for which fair values are disclosed (Note 50A)</b>			
Borrowings	-	-	73,709.05
Lease liabilities	-	-	8,126.37
Trade payables	-	-	26,704.88
Other financial liabilities	-	-	33,073.39
<b>Total</b>	<b>-</b>	<b>-</b>	<b>141,613.69</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

Particulars	Level 1	Level 2	Level 3
<b>March 31, 2023</b>			
<b>Assets for which fair values are disclosed (Note 50A)</b>			
Investment			
Equity instrument	-	-	13,539.53
Preference shares	-	-	-
Trade receivables	-	-	82,405.59
Cash and cash equivalents	-	-	12,155.25
Bank balances other than above	-	-	921.87
Loans	-	-	2,226.34
Other financial assets	-	-	7,879.74
<b>Total</b>	<b>-</b>	<b>-</b>	<b>119,128.32</b>
<b>Liabilities for which fair values are disclosed (Note 50A)</b>			
Borrowings	-	-	69,675.83
Lease liabilities	-	-	5,687.78
Trade payables	-	-	27,494.69
Other financial liabilities	-	-	22,053.03
	<b>-</b>	<b>-</b>	<b>124,911.33</b>

There have been no transfer between level 1, level 2 and level 3 during the year.

## C- Valuation techniques and processes used to determine fair value

Fair value of unquoted investments is determined based on the present values, calculated using generally accepted valuation principles.

## D- Valuation inputs and relationships to fair value

Significant unobservable inputs used in Level 3 fair value measurement:-

### Non current investment - Unquoted

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Fair Value	-	-
Earnings growth rate (%)	10.00	10.00
Risk adjusted discount rate (%)	10.00	10.00
There were no significant inter-relationships between unobservable inputs that materially affect fair values.		
<b>E- Reconciliation of financial instruments categorized under level 3</b>		
Opening at the beginning of the year	-	-
Additions during the year	-	-
Gain/(Loss) recognized in OCI during the year	-	-
Closing at the end of the year	-	-

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 51 Financial Risk Management Objectives and Policies

The Company's activities exposes it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, deposits with banks, trade receivables, loans and other financial assets measured at amortized cost	Review of receivables	Diversification of bank deposits, monitoring of credit limits and assessment of recoverability of loan and advances from related party & other counter party.
Liquidity risk	Borrowings and other financial liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk- Interest rate	Short-term borrowings at floating rates	Sensitivity analysis of interest rates	Monitoring of changes in interest rates

The Company's principal financial liabilities comprise loans and borrowings, security deposits and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets includes loans, investment in preference shares & equity shares, trade and other receivables, and cash and cash equivalents that are derived directly from its operations.

The Company's business activities are exposed to a variety of financial risks, namely market risks, credit risk and liquidity risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

### (a) 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 of interest rate risk and currency risk and equity price risk. Financial instruments affected by market risk include loans and borrowings.

The sensitivity analysis in the following sections relate to the position as at March 31, 2024 and March 31, 2023.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies to total debts.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations and provisions.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2024 and March 31, 2023.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## (i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The entity's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

In order to balance the Company's position with regards to interest income and interest expense and to manage the interest rate risk, treasury performs comprehensive interest rate risk management. As the Company does not have any significant amount of debt, the exposure to interest rate risk from the perspective of Financial Liabilities is negligible. Further, treasury activities, focused on managing investments in debt instruments, are centralized and administered under a set of approved policies and procedures guided by the tenets of safety, liquidity and returns. This ensures that investments are made within acceptable risk parameters after due evaluation.

### Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows"

**At the reporting date the interest rate profile of the entity's interest bearing financial instrument is as its fair value:**

Particulars	As at	
	March 31, 2024	March 31, 2023
Fixed rate borrowings	42,571.42	32,902.18
Variable rate borrowings	31,137.62	36,773.65
<b>Total borrowing</b>	<b>73,709.04</b>	<b>69,675.83</b>

### Fair value sensitivity analysis for fixed rate instruments

The Company does not have any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss and neither would it affect the equity.

A change of 100 basis points in interest rates for variable rate instruments at the reporting date would have increased/(decreased) profit or loss for the below years by the amounts shown below. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	As at		As at	
	March 31, 2024		March 31, 2023	
Increase/ (decrease) in basis points	100	(100)	100	(100)
Effect on profit before tax (increase)/ decrease	311.38	(311.38)	367.74	(367.74)
Effect on equity (increase)/ decrease	233.01	(233.01)	275.18	(275.18)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## (ii) Foreign currency risk

The Indian National Rupee is the entity's most significant currency. As a consequence, the company's results are presented in Indian National Rupee and exposures are managed against Indian National Rupee accordingly. The company has limited foreign currency exposure which are mainly on account of imports and exports. Refer note 49 above.

## (iii) Equity price risk

The company's equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. Reports on the equity portfolio are submitted to the company's senior management on a regular basis. The company's Board of Directors reviews and approves all equity investment decisions.

### At the reporting date, the exposure to:

- unlisted equity securities at fair value is ₹ NIL.
- unlisted equity in Joint Venture and Subsidiaries at cost of ₹ 13,539.53 Lakhs.

## (iv) Price risk

The Company's exposure to price risk arises from investments held and classified as FVTPL. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

### Sensitivity analysis

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Company's profit for the year:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Price sensitivity</b>		
Price increase by (5%) - FVTPL	-	-
Price decrease by (5%) - FVTPL	-	-

## (b) 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 entity 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.

### Trade receivables and loans

Credit risk is managed by company in accordance with the company's established policy, procedures and control relating to credit risk management. Credit quality is assessed based on an extensive credit rating and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables and loans are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for receivables and loans. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note below. The company does not hold collateral as security. The company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and has been rated highly based on internal credit assessment parameters.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

For trade receivables, as a practical expedient, the Company computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. . The Company is using provision matrix of 0.20%, 15%, 25%, 50% and 75% for ageing bucket of less than 6 months, 06 months to 01 year, 1 Year to 2 year, 2 to 3 year and More than 3 Year respectively. Further Company is using 65% ECL on disputed matters.

## Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the entity's treasury department in accordance with the entity's policy. Counterparty credit limits are reviewed by the entity's Board of Directors on an annual basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the Balance Sheet at March 31, 2024 and March 31, 2023 is the carrying amounts as illustrated in note below.

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial assets for which loss allowance is measured using 12 months expected credit losses (ECL)</b>		
<b>Non current financial assets</b>		
Investment in joint venture	13,538.53	13,538.53
Investment in subsidiary	1.00	1.00
Investment in others	-	-
Others	3,751.81	3,252.08
<b>Total</b>	<b>17,291.34</b>	<b>16,791.61</b>
<b>Current financial assets</b>		
Cash and cash equivalents	8,559.18	12,155.25
Bank balances other than those included in Cash & Cash equivalents	1,437.10	921.87
Loans	1,476.34	2,226.34
Others	3,530.73	4,627.66
<b>Total</b>	<b>15,003.35</b>	<b>19,931.12</b>
<b>Financial assets for which loss allowance is measured using life time expected credit losses (LECL)</b>		
Trade receivables	97,815.01	82,405.59
<b>Total</b>	<b>97,815.01</b>	<b>82,405.59</b>

## Summary of change in loss allowances measured using ECL

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Opening allowance</b>	3,196.91	3,004.16
Provided during the year	470.00	228.53
Reversal of provision during the year	138.91	
Amounts written-off	-	35.78
<b>Closing allowance</b>	<b>3,528.00</b>	<b>3,196.91</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## (c) Liquidity risk

The Company monitors its risk of shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	Payable within one year	Payable after one year and before five years	Payable after 5 years	Total
<b>As at March 31, 2024:</b>				
Term loans from banks	13,571.44	28,999.99	-	42,571.43
Short term borrowings	31,137.62	-	-	31,137.62
Trade payables	26,704.88	-	-	26,704.88
Lease liability	2,003.64	6,117.61	5.12	8,126.37
Other financial liabilities	33,055.10	18.29	-	33,073.39
<b>Total</b>	<b>106,472.68</b>	<b>35,135.89</b>	<b>5.12</b>	<b>141,613.69</b>
<b>As at March 31, 2023:</b>				
Term loans from banks	4,216.48	28,685.71	-	32,902.19
Short term borrowings	36,773.64	-	-	36,773.64
Trade payables	27,494.69	-	-	27,494.69
Lease liability	1,168.99	1,184.94	5.18	2,359.11
Other financial liabilities	22,030.70	22.33	-	22,053.03
<b>Total</b>	<b>91,684.50</b>	<b>29,892.98</b>	<b>5.18</b>	<b>121,582.66</b>

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

## Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the entity's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the entity's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

## Collateral

The Company has created a charge in favor of the lenders for loans and borrowings (Refer note-17 and 21 on Borrowings for details)

## 52 (I) Defined Benefit Plan

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Provident fund	855.72	681.72

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## (II) Post-employment benefit plans

Particulars	As at March 31, 2024	As at March 31, 2024
Gratuity (funded)	(201.76)	204.36

The Company has a retirement benefit plans for Gratuity, Provident Fund and Leave Encashment. For provident fund, entity makes contribution to provident fund trust. Gratuity plan is funded with LIC and requires contributions to be made to a separate fund administered by LIC. Leave encashment liability of the entity is unfunded. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

Each year, the Board of Trustees reviews the level of funding in the Gratuity plan and Provident fund. Such a review includes the asset-liability matching strategy and investment risk management policy. The Board of Trustees decides its contribution based on the results of this annual review. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The following tables summaries the gratuity components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for the respective plans.

### i Changes in present value of defined benefit obligation:

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of obligation as at beginning of the year	4,486.70	3,963.93
Interest cost	331.12	284.60
Current service cost	258.86	236.91
Benefits paid	(172.33)	(227.09)
Actuarial (gain)/loss recognized in other comprehensive income	(145.98)	228.35
- changes in financial assumption	50.05	(48.48)
- experience adjustment	(196.03)	276.83
<b>Present value of obligation as at end of the year</b>	<b>4,758.37</b>	<b>4,486.70</b>

### ii. Reconciliation of the present value of plan assets :

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	4,282.35	3,989.98
Return on plan assets recognized in total other comprehensive income	293.95	265.33
Contribution paid into the plan	556.17	254.13
Benefits paid	(172.33)	(227.09)
Balance at the end of the year	4,960.14	4,282.35
<b>Net defined benefit liability (asset)</b>	<b>(201.77)</b>	<b>204.35</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

### iii. Net asset / (liability) recognized in the standalone balance sheet

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of obligation at the end	4,758.37	4,486.70
Fair value of plan assets	4,960.14	4,282.35
<b>Net (unfunded liability) /assets in standalone balance sheet</b>	<b>201.77</b>	<b>(204.35)</b>

### iv Actuarial Assumptions

#### A. Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes into account inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discounting rate	7.21	7.38
Future salary increase	5.50	5.50

#### B. Demographic assumptions

Particulars	As at March 31, 2024	As at March 31, 2023
i) Retirement age	58/59/60/62/64 /65/72/82/90	58/59/60/62 /64/65/72/82
ii) Mortality table	100% OF IALM (2012-14)	100% OF IALM (2012-14)
iii) Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 years (Store employees/Back office employees)	3.00	3.00
From 31 to 44 years (Store employees/Back office employees)	2.00	2.00
Above 44 years (Store employees/Back office employees)	1.00	1.00

Assumption regarding future mortality have been based on published statistics and mortality tables

#### C. Actuarial Method

- Projected unit credit (PUC) actuarial method has been used to assess the plan's liabilities allowing for retirement, death-in-service and withdrawal and also compensated absence while in service.
- Under the PUC method a projected accrued benefit is calculated at the beginning of the period and again at the end of the period for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plan accrual formula and upon service as at the beginning and end of the period, but using member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the projected accrued benefits as on the date of valuation for active members.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

**v(a) Expense recognized in the standalone statement of profit or loss:**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Employee benefit expenses:</b>		
(a) Current service cost	258.86	236.91
(b) Interest cost	331.12	284.62
(c) Interest income on plan assets	(316.04)	(286.48)
	<b>273.94</b>	<b>235.05</b>

**v(b) Remeasurements recognized in other comprehensive income**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial gain/(loss) on defined benefit obligation	145.98	(228.35)
Actuarial gain/(loss) on plan assets	(22.09)	(21.15)
	<b>123.89</b>	<b>(249.50)</b>
Expense recognized in the standalone statement of profit and loss	<b>150.05</b>	<b>484.55</b>

**vi. Reconciliation of statement of expense in the standalone statement of profit and loss**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Present value of obligation as at the end of the year	4,758.37	4,486.70
Present value of obligation as at the beginning of the year	(4,486.70)	(3,963.93)
Benefits paid	172.33	227.09
Actual return on plan assets	(293.95)	(265.32)
<b>Expense recognized in the standalone statement of profit and loss</b>	<b>150.05</b>	<b>484.54</b>

**vii. Change in fair value of plan assets:**

Particulars	As at March 31, 2024	As at March 31, 2023
Opening fair value of plan assets	4,282.35	3,989.98
Actual return on plan assets	293.95	265.33
Fund charges	-	-
Contribution by employer	556.17	254.13
Benefits paid	(172.33)	(227.09)
<b>Fair value of plan assets as at year end</b>	<b>4,960.14</b>	<b>4,282.35</b>

**viii. The expected maturity analysis of undiscounted defined benefit liability is as follows**

Particulars	Less than a year	Between one to two years	Between two to five years	Over five years
March 31, 2024	677.64	1,481.85	437.85	2,161.04
March 31, 2023	608.31	1,472.54	435.99	1,969.87

The weighted average duration of the defined benefit obligation is 15.20 years (31 March 2023- 15.10 years).

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## ix. Bifurcation of closing net liability at the end of year

Particulars	As at March 31, 2024	As at March 31, 2023
Current liability (amount due within one year)	677.64	608.30
Non-current liability (amount due over one year)	4,080.73	3,878.40
	<b>4,758.37</b>	<b>4,486.70</b>

## x. Investment details of plan assets:

Particulars	As at March 31, 2024	As at March 31, 2023
Insurance products	100%	100%

## xi. Expected contribution for the next Annual reporting period

Particulars	As at March 31, 2024	As at March 31, 2023
Service cost	273.31	250.78
Net Service cost	(14.55)	15.08
Expected expense for the next Annual reporting period	258.76	265.86

## xii. Sensitivity analysis

A quantitative sensitivity analysis for significant assumptions is as shown below:

### Impact of the change in discount rate on defined benefit obligation

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of obligation at the end of the year		
a) Impact due to increase of .50%	(145.73)	(117.52)
b) Impact due to decrease of .50%	154.01	124.24

### Impact of the change in salary on defined benefit obligation

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of obligation at the end of the year		
a) Impact due to increase of .50%	155.82	125.90
b) Impact due to decrease of .50%	(148.72)	(120.10)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated. Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable. 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 recognized in the Standalone 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.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 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 plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability
- 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 plan's liability.
- d) **Mortality and disability** - Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities
- e) **Withdrawals** - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability

## D. Code of social security

The Code on Social Security, 2020 ("the Code") relating to employee benefits during employment and post-employment received Presidential assent in September 2020. Subsequently, the Ministry of Labour and Employment had released the draft rules on the aforementioned Code. However, the same is yet to be notified. The Company will evaluate the impact and make necessary adjustments to the financial statements in the period when the Code will be notified and will come into effect.

## 53 Information under 186(4) of the Companies Act, 2013

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Movement of loans and advances:</b>		
i) In the form of unsecured short-term Inter corporate deposits *		
<b>Opening balance</b>	<b>2,226.34</b>	<b>2,426.34</b>
Given during the year	-	-
Received / adjusted during the year	(750.00)	(200.00)
<b>Closing balances (refer note 12)</b>	<b>1,476.34</b>	<b>2,226.34</b>

\* All loans are given to unrelated entities at interest rates ranging from 8% to 12% per annum. All the loans are provided for business purposes of respective entities. Further, the Company has not invested, granted a loan, or issued a guarantee covered under Section 186(3) of the Companies Act, 2013.

## 54 Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital and other equity attributable to the equity holders of the Company. The primary objective of the company's capital management is to maximize the shareholder's wealth.

The Company's policy is to maintain a strong capital base so as to maintain investor, creditors 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 net debt divided by total capital.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## The Company's debt equity ratio was as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings	73,709.05	69,675.83
Equity capital	2,674.31	2,673.48
Other equity	235,062.68	212,527.78
<b>Total equity</b>	<b>237,736.99</b>	<b>215,201.26</b>
Debt equity ratio	31.00%	32.38%

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 interest-bearing loans and borrowings that define 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 financial year. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024.

## 55 Details of dues to Micro, Small and Medium Enterprises as defined under MSMED Act 2006

Particulars		As at March 31, 2024	As at March 31, 2023
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	-Principal	4,123.04	3,561.34
	-Interest	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 , along with the amount 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 has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;		-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and		-	-
(e) the amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of MSMED Act, 2006.		-	-

The information has been given in respect of such vendors to the extent they could be identified as "Micro, Small and Medium" enterprises on the basis of information available with the Company

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 56 Disclosures on Revenue pursuant to Ind AS 115 - Revenue from contracts with Customers

### A. Reconciliation of revenue from sale of products with the contracted price

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contracted Price	426,877.91	332,384.94
Add: Excise duty	1,136,535.97	960,109.50
Less: Discount and rebates, etc.	(25,828.66)	(21,943.13)
<b>Sale of products</b>	<b>1,537,585.22</b>	<b>1,270,551.31</b>

### B. Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers:

#### Revenue from contracts with customers

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>i) Revenue from operations</b>		
Alcohol and other alcoholic products	393,301.82	302,223.13
Pet bottles and caps	3,085.46	3,787.16
Jaivik khad	361.54	529.83
Others	717.61	863.90
Trading of products	469.59	418.41
Royalty Income	3,113.23	2,619.38
Add: Excise duty collected from customer	1,136,535.97	960,109.50
Operating revenue	<b>1,537,585.22</b>	<b>1,270,551.31</b>
<b>ii) Other operating income</b>	<b>10,802.95</b>	<b>3,839.77</b>
<b>Total revenue covered under Ind AS 115</b>	<b>1,548,388.17</b>	<b>1,274,391.08</b>

### C. Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Contract liabilities</b>		
Advance from consumers	3,268.73	8,533.17
<b>Total</b>	<b>3,268.73</b>	<b>8,533.17</b>
<b>Receivables</b>		
Trade receivables	101,343.01	85,602.50
Less : Allowances for expected credit loss	(3,528.00)	(3,196.91)
<b>Net receivables</b>	<b>97,815.01</b>	<b>82,405.59</b>

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer in advance.

In Accordance of Ind As 115, the timing of recognition of revenue for the company is at a point in time.

The amounts receivable from customers become due after expiry of credit period which on an average ranges between 30-90 days.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## D. Significant changes in the contract liabilities balances during the year are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	8,533.17	6,799.08
Addition during the year	3,268.73	8,533.17
Revenue recognized during the year	(8,533.17)	(6,799.08)
<b>Closing balance</b>	<b>3,268.73</b>	<b>8,533.17</b>

## 57 Reconciliation of Liabilities arising from financing activities pursuant to Ind AS 7 - Cash Flows

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Non-current borrowings	Current borrowings	Lease liabilities	Total
<b>Net debt as at April 1, 2022</b>	<b>514.69</b>	<b>18,488.23</b>	<b>1,166.77</b>	<b>20,169.69</b>
Recognition of lease liabilities (including current)	-	-	5,337.19	5,337.19
Repayment (including current maturities)	(12.50)	-	(816.18)	(828.68)
Proceeds from current borrowings (net)	32,400.00	18,285.42	-	50,685.42
<b>Net debt as at March 31, 2023</b>	<b>32,902.19</b>	<b>36,773.65</b>	<b>5,687.78</b>	<b>75,363.62</b>
Recognition of lease liabilities (including current)	-	-	4,376.91	4,376.91
Repayment of long term borrowings (excluding current maturities of long term borrowing) (net)	(4,930.76)	-	(1,938.32)	(6,869.08)
Proceeds from long term borrowings (net)	14,600.00	-	-	14,600.00
Proceeds from short term borrowings (net)	-	(5,636.03)	-	(5,636.03)
<b>Net debt as at March 31, 2024</b>	<b>42,571.43</b>	<b>31,137.62</b>	<b>8,126.37</b>	<b>81,835.42</b>

## 58 Ageing schedule for Capital Work in Progress

As at March 31, 2024	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	4,869.60	304.52	-	-	5,174.12
Projects temporarily suspended	57.02	62.23	-	-	119.25
<b>Total</b>	<b>4,926.62</b>	<b>366.75</b>	<b>-</b>	<b>-</b>	<b>5,293.37</b>

As at March 31, 2023	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	32,261.94	286.41	16.23	-	32,564.58
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>32,261.94</b>	<b>286.41</b>	<b>16.23</b>	<b>-</b>	<b>32,564.58</b>

# There is no project during the year whose completion is overdue or has exceeded its cost compared to its original plan

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 59 Ageing Schedule of Trade Receivables

As at March 31, 2024

Particulars	Outstanding from the due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	92,931.03	2,636.21	1,153.62	442.60	318.33	97,481.79
Undisputed trade receivables - credit impaired	70.89	225.18	204.83	211.05	2,197.19	2,909.14
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	333.23	333.23
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	618.85	618.85
	<b>93,001.92</b>	<b>2,861.39</b>	<b>1,358.45</b>	<b>653.65</b>	<b>3,467.60</b>	<b>101,343.01</b>
Allowance for expected credit losses	70.89	225.18	204.83	211.05	2,816.05	3,528.00
<b>Total</b>	<b>92,931.03</b>	<b>2,636.21</b>	<b>1,153.62</b>	<b>442.60</b>	<b>651.55</b>	<b>97,815.01</b>

As at March 31, 2023

Particulars	Outstanding from the due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	77,214.59	1,902.40	2,011.94	160.58	750.04	82,039.55
Undisputed trade receivables - credit impaired	52.97	256.85	215.43	117.17	1,875.54	2,517.96
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	366.04	366.04
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	678.95	678.95
	<b>77,267.56</b>	<b>2,159.25</b>	<b>2,227.37</b>	<b>277.75</b>	<b>3,670.57</b>	<b>85,602.50</b>
Allowance for expected credit losses	52.97	256.85	215.43	117.17	2,554.49	3,196.91
<b>Total</b>	<b>77,214.59</b>	<b>1,902.40</b>	<b>2,011.94</b>	<b>160.58</b>	<b>1,116.08</b>	<b>82,405.59</b>

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 60 Ageing Schedule of Trade Payables

As at March 31, 2024

Particulars	Outstanding from the due date of payment					Total
	Unbilled Payable	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro and small enterprises (MSME)	-	4,123.04	-	-	-	4,123.04
Others than Micro and small enterprises	4,272.78	17,711.00	239.22	124.74	234.10	22,581.84
Disputed Dues (MSME)	-	-	-	-	-	-
Disputed Dues (Others)	-	-	-	-	-	-
<b>Total</b>	<b>4,272.78</b>	<b>21,834.04</b>	<b>239.22</b>	<b>124.74</b>	<b>234.10</b>	<b>26,704.88</b>

As at March 31, 2023

Particulars	Outstanding from the due date of payment					Total
	Unbilled Payable	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro and small enterprises (MSME)	-	3,561.34	-	-	-	3,561.34
Others than Micro and small enterprises	2,971.59	20,506.03	205.63	242.23	7.86	23,933.34
Disputed Dues (MSME)	-	-	-	-	-	-
Disputed Dues (Others)	-	-	-	-	-	-
<b>Total</b>	<b>2,971.59</b>	<b>24,067.37</b>	<b>205.63</b>	<b>242.23</b>	<b>7.86</b>	<b>27,494.68</b>

## 61 Details of Promoter Shareholding

Name of promoter	As at March 31, 2024			As at March 31, 2023		
	Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
Dr. Lalit Kumar Khaitan	234,295	0.18%	-	234,295	0.18%	-
Lalit Kumar Khaitan HUF	41,850	0.03%	-	41,850	0.03%	-
Abhishek Khaitan	86,065	0.06%	-	86,065	0.06%	-
Deepshikha Khaitan	50,000	0.04%	-	50,000	0.04%	-
Sapphire Intrex Limited	45,379,098	33.94%	-	45,379,098	33.95%	-
Rampur International Limited	5,254,085	3.93%	-	5,254,085	3.93%	-
Classic Fintrex Private Ltd	2,576,100	1.93%	-	2,576,100	1.93%	-
Abhishek Fiscal Services Private Limited	99,050	0.07%	-	99,050	0.07%	-
Elkay Fiscal Services Private Limited	66,000	0.05%	-	66,000	0.05%	-
Smita Fiscal Private Limited	43,275	0.03%	-	43,275	0.03%	-
<b>Total</b>	<b>53,829,818</b>	<b>40.26%</b>		<b>53,829,818</b>	<b>40.27%</b>	

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 62 Title deeds of Immovable Property not held in name of the Company

Relevant line item in the balance sheet	Description of item of property	Gross carrying value (₹ in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Land in the state of Madhya Pradesh	21.44	Abhishek Cement Limited	No	2003-04	Held in the name of erstwhile transferor companies which were amalgamated with the Company through approved Court Schemes.
	Land in the state of Telangana	769.00	Anab-e-Shahi Wines and Distilleries Private Limited	No	2004-05	Held in the name of erstwhile transferor companies which were amalgamated with the Company through approved Court Schemes.

## 63 Intangible Assets under Development:

### a) For Intangible assets under development, following ageing schedule shall be given

Intangible assets under development	As at March 31, 2024				Total
	Amount				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	129.80	-	-	129.80

Intangible assets under development	As at March 31, 2023				Total
	Amount				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	129.80	-	-	-	129.80
Projects temporarily suspended	-	-	-	-	-

# There is no project during the year whose completion is overdue or has exceeded its cost compared to its original plan .

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 64 Other Statutory Information

- a. The Company has not undertaken any 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).
- b. The Company do not have any transactions with companies struck off.
- c. The Company does not hold any Investment property hence not applicable.
- d. In current year, no revaluation has been done for Property, plant and equipment and Intangible assets.
- e. The Company has not been declared a 'Willful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- f. The Company does not have any Benami property and no proceedings have been initiated or pending against the Company for holding any Benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.
- g. The Company has not traded or invested in Crypto currency or Virtual Currency during the current and previous financial year.
- h. The Company have not advanced or loaned or invested funds to any other persons or entities, including foreign entities (intermediaries) with the understanding that the intermediary shall:
  - (a) directly and 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 ultimate beneficiaries.
- i. 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:
  - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or ,
  - ii. provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- j. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- k. The Company has ensured compliance with Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on Number of Layers) Rules, 2017 ('Layering Rules') is not applicable.
- l. The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- m. The borrowings obtained by the Company from banks have been applied for the purposes for which such loans were was taken.
- n. The Company has been sanctioned a working capital limit in excess of ₹ 5 crore by banks based on the security of current assets during the year. The monthly/quarterly/half yearly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/statements are in agreement with the books of account of the Company for the respective periods.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 65 Financial Ratios

Ratio	Numerator	Denominator	March 31, 2024 Ratio	March 31, 2023 Ratio	% Change	Remarks
Current ratio	Current assets	Current liabilities	1.71	1.70	0.89%	NA
Debt-equity ratio	Total debt [non-current borrowings + current borrowings]	Shareholder's equity (total equity)	0.31	0.32	-4.24%	NA
Debt service coverage ratio	Earnings available for debt service*	Debt Service**	2.05	4.32	-52.50%	Due to increase of Debt obtained for the Sitapur capitalisation
Return on equity ratio	Net Profits after taxes – Preference dividend (if any)	Average shareholder's equity	0.11	0.10	14.33%	NA
Inventory turnover ratio	Cost of goods sold + Excise duty	Average Inventory	18.37	18.25	0.63%	NA
Trade receivables turnover ratio	Gross credit sales	Average accounts receivable	17.18	16.13	6.51%	NA
Trade payables turnover ratio	Net credit purchases	Average trade payables	9.12	7.60	19.95%	NA
Net capital turnover ratio	Gross sales	Working capital	17.88	16.54	8.06%	NA
Net profit ratio	Net profit	Net sales	0.06	0.07	-4.53%	NA
Return on capital employed	Earning before interest and taxes	Capital employed#	0.13	0.10	23.44%	NA
Return on investment	Earning before interest and taxes	Average Total Assets	0.10	0.09	10.01%	NA

\* Earnings available for debt service= (net profit after taxes + non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of fixed assets etc)

\*\* Debt Service= (Interest & lease payments + principal repayments)

# Capital employed= (Tangible net worth + total debt + deferred tax liability)

## 66 Audit Trail

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 only use such accounting software which has a feature of recording audit trail of each & every transactions, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The new requirement is applicable with effect from the financial year beginning on April 1, 2023.

The Company uses SAP as the primary accounting software. During the current financial year, the audit trail (edit log) feature for any direct changes made at the database level was not enabled for the accounting software used for maintenance of all the accounting records by the company. However, the audit trail (edit log) at the application level (entered from the frontend by users) for the accounting software were operating for all relevant transactions recorded in the software .

# Notes to the Standalone Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

**67** Figures of Previous year figures have been regrouped, wherever necessary. The impact of the same is not material to the user of the standalone financial statements .

As per our report of even date attached

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Regn. No. 001076N/N500013

**Ashish Gupta**  
Partner  
Membership No. 504662

Place: New Delhi  
Date: May 14, 2024

For and on behalf of Board of Directors

**Dilip K. Banthiya**  
Chief Financial Officer

**Dinesh Kumar Gupta**  
Sr. Vice President - Legal &  
Company Secretary

**Alok Agarwal**  
Sr. Vice President  
(Finance & Accounts)

Place: New Delhi  
Date: May 14, 2024

**Dr. Lalit Khaitan**  
Chairman & Managing Director  
DIN: 00238222

**Abhishek Khaitan**  
Managing Director  
DIN: 00772865

# Independent Auditor's Report

## To the Members of Radico Khaitan Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

1. We have audited the accompanying consolidated financial statements of Radico Khaitan Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its joint venture, as listed in Annexure 1, 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 a 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 and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and joint venture, 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 and its joint venture, as at 31 March 2024, and their consolidated profit (including other comprehensive income), consolidated cash flows
5. We have determined the matter(s) described below to be the key audit matters to be communicated in our report.

and the consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Group and its joint venture 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 together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matter section below 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 and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and joint venture, 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.

Key audit matter	How our audit addressed the key audit matter
<b>Revenue recognition and trade receivables</b>  Refer to note 1.06 to the accompanying consolidated financial statements for the Group's significant accounting policies relating to revenue recognition and note 27 for the details of revenue recognized during the year.	Our audit procedures related to revenue recognition included, but were not limited, to the following: <ul style="list-style-type: none"> <li>• Understood the nature of revenue transactions and evaluated the appropriateness of the accounting policy adopted by the management in accordance with Ind AS 115;</li> </ul>

**Key audit matter**

The Holding Company derives its revenue from sale of alcohol and other alcoholic products to a wide range of customers through a network of distributors and state government corporations. Owing to the multiplicity of the Holding Company's products, volume of sales transactions, size of distribution network, nature of customers and varied terms of contracts with different customers, revenue is determined to be an area involving significant risk in line with the requirements of the Standards on Auditing and hence required significant auditor attention.

Further Ind AS 115, "Revenue from Contracts with Customers" ('Ind AS 115'), requires management to make certain key judgements, such as, identification of performance obligations in contracts with customers, determination of transaction price for the contract including variable consideration in the form of rebates, discounts and pay-outs to distributors under various promotional schemes of the Holding Company, and assessment of satisfaction of the performance obligations under each contract representing the transfer of control of the products sold to the customers including state government corporations.

Evaluation is also required to be made in respect of principal versus agent relationship of the Company with its 'tie-up units' and 'royalty units' as explained in the significant accounting policy disclosures referred above.

Further, the Holding Company has significant balance of trade receivables amounting to ₹ 97,815.01 Lacs as at 31 March 2024 as disclosed under note 9 to the accompanying consolidated financial statements. These receivables include dues from state government corporations and private distributors. The Holding Company provides for expected credit loss on such trade receivables based on past experience which is adjusted to reflect current and estimated future economic conditions.

Due to the extent of industry knowledge and skills needed to design and execute audit procedures to address the risks of material misstatements in revenue recognition and related trade receivables, significance of the amounts and judgments involved in assessing appropriate revenue recognition, and existence and recoverability of trade receivables, these matters are considered key audit matters in the current year audit.

**How our audit addressed the key audit matter**

- Evaluated the design and tested the operating effectiveness of Holding Company's internal controls around revenue recognition including relating to determination of variable consideration and satisfaction of performance obligations;
- On a sample basis, tested revenue transactions recorded during the year, and transactions recorded before and after year end basis inspection of supporting documents such as customer contracts, purchase orders, price lists, proof of dispatch and delivery including regulatory documents used for movement of liquor as per applicable regulations, invoices, etc. For such samples tested, reviewed the terms of the contracts with customers to assess the appropriateness of Holding Company's identification of performance obligations, its determination of transaction price, including allocation thereof to performance obligations and identification of the point of revenue recognition, in order to ensure revenue is recorded with the correct amount and in the correct period;
- Tested the adequacy of accruals made for various rebates and discounts committed to the distributors of the company basis the promotion schemes active as at the year-end;
- Performed substantive analytical procedures including review of price, quantity and product mix variances and analysis of discounts; and
- Evaluated adequacy of the disclosures made in the accompanying financial statements in respect of revenue recognition in accordance with financial reporting framework.

Further, our audit procedures pertaining to related trade receivables included, but were not limited, to the following:

- Circularised requests for direct balance confirmations to a sample of customers for outstanding balances as at year-end and evaluated the responses received;
- Performed other alternate procedures which included testing of invoices, proof of supply and subsequent collection of invoices for the confirmations not received;
- Evaluated the appropriateness of the model used by the management in determination of expected credit losses, including inputs and assumptions such as classes of customers, past trends of recovery and default rates as adjusted for future expectations, basis our understanding of the business and relevant market conditions;

**Key audit matter**

**How our audit addressed the key audit matter**

**Additions to property, plant and equipment including capital work in progress**

Refer notes 1.09, 2 and 2A to the accompanying consolidated financial statements

The Holding Company has capitalized expenditure incurred in setting up a new manufacturing facility at Sitapur, UP amounting to ₹ 45,419.15 Lacs in the current year as further explained in note 2 and 2A to the accompanying Consolidated financial statements.

Determining whether expenditure incurred during the year is operational or capital in nature may require judgement and is essential in order to ensure that the recognition and measurement principles given under Ind AS 16, Property, Plant and Equipment ('Ind AS 16') are met.

Further, the aforementioned capital expenditure has been partly funded from the specific borrowing raised for such purpose. Accordingly, the borrowing costs incurred on such borrowings have been included as a capital expenditure in accordance with the provisions of Ind AS 23, Borrowing Costs ('Ind AS 23').

This has been determined as a key audit matter due to the significance of the capital expenditure during the year and the risk that the elements of costs (including borrowing costs) that are eligible for capitalization are appropriately capitalized in accordance with the recognition criteria provided under Ind AS 16 and Ind AS 23.

- Recomputed the ageing of trade receivables for a sample of invoices and tested mathematical accuracy of the workings prepared by the management;
- Evaluated the disclosures made in accompanying consolidated financial statements in respect of trade receivables in accordance with applicable financial reporting framework.

Our audit procedures with respect to additions to property, plant and equipment including capital work in progress included, but were not limited, to the following:

- Evaluated the design and implementation and tested the operating effectiveness of key controls surrounding the capitalization of costs;
- Reviewed management's capitalization policy, including application of the aforesaid policy, in accordance to assess consistency with the requirements set out by under Ind AS 16;
- Ensured that the borrowing cost capitalized is as per the principles of Ind AS 23;
- Tested the additions made to property, plant and equipment and capital work-in-progress on a sample basis for their nature and purpose to ensure that the capitalization is as per Company's accounting policy and is recorded in the correct period and in the correct class of assets;
- For projects completed during the year, reviewed the project completion/handover certificate provided by the management to determine whether the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the management; and
- Assessed the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable accounting standards.

**Information other than the Consolidated Financial Statements and Auditor's Report thereon**

6 The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information, such as Management Discussion and Analysis, Report on Corporate Governance, Directors' Report, etc. included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report 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 do 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 Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. 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 including its joint venture 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 and its joint venture are responsible for maintenance 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.
8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its joint venture are responsible for assessing the ability of the Group and its joint venture 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.
9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and its joint venture.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. 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.
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 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 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 ability of the Group and its joint venture 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 and its joint venture 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 information/ financial statements of the entities or business activities within the Group and its joint venture, 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. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
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.

#### Other Matter

15. We did not audit the financial statements of eight subsidiaries, whose financial statements reflects total assets of ₹ 7,339.09 Lacs as at 31 March 2024, total revenues of ₹ 20.31 Lacs and net cash inflows amounting to ₹13.64 Lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 639.77 Lacs for the year ended 31 March 2024, as considered in the consolidated financial statements, in respect of a joint venture, whose financial statements has not been audited by us. These financial statements has been audited by other auditors whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries and joint venture, are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

#### Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the joint venture, we report that the Holding Company and a joint ventures incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors 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 eight subsidiaries incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16)

of the Act is not applicable in respect of such subsidiaries companies.

17. 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 by us and by the respective other auditors as mentioned in paragraph 15 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.
  18. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, and joint venture incorporated in India whose financial statements have been audited under the Act, 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 aforesaid consolidated financial statements;
    - b) 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 and the reports of the other auditors, except for the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).;
    - c) 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;
    - d) 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;
    - e) On the basis of the written representations received from the directors of the Holding Company, its subsidiaries and joint venture and taken on record by the Board of Directors of the Holding Company, its subsidiaries and joint venture, respectively, and the reports of the statutory auditors of its subsidiaries and joint venture, covered under the Act, none of the directors of the Group companies, and joint venture company, are 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 with respect to the consolidated financial statements are as stated in paragraph 18(b) above on reporting under section 143(3)(b) of the Act and paragraph 18(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 Holding Company, and its subsidiaries and joint venture covered under the Act, 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 and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries and joint venture incorporated in India whose financial statements have been audited under the Act:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, and joint venture as detailed in note 37(b) to the consolidated financial statements;
    - ii. The Holding Company, its subsidiaries and joint venture 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiaries, and joint venture during the year ended 31 March 2024;
    - iv. a. The respective managements of the Holding Company and its subsidiaries, and joint venture incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, and joint ventures

- respectively that, to the best of their knowledge and belief as disclosed in note 60(h) to the 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 or its subsidiaries and joint venture 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 subsidiaries and joint venture ('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 subsidiaries and joint venture incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief as disclosed in the note 60(i) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries and joint venture 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 subsidiaries and joint venture 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 and that performed by the auditors of the subsidiaries and joint venture, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors
- to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. 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 and the interim dividend declared and paid by joint venture during the year ended 31 March 2024 and until the date of this audit report is in compliance with section 123 of the Act. 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. Based on our examination which included test checks and that performed by the respective auditors of eight subsidiaries and a joint venture of the Holding Company 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 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 software except that, audit trail feature was not enabled at database level for accounting software SAP to log any direct data changes, as described in note 62 to the consolidated financial statements. 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.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Ashish Gupta**  
Partner

Place: New Delhi  
Date: 14 May 2024

Membership No.: 504662  
UDIN: 24504662BKGECK1890

# Annexure 1

## List of entities included in the Statement

S. No.	Name of entity	Relation
1	Radico NV Distilleries Maharashtra Limited	Joint venture
2	Radico Spiritzs India Private Limited	Wholly owned Subsidiary
3	Accomreal Builders Private Limited	Step down subsidiary
4	Compaqt Era Builders Private Limited	Step down subsidiary
5	Destihomz Buildwell Private Limited	Step down subsidiary
6	Equibuild Realtors Private Limited	Step down subsidiary
7	Proprent Era Estates Private Limited	Step down subsidiary
8	Binayah Builders Private Limited	Step down subsidiary
9	Firstcode Reality Private Limited	Step down subsidiary

## Annexure II

### **Independent Auditor's Report on the internal financial controls with reference to 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 Radico Khaitan Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its joint venture 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, its subsidiary companies and its joint venture 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, its subsidiary companies and its joint venture 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 respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and its joint venture company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('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 on Audit of Internal Financial Controls Over Financial Reporting ('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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, 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, its subsidiary companies and its joint venture company as aforesaid.

#### **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 and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies and joint venture company, the Holding Company, its subsidiary companies and its joint venture 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 respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### Other Matter

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to eight subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹7,339.09 Lacs and net assets of ₹15.91 Lacs as at 31 March 2024, total revenues of ₹20.31 Lacs and net cash inflows amounting to ₹13.64 Lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹639.77 Lacs for the year ended 31 March 2024, in respect of a joint venture company, which are companies covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies and joint venture company have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary companies and its joint venture company, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies and joint venture company is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Ashish Gupta**

Partner

Place: New Delhi

Date: 14 May 2024

Membership No.: 504662

UDIN: 24504662BKGCECK1890

# Consolidated Balance Sheet

as at March 31, 2024

(₹ in Lakhs unless otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	169,352.87	122,622.05
Capital work-in-progress	2A	5,273.01	32,558.98
Intangible assets	3	686.44	795.40
Intangible assets under development	3A	129.80	129.80
Investment accounted for using equity method	4	19,775.81	19,136.04
Financial assets			
Other financial assets	5	3,751.81	3,252.08
Non current tax assets (net)	6	885.15	867.57
Other non-current assets	7	1,741.53	5,315.73
<b>Total non-current assets</b>		<b>201,596.42</b>	<b>184,677.65</b>
<b>Current assets</b>			
Inventories	8	77,968.57	71,541.81
Financial assets			
Trade receivables	9	97,815.01	82,405.59
Cash and cash equivalents	10	8,624.77	12,207.19
Bank balances other than those included in Cash & Cash equivalents	11	1,437.10	921.87
Loans	12	1,476.34	2,226.34
Other financial assets	13	3,530.73	4,627.66
Other current assets	14	17,049.40	13,300.64
<b>Total current assets</b>		<b>207,901.92</b>	<b>187,231.10</b>
<b>Total assets</b>		<b>409,498.34</b>	<b>371,908.75</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	15	2,674.31	2,673.48
Other equity	16	241,287.52	218,116.05
		<b>243,961.83</b>	<b>220,789.53</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	17	28,999.99	28,685.72
Lease liabilities	18	6,122.73	4,518.00
Other financial liabilities	19	18.29	22.33
Deferred tax liabilities (net)	20	9,193.58	7,774.65
<b>Total non-current liabilities</b>		<b>44,334.59</b>	<b>41,000.70</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	21	44,709.06	40,990.12
Lease liabilities	22	2,003.64	1,169.78
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	23	4,123.04	3,561.34
Total outstanding dues of creditors other than micro enterprises and small enterprises	23	22,581.84	23,927.75
Other financial liabilities	24	33,055.10	22,032.39
Other current liabilities	25	12,708.78	16,375.22
Provisions	26	2,018.37	2,061.50
Current Tax Liabilities (Net)	26A	2.09	0.42
<b>Total current liabilities</b>		<b>121,201.92</b>	<b>110,118.52</b>
<b>Total equity and liabilities</b>		<b>409,498.34</b>	<b>371,908.75</b>
Summary of material accounting policies	1		

The summary of material accounting policies and other explanatory information are an integral part of the Consolidated financial statements.

As per our report of even date attached

For and on behalf of Board of Directors

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Regn. No. 001076N/N500013

**Dilip K. Banthiya**  
Chief Financial Officer

**Dr. Lalit Khaitan**  
Chairman & Managing Director  
DIN: 00238222

**Ashish Gupta**  
Partner  
Membership No. 504662

**Dinesh Kumar Gupta**  
Sr. Vice President - Legal &  
Company Secretary

**Abhishek Khaitan**  
Managing Director  
DIN: 00772865

**Alok Agarwal**  
Sr. Vice President  
(Finance & Accounts)

Place: New Delhi  
Date: May 14, 2024

Place: New Delhi  
Date: May 14, 2024

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>INCOME</b>			
Revenue from operations	27	1,548,388.17	1,274,391.08
Other income	28	886.77	940.86
<b>Total income</b>		<b>1,549,274.94</b>	<b>1,275,331.94</b>
<b>EXPENSES</b>			
Cost of materials consumed	29	242,133.55	191,759.72
Purchase of stock-in-trade	30	(67.27)	659.01
Change in inventories of finished goods, stock-in-trade and work-in-progress	31	(5,417.63)	(9,626.61)
Excise duty		1,136,535.97	960,109.50
Employee benefits expense	32	19,578.74	16,892.07
Finance costs	33	5,914.79	2,211.64
Depreciation and amortization expense	34	11,376.54	7,090.02
Other expenses	35	105,018.75	78,762.89
<b>Total expenses</b>		<b>1,515,073.44</b>	<b>1,247,858.24</b>
<b>Profit before share of profit/(loss) of a joint venture, before tax</b>		<b>34,201.50</b>	<b>27,473.70</b>
Share in profit/(loss) of Joint Venture		644.78	1,597.97
<b>Profit before tax</b>		<b>34,846.28</b>	<b>29,071.67</b>
<b>Tax expense</b>	42		
Current tax		7,241.07	6,889.48
Current tax relating to earlier year		-	-
Deferred tax charged/(credit)		1,387.75	147.06
<b>Profit for the year</b>		<b>26,217.46</b>	<b>22,035.13</b>
<b>Other comprehensive income / (loss)</b>	36		
(i) Items that will not be reclassified to profit or loss			
(a) Re-measurement of defined benefit plan		123.89	(249.50)
(b) Share in other comprehensive income / (expenses) of joint venture		(5.01)	(9.78)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(31.18)	62.79
<b>Total Other comprehensive income / (loss)</b>		<b>87.70</b>	<b>(196.49)</b>
<b>Total comprehensive income for the year</b>		<b>26,305.16</b>	<b>21,838.64</b>
<b>Earnings per equity share of face value of ₹ 2 each</b>	41		
Basic (in ₹)		19.61	16.48
Diluted (in ₹)		19.61	16.48
Summary of material accounting policies	1		

The summary of material accounting policies and other explanatory information are an integral part of the Consolidated financial statements.

As per our report of even date attached

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Regn. No. 001076N/N500013

**Ashish Gupta**  
Partner  
Membership No. 504662

Place: New Delhi  
Date: May 14, 2024

For and on behalf of Board of Directors

**Dilip K. Banthiya**  
Chief Financial Officer

**Dinesh Kumar Gupta**  
Sr. Vice President - Legal &  
Company Secretary

**Alok Agarwal**  
Sr. Vice President  
(Finance & Accounts)

Place: New Delhi  
Date: May 14, 2024

**Dr. Lalit Khaitan**  
Chairman & Managing Director  
DIN: 00238222

**Abhishek Khaitan**  
Managing Director  
DIN: 00772865

# Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## A. Equity share capital

(₹ in Lakhs)

Particulars	Note	Amount
<b>Balance as at April 1, 2022</b>		<b>2,673.48</b>
Changes in equity share capital	15	-
<b>Balance as at March 31, 2023</b>		<b>2,673.48</b>
Changes in equity share capital	15	0.83
<b>Balance as at March 31, 2024</b>		<b>2,674.31</b>

## B. Other equity

Particulars	Reserves and surplus				Total
	Securities premium	General reserves	Share option outstanding account	Retained earnings	
<b>Balance as at April 1, 2022</b>	38,257.36	40,000.00	133.95	121,620.89	200,012.20
Profit for the year	-	-	-	22,035.13	22,035.13
Other comprehensive income	-	-	-	(196.52)	(196.52)
<b>Total comprehensive income for the year</b>	-	-	-	<b>21,838.61</b>	<b>21,838.61</b>
Recognition of share based payment expenses	-	-	275.45	-	275.45
<b>Transactions with owners in their capacity as owners:</b>					
Dividends (refer note 40)	-	-	-	(4,010.21)	(4,010.21)
<b>Balance as at March 31, 2023</b>	<b>38,257.36</b>	<b>40,000.00</b>	<b>409.40</b>	<b>139,449.29</b>	<b>218,116.05</b>
Profit for the year	-	-	-	26,217.46	26,217.46
Other comprehensive income	-	-	-	87.70	87.70
<b>Total comprehensive income for the year</b>	-	-	-	<b>26,305.16</b>	<b>26,305.16</b>
Transfer from share option outstanding account on exercise of options	249.64	-	(249.64)	-	-
Issue of equity shares	364.38	-	-	-	364.38
Recognition of share based payment expenses	-	-	513.11	-	513.11
<b>Transactions with owners in their capacity as owners:</b>					
Dividends (refer note 40)	-	-	-	(4,011.17)	(4,011.17)
<b>Balance as at March 31, 2024</b>	<b>38,871.38</b>	<b>40,000.00</b>	<b>672.87</b>	<b>161,743.28</b>	<b>241,287.52</b>

Summary of material accounting policies 1

The summary of material accounting policies and other explanatory information are an integral part of the Consolidated financial statements.

As per our report of even date attached

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Regn. No. 001076N/N500013

**Ashish Gupta**  
Partner  
Membership No. 504662

Place: New Delhi  
Date: May 14, 2024

For and on behalf of Board of Directors

**Dilip K. Banthiya**  
Chief Financial Officer

**Dinesh Kumar Gupta**  
Sr. Vice President - Legal &  
Company Secretary

**Alok Agarwal**  
Sr. Vice President  
(Finance & Accounts)

Place: New Delhi  
Date: May 14, 2024

**Dr. Lalit Khaitan**  
Chairman & Managing Director  
DIN: 00238222

**Abhishek Khaitan**  
Managing Director  
DIN: 00772865

# Consolidated Statement of Cash Flows

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
<b>Profit for the year before tax</b>	<b>34,846.28</b>	<b>29,071.67</b>
<b>Adjustments for</b>		
Depreciation and amortization expense	11,376.54	7,090.02
Profit on sale of property, plant and equipment	-	(32.85)
Profit on sale of current investment	(14.42)	(125.38)
Loss on sale / write off assets	56.41	0.60
Finance costs	5,914.79	2,211.64
Interest income	(335.29)	(319.52)
Liabilities no longer required written back	(23.19)	(96.13)
Share in Profit from JV	(644.78)	(1,597.97)
Provision for expected credit loss and bad debt	800.26	406.72
Provision for non-moving/ obsolete Inventory	82.49	287.18
Employees stock option scheme	513.11	275.45
Dividend income on investments	(359.99)	-
<b>Cash flows from operating activities before working capital changes</b>	<b>52,212.21</b>	<b>37,171.43</b>
<b>Change in working capital</b>		
Inventories	(6,509.24)	(18,143.70)
Trade receivables	(16,209.68)	(7,236.42)
Financial assets including loan	1,857.23	2,497.39
Other assets	(3,793.77)	1,967.79
Financial liabilities	2,341.06	5,737.37
Provisions	84.55	135.01
Trade payables	(766.62)	4,045.28
Other liabilities	(3,669.95)	4,881.97
<b>Cash flow from operating activities before taxes</b>	<b>25,545.79</b>	<b>31,056.12</b>
Net Income tax paid (net of refund)	(7,259.08)	(7,191.56)
<b>Net cash flow from operating activities (A)</b>	<b>18,286.71</b>	<b>23,864.56</b>
<b>B. Cash flow from investing activities</b>		
Acquisition of property, plant & equipment, capital work in progress, intangible assets and intangible under development	(25,218.43)	(73,367.49)
Proceeds from sale of property, plant & equipment	1,311.51	2,912.90
Proceeds from sale of current investment	14.42	125.38
Interest received	447.02	256.87
Dividend received	359.99	-
Movement in other bank balances (net)	(1,153.98)	(452.09)
<b>Net cash used in investing activities (B)</b>	<b>(24,239.47)</b>	<b>(70,524.43)</b>

# Consolidated statement of Cash Flows

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares (including securities premium)	365.21	-
Interest portion of lease payment	(432.67)	(161.08)
Principal lease payments	(1,505.65)	(655.10)
Repayment of long term borrowings (including current maturities of long term borrowing)	(4,930.76)	(12.50)
Proceeds from long term borrowings	14,600.00	32,959.74
Proceeds from short term borrowings (net)	3,718.94	22,501.89
Dividend paid	(4,011.23)	(4,010.21)
Interest paid	(5,433.50)	(1,879.81)
<b>Net cash flow from financing activities (C)</b>	<b>2,370.34</b>	<b>48,742.93</b>
<b>Cash and cash equivalents (A+B+C)</b>	<b>(3,582.42)</b>	<b>2,083.06</b>
Cash and cash equivalents at the beginning of the year	12,207.19	10,124.13
<b>Cash and cash equivalents at the end of the year</b>	<b>8,624.77</b>	<b>12,207.19</b>
<b>Reconciliation of cash and cash equivalents</b>		
Cash in hand	77.90	64.48
Balances with banks		
In current account	8,546.87	12,142.71
	<b>8,624.77</b>	<b>12,207.19</b>

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.

Changes in liabilities arising from financing activities, refer note 54

Summary of material accounting policies 1

The summary of material accounting policies and other explanatory information are an integral part of the Consolidated financial statements.

As per our report of even date attached

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Regn. No. 001076N/N500013

**Ashish Gupta**  
Partner  
Membership No. 504662

Place: New Delhi  
Date: May 14, 2024

For and on behalf of Board of Directors

**Dilip K. Banthiya**  
Chief Financial Officer

**Dinesh Kumar Gupta**  
Sr. Vice President - Legal &  
Company Secretary

**Alok Agarwal**  
Sr. Vice President  
(Finance & Accounts)

Place: New Delhi  
Date: May 14, 2024

**Dr. Lalit Khaitan**  
Chairman & Managing Director  
DIN: 00238222

**Abhishek Khaitan**  
Managing Director  
DIN: 00772865

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## Background

Radico Khaitan Limited (the Company or the Holding Company or the Group) is a public company limited by shares, incorporated and domiciled in India, having its equity shares listed at the National Stock Exchange and the Bombay Stock Exchange. The registered office of the Company is at Bareilly Road, Rampur, Uttar Pradesh. The Group is engaged in the manufacturing and trading of Alcoholic products such as Indian Made Foreign Liquor (IMFL) and Country Liquor. The Group has its presence in India as well as various other global markets.

These consolidated financial statements are approved for issue by the Company's Board of Directors on May 14, 2024.

## Material Accounting Policies

### 1.01 Basis of preparation

#### Compliance with Ind AS

These consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provisions of the Act and the presentation and disclosures requirement of Division II of Schedule III to the Act (Ind AS compliant Schedule III), as applicable and the guidelines issued by the Securities and Exchange Board of India .

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Defined benefit plans
- Share based payments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

#### Going concern

These consolidated financial statements are prepared on a going concern basis.

### 1.02 Principles of consolidation and equity accounting

#### Subsidiaries

Subsidiaries are all entities over which the Holding company has control. The Holding company

controls an group when the Group is exposed to, or has rights to, variable returns from its involvement with the group and has the ability to affect those returns through its power to direct the relevant activities of the group. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group except for common control transactions. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet, respectively.

#### Joint ventures

Interest in joint venture are accounted for using the equity method, after initially being recognised at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated statement of profit and loss includes the Group's share of the results of the operations of the investee. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment. Unrealised gains on transactions between the Group and joint ventures are eliminated to the extent of the Group's interest in these entities. When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the group, including any other unsecured longterm receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other group.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 1.03 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set-out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

## 1.04 Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each reporting 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 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 financial statements are categorised 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 (unadjusted) market prices in active markets for identical assets or liabilities,
- Level 2-Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable,
- Level 3-Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the 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.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## 1.05 Foreign currency transactions

The financial statements are presented in Indian Rupee (INR), which is company's functional and presentation currency.

Transactions in foreign currencies are accounted for at the exchange rate prevailing on the day of transaction. Exchange differences arising on settlement of such transaction or translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of profit and loss.

## 1.06 Revenue recognition and other income

The Group's revenue is derived from single performance obligation under arrangements in which the transfer of control of product and the fulfillment of companies performance obligation occur at the same time.

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. Revenue is measured on the basis of transaction price in accordance with Ind AS 115, after deducting of returns and allowances,

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

trade discounts and volume rebates, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government with an exception to excise duty. The Group has concluded that it is the principal in all of its revenue arrangements with tie up units since the group is the primary obligor in all the revenue arrangements, has pricing latitude and is also exposed to inventory and credit risks. In arrangements with tie up units, revenue is recognised at gross value with corresponding cost being recognised under cost of production. Current and deferred tax is recognised in Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

However, in case of revenue arrangements with royalty units, the Group has concluded that it is acting as an agent in all such revenue arrangements since the company is not the primary obligor in all such revenue arrangements, has no pricing latitude and is not exposed to inventory and credit risks. Group earns fixed royalty for sales made of its products which is recognised as revenue.

The Group has assumed that recovery of excise duty flows to the Group on its own and liability for excise duty forms part of the cost of production, irrespective of whether the goods are sold or not. Revenue therefore includes excise duty.

## Interest income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the Statement of Profit and Loss .

## Royalty income

Royalties are recognised on an accrual basis in accordance with the substance of the relevant agreement.

## Export incentives

Income from export incentives such as duty drawback are recognised on accrual basis. If the entitlements can be estimated with reasonable assurance and conditions precedent to claim are fulfilled.

## Dividend income

Dividend is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend.

## 1.07 Excise duty

In respect of stocks covered by Central Excise, excise duty is provided on closing stocks and also considered for valuation. In respect of country liquor and IMFL stocks, applicable State excise duty/ export duty is provided on the basis of state-wise dispatches identified. In the case of Rectified Spirit/ ENA, it is not ascertainable as to how much would be converted finally into country liquor or IMFL or sold as such and also to which particular state or exported outside India. Duty payable in such cases is not determinable (as it varies depending on the places and the form in which these are dispatched). Hence, the excise duty on such stocks lying in factory is accounted for on clearances of such goods. The method of accounting followed by the company has no impact on the financial statements of the year.

## 1.08 Taxes

### Current income tax

Income tax expense is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. It establishes provisions where

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

appropriate on the basis of amounts expected to be paid to the tax authorities. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. Current and deferred tax is recognised in Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

**Deferred tax liabilities** are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting nor taxable profit or loss.

In respect of taxable temporary differences associated with interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

**Deferred tax assets** are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from

the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax on Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is reasonable certainty that the Group will pay normal income-tax during the specified period. The Group reviews the same at each balance sheet date and writes down the carrying amount of deferred tax relating to MAT credit entitlement to the extent there is no longer reasonable certainty that the Group will pay normal income-tax during the specified period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable Group and the same taxation authority.

## 1.09 Property, plant and equipment

Property, plant and equipment have been measured at fair value at the date of transition to Ind AS. The Group recognised the fair value as deemed cost at the transition date, viz., April 01, 2015.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

Assets are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Capital work in progress is stated at cost, less accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred. (Refer to note 1.20 regarding significant accounting judgements, estimates and assumptions).

## Depreciation

Cost of leasehold land and leasehold improvements are amortised over the period of lease.

On additions costing less than ₹5000, depreciation is provided at 100% in the year of addition.

The determination of the useful economic life and residual values of property, plant and equipment is subject to management estimation. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

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

Assets Category	Useful life in Years
Buildings	3 to 90 years
<b>Plant &amp; Machinery</b>	
Plant & Machinery	1 to 25 years
Computers	3 year to 10 year
Office Equipments	1 to 10 years
Software	3 to 5 years
Furniture & Fixtures	1 to 10 years
Vehicles	5 to 10 years

Useful lives of asset classes determined by management estimate, which are different than those prescribed under Schedule II of the Act are supported by internal technical assessment of the useful lives. Estimated useful lives based on technical evaluation considers the impact of additional depreciation for working extra shifts.

## Disposals

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

## 1.10 Intangible assets

On transition to Ind AS, the Group has elected to continue with the carrying value of all of intangible assets (except goodwill which was impaired) and use that carrying value as the deemed cost of intangible assets.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

## Intangible assets under development

Asset development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the group has an intention and ability to complete and use the asset and the costs can be measured reliably.

## Amortization

Based on the anticipated future economic benefits, the life of Brands & Trade Marks are amortised over twenty years on straight line method.

Software are amortised over a period of three years on straight line method.

## 1.11 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 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.

## Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

## 1.12 Inventories

Finished goods, stock in trade and work-in-progress are valued at lower of cost or net realisable value. Cost includes cost of conversion and other expenses incurred in bringing the goods to their location and condition. Raw materials, packing materials, stores and spares are valued at lower of cost or net realisable value. Cost is ascertained on "moving weighted average" basis for all inventories.

In case of manufactured finished goods and work-in-progress, fixed production overheads are allocated on the basis of normal capacity of production facilities. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis. Adequate allowance is made for obsolete and slow moving items.

Maturing inventories and raw materials which are retained for more than one year are classified as current assets, as they are expected to be realised in the normal operating cycle."

Physical verification of all major Inventory items is carried out at least once a year. The variance if any identified are appropriately adjusted. This is in accordance with Ind AS 23, as they are manufactured of large quantity on the repetitive basis.

## 1.13 Leases

### Group as a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost,

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing as a starting point, adjusted to reflect changes in financing conditions since third party financing was received; and
- makes adjustments specific to the lease, e.g. term and security.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and

- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

## Short-term leases

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

## 1.14 Impairment of non-financial assets

At each reporting date, the company reviews the carrying amount of its assets to determine whether there are any indication that those assets have suffered an impairment loss. If any such indication exists, recoverable amount of the assets is estimated in order to determine the extent of impairment loss.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU)

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group's of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

## 1.15 Provisions, Contingent Liabilities and Contingent Assets

### Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. A provision is made in respect of onerous contracts, i.e., contracts in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contracts. Provisions are not recognised for other future operating losses. The carrying amounts of provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. A disclosure for contingent liabilities is

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

### Contingent liability and contingent assets

Contingent liabilities are not recognized but are disclosed where possibility of any outflow in settlement is remote. Contingent assets are not recognised but disclosed where an inflow of economic benefits is probable.

## 1.16 Employee benefits

### Short-term obligations

Liabilities for salaries and wages, including non-monetary benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized up to the end of the reporting period and are measured at the amounts expected to be paid on settlement of such liabilities. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

### Other long-term employee benefit obligations

The liabilities for earned and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

### Post-employment obligations

The Group operates the following post-employment schemes:

### Gratuity obligations

The Group operates a defined benefit gratuity plan for employees. The Group has obtained group gratuity scheme policies from Life Insurance

# Notes to the Consolidated Financial Statements

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(₹ in Lakhs unless otherwise stated)

Corporation of India to cover the gratuity liability of these employees. The difference in the present value of the defined benefit obligation and the fair value of plan assets at the end of the reporting period is recognized as a liability or asset, as the case may be, in the Balance Sheet. The defined benefit obligation is calculated annually on the basis of actuarial valuation using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cashoutflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

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

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in OCI.

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

## Provident Fund Obligation

The Company makes contribution to the recognised provident fund - "The Rampur Distillery & Chemical Company Limited Employee Provident Fund Trust", which is a defined benefit plan to the extent that the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company's obligation in this regard is determined by an independent actuary and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.

Company's contribution to the provident fund is charged to Statement of Profit and Loss

## 1.17 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one Group and a financial liability or equity instrument of another Group.

## Initial recognition and measurement

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities recognised at FVTPL are recognized immediately in Statement of Profit and Loss.

## A. Financial assets

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

### Subsequent measurement

Financial assets are subsequently classified as measured at:

- amortised cost
- fair value through other comprehensive income (FVTOCI)
- fair value through profit or loss (FVTPL)

### Trade receivables and loans:

Trade receivables that do not contain a significant financing component are measured at transaction price in accordance with Ind AS 115 and Loans are initially recognised at fair value. Subsequently these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses (ECL). The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

### Financial assets measured at amortised cost:

A financial asset is measured at amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b). Contractual terms of the instruments give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

# Notes to the Consolidated Financial Statements

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(₹ in Lakhs unless otherwise stated)

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the debt instrument or where appropriate, a shorter period, to the net carrying amount on initial recognition.

The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables, loans, etc.

## Measured at fair value through other comprehensive income:

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

## Measured at fair value through Profit or Loss:

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

## Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as FVTPL. For all other equity instruments, the company may make 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. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

## Investment in subsidiary

Investments in subsidiaries and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

## Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or the same are transferred.

## Impairment of financial assets

Expected credit losses (ECL) are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category, as per policy approved by the Board of Directors. For financial assets, as per Ind AS 109, the Company recognises 12 months expected credit losses for all originated or acquired financial assets if at the reporting date. The credit risk of the financial asset has not increased significantly since its initial recognition. Expected credit losses are measured as lifetime expected credit losses for trade receivable and for other financial asset if the credit risk on financial asset increases significantly since its initial recognition.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

## B. Financial liabilities

Financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## Subsequent measurement

- Financial liabilities are subsequently measured at amortised cost using the EIR method.
- Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

## Trade and other payables

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

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per credit period. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

## Derecognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

## Reclassification of financial assets

No reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses).

## C. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated 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, includes balances written off against provisions.

### 1.18 Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

### 1.19 Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise balance at banks and cash on hand and short-term deposits with an original maturity of three months or less, highly liquid investments that are readily convertible which are subject to an insignificant risk of changes in value.

### 1.20 Significant accounting judgements, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, contingent liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates .

#### Judgements

In the process of applying the accounting policies, management has made the following judgements, which have most significant effect on the amounts recognised in the separate financial statements:

#### a) Arrangement containing lease

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on

# Notes to the Consolidated Financial Statements

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a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Radico's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no changes are required to lease period relating to the existing lease contracts.

## b) Revenue recognition

The Group assesses its revenue arrangements against specific criteria, i.e. whether it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services, in order to determine if it is acting as a principal or as an agent. The Group has generally concluded that it is acting as a principal in all its revenue arrangements.

When deciding the most appropriate basis for presenting revenue or costs of revenue, both the legal form and substance of the agreement between the Group and its business partners are reviewed to determine each party's respective role in the transaction.

Where the Group's role in a transaction is that of a principal, revenue is recognised on a gross basis. This requires revenue to comprise the gross value of the transaction billed to the customer, net off sales tax/VAT/GST, trade discounts and rebates but inclusive of excise duty with any related expenditure charged as an operating cost.

## Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation and 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 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. Management has made the estimates and assumptions considering the short to medium term impact, to the best of understanding. Such changes are reflected in the assumptions when they occur.

## a) Impairment reviews

At each reporting date, the Group reviews the carrying amount of its non-financial assets to determine whether there are any indication that those assets have suffered an impairment loss. If any such indication exists, recoverable amount of the assets is estimated in order to determine the extent of impairment loss.

Impairment reviews in respect of the relevant CGUs are performed at least annually or more regularly if events indicate that this is necessary.

Impairment reviews are based on discounted future cash flows. The future cash flows which are based on business forecasts, the long-term growth rates and the pre-tax discount rates, that reflects the current market assessment of the time value of money and the risk specific to the asset or CGU, used are dependent on management estimates and judgements. Future events could cause the assumptions used in these impairment reviews to change.

## b) Allowance for uncollectible account receivables and advances

Trade receivables and certain financial assets do not carry any interest unlike other interest bearing financials assets viz intercorporate deposits. Such financial assets are stated at their carrying value as reduced by impairment losses determined in accordance with expected credit loss. Allowance as per expected credit loss model is based on simplified approach which is based on historically observed default rates and changed as per forward-looking estimates. In case of trade receivables

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables which is also based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. The actual loss could differ from the estimate made by the management .

## c) Taxes

The Group is subject to income tax laws as applicable in India. Significant judgement is required in determining the provision for taxes as the tax treatment is often by its nature complex, and cannot be finally determined until a formal resolution has been reached with the relevant tax authority which may take several years to conclude. Amounts provided are accrued based on management's interpretation of country specific tax laws and the likelihood of settlement. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Actual liabilities could differ from the amount provided which could have a consequent adverse impact on the results and net position of the Group.

## d) Pension and post-retirement benefits

The cost of defined benefit plans viz. gratuity, provident fund, leave encashment, etc. are determined using actuarial assumptions. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent

with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about defined benefit plans are given in note no. 50.

## e) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

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

## 1.22 Recent accounting pronouncement

### Standard notified but not yet effective

The Ministry of Corporate Affairs ("MCA") has not notified any new standard or amendment to the existing standard under the Companies (Indian Accounting Standard) Rules 2023.

# Notes to the Consolidated Financial Statements

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(₹ in Lakhs unless otherwise stated)

## 2. Property, Plant and Equipment

Particulars	Owned assets						Right-of-use assets#				Total	
	Freehold land	Buildings	Plant & equipments	Furniture & fixtures	Vehicles	Leasehold improvements	Office equipments	Leasehold land	Building	Plant & Machinery		Land
<b>Gross carrying amount</b>												
<b>As at April 01, 2022</b>	11,512.26	12,293.22	69,967.23	1,869.02	1,426.29	2,276.42	410.96	7,113.77	2,410.55	242.58	-	109,522.30
Additions	2,224.32	7,512.99	34,903.32	454.57	494.01	298.49	155.94	-	242.78	4,964.62	-	51,251.04
Disposals	-	-	6,763.81	-	121.73	-	8.19	-	57.83	-	-	6,951.56
<b>As at March 31, 2023</b>	<b>13,736.58</b>	<b>19,806.21</b>	<b>98,106.74</b>	<b>2,323.59</b>	<b>1,798.57</b>	<b>2,574.91</b>	<b>558.71</b>	<b>7,113.77</b>	<b>2,595.50</b>	<b>5,207.20</b>	<b>-</b>	<b>153,821.78</b>
Additions	3,922.03	5,655.88	44,969.97	192.53	324.35	151.04	110.27	-	527.35	3,426.63	-	59,280.05
Disposals	35.83	-	1,805.27	93.78	141.35	-	69.38	-	-	-	-	2,145.61
<b>As at March 31, 2024</b>	<b>17,622.78</b>	<b>25,462.09</b>	<b>141,271.44</b>	<b>2,422.34</b>	<b>1,981.57</b>	<b>2,725.95</b>	<b>599.60</b>	<b>7,113.77</b>	<b>3,122.85</b>	<b>8,633.83</b>	<b>-</b>	<b>210,956.22</b>
<b>Accumulated depreciation</b>												
<b>As at April 01, 2022</b>	-	2,660.88	22,101.76	456.29	520.30	594.00	181.00	322.98	1,322.57	242.57	-	28,402.35
Charge for the year	-	536.57	4,639.62	338.22	208.70	459.97	87.02	49.13	414.86	103.48	-	6,837.57
Disposals	-	-	3,886.03	-	121.73	-	5.93	-	26.50	-	-	4,040.19
<b>As at March 31, 2023</b>	<b>-</b>	<b>3,197.45</b>	<b>22,855.35</b>	<b>794.51</b>	<b>607.27</b>	<b>1,053.97</b>	<b>262.09</b>	<b>372.11</b>	<b>1,710.93</b>	<b>346.05</b>	<b>-</b>	<b>31,199.73</b>
Charge for the year	-	807.79	8,183.72	385.99	241.40	483.76	102.51	169.07	423.03	384.05	-	11,181.32
Disposals	-	-	562.66	90.64	57.57	-	66.83	-	-	-	-	777.70
<b>As at March 31, 2024</b>	<b>-</b>	<b>4,005.24</b>	<b>30,476.41</b>	<b>1,089.86</b>	<b>791.10</b>	<b>1,537.73</b>	<b>297.77</b>	<b>541.18</b>	<b>2,133.96</b>	<b>730.10</b>	<b>-</b>	<b>41,603.35</b>
<b>Net carrying amount</b>												
<b>As at March 31, 2023</b>	<b>13,736.58</b>	<b>16,608.76</b>	<b>75,251.39</b>	<b>1,529.08</b>	<b>1,191.30</b>	<b>1,520.94</b>	<b>296.62</b>	<b>6,741.66</b>	<b>884.57</b>	<b>4,861.15</b>	<b>-</b>	<b>122,622.05</b>
<b>As at March 31, 2024</b>	<b>17,622.78</b>	<b>21,456.85</b>	<b>110,795.03</b>	<b>1,332.48</b>	<b>1,190.47</b>	<b>1,188.22</b>	<b>301.83</b>	<b>6,572.59</b>	<b>988.89</b>	<b>7,903.73</b>	<b>-</b>	<b>169,352.88</b>

# Refer note 38 for disclosure pertaining to leases.

Refer note 37(a) for disclosures of contractual commitments for the acquisition of property, plant and equipment.

Refer note 17 and note 21 for information on property, plant and equipment pledged as security by the Company.

## 2A. Capital Work-in-Progress

Particulars	Total
<b>Gross carrying amount</b>	
<b>As at April 01, 2022</b>	<b>2,898.48</b>
Additions	72,493.96
Transferred to property, plant & equipment	41,830.46
Disposals	1,003.00
<b>As at March 31, 2023</b>	<b>32,558.98</b>
Additions	25,038.38
Transferred to property, plant & equipment	48,749.60
Disposals	3,574.75
<b>As at March 31, 2024</b>	<b>5,273.01</b>

# Refer note 55 for ageing schedule.

## 3. Intangible Assets

Particulars	Brands & trade marks	Software	Total
<b>Gross carrying amount</b>			
<b>As at April 01, 2022</b>	<b>2,552.26</b>	<b>411.05</b>	<b>2,963.31</b>
Additions	-	107.95	107.95
Disposals	-	11.80	11.80
<b>As at March 31, 2023</b>	<b>2,552.26</b>	<b>507.20</b>	<b>3,059.46</b>
Additions	-	86.28	86.28
Disposals	-	-	-
<b>As at March 31, 2024</b>	<b>2,552.26</b>	<b>593.48</b>	<b>3,145.74</b>

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for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

Particulars	Brands & trade marks	Software	Total
<b>Accumulated amortization</b>			
<b>As at April 01, 2022</b>	<b>1,651.51</b>	<b>371.89</b>	<b>2,023.40</b>
Charge for the year	215.49	36.96	252.45
Disposals	-	11.79	11.79
<b>As at March 31, 2023</b>	<b>1,867.00</b>	<b>397.06</b>	<b>2,264.06</b>
Charge for the year	141.15	54.09	195.24
Disposals	-	-	-
<b>As at March 31, 2024</b>	<b>2,008.15</b>	<b>451.15</b>	<b>2,459.30</b>
<b>Net carrying amount</b>			
<b>As at March 31, 2023</b>	<b>685.26</b>	<b>110.14</b>	<b>795.40</b>
<b>As at March 31, 2024</b>	<b>544.11</b>	<b>142.33</b>	<b>686.44</b>

### 3A. Intangible Assets under Development

Particulars	Total
<b>Gross carrying amount</b>	
<b>As at April 01, 2022</b>	<b>129.80</b>
Additions	-
Transferred to property, plant & equipment	-
Disposals	-
<b>As at March 31, 2023</b>	<b>129.80</b>
Additions	-
Transferred to property, plant & equipment	-
Disposals	-
<b>As at March 31, 2024</b>	<b>129.80</b>

# Refer note 59 for ageing schedule.

### 4 Investment Accounted for using Equity method

Particulars	As at March 31, 2024	As at March 31, 2023
<b>i. Investments in Joint Venture (Unquoted)</b>		
<b>a. Equity Shares - carried at cost</b>		
Radico NV Distilleries Maharashtra Limited - 13,58,503 (previous year: 13,58,503) equity shares of ₹ 100 each, fully paid up	19,775.81	19,136.04
	<b>19,775.81</b>	<b>19,136.04</b>
Aggregate amount of unquoted investments	19,775.81	19,136.04
Aggregate amount of impairment in value of investments	-	-

### 5 Other Non-current Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued on term deposits	19.32	16.39
Deposits with more than 12 months maturity (refer note 11)	353.07	114.42
Security deposits	1,772.65	1,389.50
Advances recoverable in cash	1,606.77	1,731.77
	<b>3,751.81</b>	<b>3,252.08</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 6 Non Current Tax Assets (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax (net of provisions)	885.15	867.57
	<b>885.15</b>	<b>867.57</b>

## 7 Other Non-current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Capital advances		
Unsecured, considered good	1,200.66	4,816.01
Prepaid expense	540.87	499.72
	<b>1,741.53</b>	<b>5,315.73</b>

## 8 Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
(Lower of cost and net realizable value)		
Raw materials (refer note (a) below)	14,086.23	9,439.98
Work-in-progress	22,807.53	19,648.92
Finished goods (refer note (b) & (c) below)	25,072.91	26,162.62
Stock-in-trade	396.66	655.23
Stores & spares (including promotional material)	6,986.57	7,149.40
Packing materials	9,512.65	8,955.84
Goods in transit - Raw material	21.40	-
	<b>78,883.95</b>	<b>72,011.99</b>
Less: Allowance for obsolete and non-moving inventories	(915.38)	(470.18)
	<b>77,968.57</b>	<b>71,541.81</b>

### Notes:

- Allowance for obsolete and non-moving inventories amounting to ₹ 445.20 lakhs (previous year: ₹230.72 lakhs) has been recognized as an expense in the Statement of Profit and Loss.
- Includes provision for excise duty and custom duty ₹ 11,381.97 lakhs (previous year ₹ 13,765.20 lakhs)
- Stock of finished goods includes goods-in-transit amounting to ₹ 2,964.94 lakhs (Previous Year ₹ 1,635.71 lakhs)
- Inventories include inventory held by tie up manufacturing units amounting to ₹ 4,208.43 lakhs (previous year ₹ 4,352.74 lakhs).

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 9 Trade Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good - Unsecured	97,815.01	82,405.59
Trade receivables - Credit impaired	3,528.00	3,196.91
	<b>101,343.01</b>	<b>85,602.50</b>
Less: Allowance for expected credit losses	(3,528.00)	(3,196.91)
	<b>97,815.01</b>	<b>82,405.59</b>

### Notes:

- Trade receivables includes receivables from related parties, refer note 45.
- The Group's exposure to credit and currency risks, and impairment allowances related to trade receivables is disclosed in note 49.
- Also refer note 56 for additional disclosure related to trade receivables.
- There is no debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

## 10 Cash and Cash Equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
In current accounts	8,546.87	12,142.71
Cash on hand	77.90	64.48
	<b>8,624.77</b>	<b>12,207.19</b>

There are no other repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period.

## 11 Bank Balances Other Than Those Included in Cash & Cash Equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
In unpaid dividend accounts	118.36	135.31
Bank deposits #	1,671.81	900.98
Bank deposits with maturity more than 12 months from the reporting date (refer note 5)	(353.07)	(114.42)
	<b>1,437.10</b>	<b>921.87</b>

# Includes bank deposits amounting to ₹ 322.92 lakhs (previous year ₹ 234.30 lakhs) under lien in respect of bank guarantees provided to tax authorities.

## 12 Current Loans

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured- considered good, unless otherwise stated)</b>		
Others		
Loans to parties other than related parties (refer note 51)	1,476.34	2,226.34
	<b>1,476.34</b>	<b>2,226.34</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 13 Others Current Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured- considered good, unless otherwise stated)</b>		
Export benefit receivables	176.48	437.40
Security deposits	1,534.45	1,731.42
Receivables from tie up units	-	321.42
Interest accrued on bank deposits and loans	67.98	182.64
Other Advances recoverable	1,500.00	1,600.00
Advances recoverable	50.06	354.78
Other - Gratuity (funded) (refer note 50)	201.76	-
<b>Considered doubtful, unsecured</b>		
Interest accrued on bank deposits and loans	112.31	112.31
Less: Allowance for expected credit losses	(112.31)	(112.31)
	<b>3,530.73</b>	<b>4,627.66</b>

## 14 Other Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Considered good, unsecured)</b>		
Advances to suppliers and others	4,634.84	2,559.05
Balances with government authorities*	7,051.80	5,642.28
Prepaid assets	5,362.76	5,099.31
	<b>17,049.40</b>	<b>13,300.64</b>

\* Includes amounts paid under protest amounting to ₹ 1,814.76 lakh (Previous year: ₹ 1,339.49 lakh) in respect of disputed indirect tax matters.

## 15 Equity Share Capital

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorized</b>		
170,000,000 (Previous year 170,000,000) equity shares of ₹ 2/- each	3,400.00	3,400.00
6,000,000 (Previous year 6,000,000) preference shares of ₹ 100/- each	6,000.00	6,000.00
	<b>9,400.00</b>	<b>9,400.00</b>
<b>Issued, subscribed and fully paid</b>		
133,715,325 (Previous Year 133,673,765) equity shares of ₹ 2/- each	2,674.31	2,673.48
	<b>2,674.31</b>	<b>2,673.48</b>

### a. Rights, Preferences & Restrictions attached to equity shares of the Company

The Company has one class of shares, referred to as equity shares having a par value of ₹ 2/-. Each holder of equity shares is entitled to one vote per share. 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.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## b. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Particulars	Number	Amount
<b>As at April 1, 2022</b>	133,673,765	2,673.48
Add: Shares issued on exercise of employee stock option plan (ESOP)	-	-
<b>As at March 31, 2023</b>	<b>133,673,765</b>	<b>2,673.48</b>
Add: Shares issued on exercise of employee stock option plan (ESOP)	41,560	0.83
<b>As at March 31, 2024</b>	<b>133,715,325</b>	<b>2,674.31</b>

## c. Details of shareholders holding more than 5% of total equity shares of the Holding Company #

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of equity shares	Percentage of Holding	No. of equity shares	Percentage of Holding
Sapphire Intrex Limited	45,379,098	33.95%	45,379,098	33.95%

# As per the records of the Holding Company including its register of member.

## d. Aggregate number of shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the year end:

### i) Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the financial year 2019-20 to 2023-24:

Nil (during FY 2018-19 to 2022-23: Nil) equity shares allotted without payment being received in cash during the period of five years immediately preceding March 31, 2024 .

### ii) Shares issued in aggregate number and class of shares allotted by way of bonus shares:

The Holding Company has issued total Nil equity shares (during FY 2018-19 to 2022-23: Nil equity shares) during the period of five years immediately preceding March 31, 2024 as fully paid up bonus shares including shares issued under ESOP scheme for which entire consideration not received in cash.

### iii) Shares bought back during the financial year 2019-20 to 2023-24:

Nil (during FY 2018-19 to 2022-23: Nil) equity shares bought back pursuant to section 68, 69 and 70 of the Companies Act, 2013.

### iv) Shares issued under employee stock option plan (ESOP) during the financial year 2019-20 to 2023-24:

The Company has issued total 3,06,060 equity shares of ₹ 2.00 each (during FY 2018-19 to 2021-22: 3,66,500 equity shares) during the period of five years immediately preceding March 31, 2024 on exercise of options granted under the employee stock option plan (ESOP).

### v) Disclosures required pursuant to Ind AS 102 - Share Based Payment

The Company established Employee Stock Options Plan, duly approved by the shareholders in the meeting held on May 25, 2006 which was effective from July 25, 2006. Accordingly, the Holding Company has granted 47,15,000 equity options up to March 31, 2024 with vesting period over 4 years from the date of the grant. The employees have the options to exercise their right within a period of 3 years from the date of vesting. The compensation cost of stock options granted to employees is accounted by the Holding Company using the fair value method.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

In respect of Options granted under the Employee Stock Options plan, in accordance with the guidelines issued by SEBI, the accounting value of the options is accounted as deferred employee compensation, which is amortized on a straight line basis over the period between the date of grant of options and eligible dates for conversion into equity shares.

Further, during the current year, the Holding Company has granted 2,15,000 stock options to the eligible employees of the Holding Company as per ESOP Scheme 2006. Each option granted during the year shall entitle the holder to one equity shares having face of ₹ 2 each at an exercise price of ₹ 1,015.37.

## Measurement of fair values

The fair values are measured based on the Black-Scholes-Merton model. The fair value of the options and inputs used in the measurement of the grant date fair values of the equity -settled share based payments are as follows:

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

Particulars	Weighted Average Exercise price per option (₹)	Number of Options
<b>Outstanding as at April 01, 2022</b>	<b>890.79</b>	<b>220,000.00</b>
Options granted during the year	-	-
Options forfeited/lapsed/expired during the year	846.09	(16,666.00)
Options exercised during the year*	-	-
<b>Options outstanding as at March 31, 2023 #</b>	<b>894.46</b>	<b>203,334.00</b>
Exercisable at the end of the year	<b>894.46</b>	<b>203,334.00</b>
<b>Outstanding as at April 01, 2023</b>	<b>894.46</b>	<b>203,334.00</b>
Options granted during the year	1,015.37	215,000.00
Options forfeited/lapsed/expired during the year	791.44	(45,000.00)
Options exercised during the year*	878.74	(41,560.00)
<b>Options outstanding as at March 31, 2024 #</b>	<b>984.63</b>	<b>331,774.00</b>
Exercisable at the end of the year	<b>984.63</b>	<b>331,774.00</b>

\* 41,560, (March 31, 2023: NIL) share options were exercised on a regular basis throughout the year. The weighted average share price during the year was ₹ 878.74 respectively (March 31, 2023 : NIL).

# The options outstanding as at March 31, 2024 are with the exercise price of ₹ 928.05 & ₹1015.37 respectively (March 31, 2023 : ₹ 928.05 & ₹ 723.14 ). The weighted average of the remaining contractual life is 1.03 years respectively (March 31, 2023 : 1.03 years).

- B) Fair value of the options has been calculated using Black Scholes Pricing Model. The following inputs were used to determine the fair value for options granted during the year ended March 31, 2024.

Option granted 1:	Vest 1	Vest 2	Vest 3	Vest 4
Grant date	June 7, 2023			
Market price (₹)	1,194.55	1,194.55	1,194.55	1,194.55
Expected life (in years)	2.5	3.5	4.5	5.5
Volatility	36.60%	39.81%	39.04%	41.85%
Risk free rate	6.63%	6.68%	6.69%	6.71%
Exercise price (₹)	1,015.37	1,015.37	1,015.37	1,015.37
Dividend yield	0.43%	0.43%	0.43%	0.43%
Fair value per vest (₹)	426.06	508.74	559.12	625.20
Vest (%)	33.34%	22.22%	22.22%	22.22%
Weighted average fair value of option (₹)	518.25	518.25	518.25	518.25
Fair value per option at grant date (in ₹)	426.06	508.74	559.12	625.20

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

<b>Option Granted 2:</b>	<b>Vest 1</b>	<b>Vest 2</b>	<b>Vest 3</b>	<b>Vest 4</b>
Grant date		June 7, 2023		
Market price (₹)	1,194.55	1,194.55	1,194.55	1,194.55
Expected life (in years)	2.5	3.5	4.5	5.5
Volatility	36.60%	39.81%	39.04%	41.85%
Risk free rate	6.63%	6.68%	6.69%	6.71%
Exercise price (₹)	1,015.37	1,015.37	1,015.37	1,015.37
Dividend yield	0.43%	0.43%	0.43%	0.43%
Fair value per vest (₹)	426.06	508.74	559.12	625.20
Vest (%)	25.00%	25.00%	25.00%	25.00%
Weighted average fair value of option (₹)	529.78	529.78	529.78	529.78
Fair value per option at grant date (in ₹)	426.06	508.74	559.12	625.20

<b>Option granted 3:</b>	<b>Vest 1</b>	<b>Vest 2</b>	<b>Vest 3</b>	<b>Vest 4</b>
Grant date		November 2, 2021		
Market price (₹)	1,091.80	1,091.80	1,091.80	1,091.80
Expected life (in years)	2.5	3.5	3.5	4.5
Volatility	15.21%	15.21%	15.21%	15.21%
Risk free rate	5.42%	5.42%	5.42%	5.42%
Exercise price (₹)	928.05	928.05	928.05	928.05
Dividend yield	0.47%	0.47%	0.47%	0.47%
Fair value per vest (₹)	281.36	321.23	321.23	357.69
Vest (%)	32.90%	22.40%	22.40%	22.40%
Weighted average fair value of option (₹)	331.90	331.90	331.90	331.90
Fair value per option at grant date (in ₹)	331.91	-	-	-

<b>Option Granted 4:</b>	<b>Vest 1</b>	<b>Vest 2</b>	<b>Vest 3</b>	<b>Vest 4</b>
Grant date		March 8, 2022		
Market price (₹)	850.80	850.80	850.80	850.80
Expected life (in years)	2.5	3.5	3.5	4.5
Volatility	22.40%	22.40%	22.40%	22.40%
Risk free rate	5.89%	5.89%	5.89%	5.89%
Exercise price (₹)	723.14	723.14	723.14	723.14
Dividend yield	0.47%	0.47%	0.47%	0.47%
Fair value per vest (₹)	245.08	280.91	280.91	312.75
Vest (%)	25.00%	25.00%	25.00%	25.00%
Weighted average fair value of option (₹)	295.05	295.05	295.05	295.05
Fair value per option at grant date (in ₹)	295.05	-	-	-

The measure of volatility used is the annualized standard deviation of the continuously compounded rates of return of stock over the expected lives of different vests, prior to grant date. Volatility has been calculated based on the daily closing market price of the Holding Company's stock on NSE over these years.

For Promoter shareholding, refer note 58

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 16 Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Reserves &amp; surplus</b>		
Securities premium	38,621.74	38,257.36
Share option outstanding account	922.50	409.40
General reserve	40,000.00	40,000.00
Retained earnings	161,743.28	139,449.29
	<b>241,287.52</b>	<b>218,116.05</b>

### Description of nature and purpose of each reserve

**Securities premium:** Securities premium is used to record the premium on issue of shares, which will be utilized in accordance with provisions of the Act.

**Share option outstanding account:** The reserve is used to recognize the grant date fair value of options issued to employees under employee stock option schemes and is adjusted on exercise/ forfeiture of options.

**General reserve:** General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. It is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

**Retained earnings:** Retained earnings are created from the profit / loss of the Group, as adjusted for distributions to owners, transfers to other reserves, etc.

## 17 Non Current Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Term loans (secured) from banks</b>		
Vehicle loan	-	2.19
Rupee term loans from banks (refer notes below)	42,571.43	32,900.00
	<b>42,571.43</b>	<b>32,902.19</b>
Less : Current maturities of long-term borrowing (also refer note 21)	(13,571.44)	(4,216.47)
	<b>28,999.99</b>	<b>28,685.72</b>

### Notes

- The loan is secured by i. A first pari passu mortgage and charge on all borrower's immovable properties (owned/leased), pertaining to the project. ii. A first charge by way of hypothecation on all tangible assets and iii. A first charge by way of hypothecation on all rights, title, interest, benefits, claims, etc.
- The Rupee Term loan from bank bearing floating & Fixed rate interest ranging from 6.30% - 8.02%
- Terms of repayment are as follows: (₹ in Lakhs)

Name	Year of Maturity	As at March 31, 2024	As at March 31, 2023
HDFC Bank Limited **	March 2027	19,285.71	17,500.00
AXIS Bank Limited **	Feb 2027	10,285.72	12,000.00
AXIS Bank Limited **	August 2027	13,000.00	3,400.00
YES Bank Limited *	May 2023	-	2.19
		<b>42,571.43</b>	<b>32,902.19</b>

\*Monthly installment

\*\*Quarterly installment

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 18 Non-current Lease Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Leased liabilities (refer note 38)	6,122.73	4,518.00
	<b>6,122.73</b>	<b>4,518.00</b>

## 19 Other Non-current Financial Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits payable	18.29	22.33
	<b>18.29</b>	<b>22.33</b>

## 20 Deferred Tax Liabilities (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities	10,895.63	9,329.57
Deferred tax assets	(1,702.05)	(1,554.92)
	<b>9,193.58</b>	<b>7,774.65</b>

## 21 Current Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured #</b>		
Cash credit facilities from banks (secured) (repayable on demand)	2,148.66	1,694.35
Loan from banks	-	12,500.00
Working capital demand loan	28,988.96	22,579.30
Current maturity of long-term borrowings (refer note 17)	13,571.44	4,216.47
	<b>44,709.06</b>	<b>40,990.12</b>

# Secured by hypothecation of inventories and trade receivables. Further secured by a second charge on fixed assets of the Company along with interest range of 7.38% to 8.75%.

- The Group has been sanctioned working capital limits in excess of 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. The monthly/quarterly/half-yearly returns filed by the Group with such banks or financial institutions are in agreement with the Books of Account of the Group of the respective quarters..

## 22 Current Lease Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Leased liabilities (refer note 38)	2,003.64	1,169.78
	<b>2,003.64</b>	<b>1,169.78</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 23 Trade Payables #

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	4,123.04	3,561.34
Total outstanding dues of creditors other than micro enterprises and small enterprises	22,581.84	23,927.75
	<b>26,704.88</b>	<b>27,489.09</b>

# Also refer note 57 for additional disclosure related to trade payables.

## 24 Others Current Financial Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due on borrowings	248.30	173.77
Employee related payables	1,131.97	884.08
Security deposits payable	5,318.43	3,111.95
Unclaimed dividends #	118.36	135.31
Unspent amount of CSR	540.93	439.25
Liabilities for rebate	3,791.92	3,402.69
Liabilities for vendor funding	21,226.52	12,471.75
Capital creditors*	663.19	1,380.25
Others	15.48	33.34
	<b>33,055.10</b>	<b>22,032.39</b>

# This does not include any fund lying due to be transferred to the Investor Education and Protection Fund.

\* There is no amount due to MSME Vendors.

## 25 Other Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Advances from customers	3,268.73	8,533.17
Statutory dues		
- Custom duty on closing stock	193.20	357.36
- Other statutory dues	9,243.28	7,484.69
Others	3.57	-
	<b>12,708.78</b>	<b>16,375.22</b>

## 26 Current Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Gratuity (refer note 50)	-	204.36
Compensated absences	2,018.37	1,853.36
Tax on proposed dividend	-	-
Others	-	3.78
	<b>2,018.37</b>	<b>2,061.50</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 26A Current Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
For taxation (net of payments)	2.09	0.42
	<b>2.09</b>	<b>0.42</b>

## 27 Revenue from Operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Sale of manufactured products (includes excise duty)</b>		
Alcohol and other alcoholic products	1,529,837.79	1,262,332.63
Pet bottles and caps	3,085.46	3,787.16
Jaivik khad	361.54	529.83
Others	717.61	863.90
	<b>1,534,002.40</b>	<b>1,267,513.52</b>
<b>Trading of products</b>		
Imported liquor	469.59	418.41
	<b>469.59</b>	<b>418.41</b>
<b>Royalty Income</b>	3,113.23	2,619.38
	<b>1,537,585.22</b>	<b>1,270,551.31</b>
<b>Other operating revenue</b>		
Export incentives	449.25	362.45
Scrap sales & Cattle feed	10,353.70	3,477.32
	<b>10,802.95</b>	<b>3,839.77</b>
<b>Total revenue from operations</b>	<b>1,548,388.17</b>	<b>1,274,391.08</b>

# Also refer note 53 for additional disclosure as per IND AS 115

## 28 Other Income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income on		
Bank deposits	96.30	47.17
Loans (including inter corporate deposits)	205.06	248.07
Other financial assets carried at amortized cost	33.93	24.28
Dividend income on non-current investments	359.99	-
Profit on sale of current investments (net)	14.42	125.38
Gain on disposal of property, plant and equipment (net)	-	32.85
Liabilities no longer required written back	23.19	96.13
Miscellaneous income	153.88	366.98
	<b>886.77</b>	<b>940.86</b>

## 29 Cost of Materials Consumed

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Raw materials		
Opening inventory	9,439.98	9,146.05
Add: Purchases	146,616.03	99,237.08
	<b>156,056.01</b>	<b>108,383.13</b>
Less: Closing inventory	(14,086.23)	(9,439.98)
Raw materials consumed	141,969.78	98,943.15
Packing materials consumed	100,163.77	92,816.57
	<b>242,133.55</b>	<b>191,759.72</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 30 Purchase of Stock-in-Trade

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Indian Made Foreign Liquor	(0.07)	-
Imported liquor	(67.20)	659.01
	<b>(67.27)</b>	<b>659.01</b>

## 31 Change in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Opening inventory</b>		
Stock-in-trade	655.23	331.71
Finished goods	26,162.62	17,071.53
Work-in-progress	19,648.92	14,492.44
	<b>46,466.77</b>	<b>31,895.68</b>
<b>Closing inventory</b>		
Stock-in-trade	396.66	655.23
Finished goods	25,072.91	26,162.62
Work-in-progress	22,807.53	19,648.92
	<b>48,277.10</b>	<b>46,466.77</b>
Increase / (Decrease) of excise duty country liquor depot stock	(1,388.23)	30.93
Increase / (Decrease) of excise duty on finished goods	(2,219.07)	4,913.55
	<b>(5,417.63)</b>	<b>(9,626.61)</b>

## 32 Employee Benefits Expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	16,867.63	14,843.67
Contribution to provident and other funds (refer note 50)	1,034.28	861.07
Defined benefit plans (refer note 50)	273.94	235.04
Share based payment expense (refer note 16)	513.11	275.45
Staff welfare expenses	889.78	676.84
	<b>19,578.74</b>	<b>16,892.07</b>

## 33 Finance Costs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expenses	5,452.46	1,976.33
Interest expenses on lease liabilities (refer note 38)	422.93	161.08
Other borrowing cost	39.40	74.23
	<b>5,914.79</b>	<b>2,211.64</b>

## 34 Depreciation and Amortization Expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment - owned assets	10,205.15	6,270.10
Depreciation on right on use of assets	976.15	567.47
Amortization of intangible assets	195.24	252.45
	<b>11,376.54</b>	<b>7,090.02</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 35 Other Expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Power and fuel	13,382.65	7,990.61
Consumption of stores, spares and other consumables	4,266.93	2,813.32
Repairs and maintenance		
Building	225.80	177.18
Plant and equipment	2,895.96	2,131.29
Others	1,281.06	1,220.10
Machinery and other hire charges	6.07	5.50
Insurance	1,274.87	1,106.13
Rent	176.52	185.01
Rates and taxes	16,644.21	11,449.36
Travel and conveyance		
Directors	243.59	225.16
Others	2,205.95	1,884.91
Directors' fee	19.43	16.97
Foreign exchange fluctuations (net)	(362.99)	(576.93)
Miscellaneous expenses	2,357.89	1,893.11
Charity and donation	25.17	15.72
Expense towards corporate social responsibility	643.96	640.98
Provision for expected credit losses	337.22	392.38
Bio composting expenses	137.17	218.06
Statutory auditor's remuneration	122.15	118.54
Professional fee and consultation expenses	1,034.44	1,000.68
Communication expenses	351.94	310.70
Sundry balances written off	486.23	110.48
Loss on sale / write off of assets	56.41	-
Bank charges	51.33	36.05
Bottling charges	12,948.31	11,693.85
Printing stationery & subtraction	273.69	238.83
Watch & ward expenses	474.57	340.93
Breakerage & wastage	197.15	221.50
Selling and distribution:		
Freight outwards	16,022.52	13,942.10
Supervision charges after sales	1,542.08	1,269.98
Supervision charges to supervisors	7,047.31	4,333.13
Rebate discount and allowance	1,279.74	935.19
Advertisement & sales promotion	17,369.42	12,422.07
	<b>105,018.75</b>	<b>78,762.89</b>

## 36 Other Comprehensive Income/(loss)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Items that will not be reclassified to profit or loss</b>		
Actuarial (loss) /gain on employee benefits	123.89	(249.50)
Income tax relating to items that will not be reclassified to profit or loss	(31.18)	62.79
	<b>92.71</b>	<b>(186.71)</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 37 Contingent Liabilities, Commitments and Other Claims

### a Capital commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	9,748.28	19,487.37
	<b>9,748.28</b>	<b>19,487.37</b>

### b Contingent liabilities and other claims

#### i) Claims against the Company, not Acknowledged as Debts

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Disputed liability relating to Employees' State Insurance (ESI) contribution	0.89	0.89
(b) Disputed liability relating to payment of late re-calibration fees on verification and stamping of manufacturing vats/tanks installed at distillery.	155.00	155.00
(c) Disputed VAT/Sales/GST/Entry/Service tax matters under appeal	174.10	176.27
(d) Disputed excise matters	1,160.93	910.51
(e) Disputed Stamp duty claim arising out of amalgamation, being contested	-	80.00
(f) Disputed service tax demand on GTA	19.12	-
(g) Disputed custom duty	10.73	-
(h) Disputed income tax matter	119.36	-
	<b>1,640.13</b>	<b>1,322.67</b>

ii) Madhya Pradesh State Industrial Development Corporation Ltd., in February 2007, demanded a sum of ₹ 168.09 lakhs besides unspecified expenses arising out of the alleged non compliance of conditions relating to its holding of shares in Abhishek Cement Ltd, prior to its merger with Radico Khaitan Ltd. in the financial year 2002-03. The writ petition filed by Holding Company before Madhya Pradesh high court has been partly allowed by confirming the recovery of ₹ 167.32 lakhs against the Holding Company. Further, ₹ 52.80 Lacs has been waived off order dated April 03, 2007. However, the division bench of Madhya Pradesh High Court has stayed the recovery proceedings initiated by local collector office. The court has ordered to maintain ₹ 100.00 lakhs in State Bank of India till the final adjudication of the matter. The matter is since sub-judice.

iii) (a) The applicability of Goods and Service Tax Act 2017 on Extra Neutral Alcohol (ENA) was kept on hold by the GST council vide their minutes of meeting dated August 05, 2017, December 22, 2018, September 20, 2019 and May 28, 2021 wherein the ENA which is meant for the potable purpose was kept under the control of respective State Governments, and accordingly the Group was paying the state taxes on ENA, as applicable in the respective States.

(b) The Deputy Commissioner (State Tax), Sector I, Rampur had issued notices on November 14, 2019, November 15, 2019 and November 16, 2019 for levibility of GST on ENA w.e.f. July 2017. The Company filed a writ petition before Hon'ble High Court of Allahabad, challenging these notices, with the plea that potable ENA is kept away from GST by the Council. The Company got the stay on the proceedings under GST from Hon'ble Court on January 10, 2020 and advised the department for filing the counter. Later on the department withdrew their notices and the petition became infructuous.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

- (c) The Deputy Commissioner (State Tax), Sector I passed an ex-parte assessment order treating ENA under VAT @32.5% for A.Y. 2017-18. The Holding Company filed writ petition before the Hon'ble Allahabad High Court contesting VAT to be 14.5%. Meanwhile various distilleries and UPSMA filed their writs before the High Court challenging the VAT Notification of @5%, issued by the State Government w.e.f. December 9, 2019, They also challenged the powers of State to levy VAT on Extra Neutral Alcohol .
- (d) Hon'ble Allahabad High Court decided the writs on September 28, 2021 and declared that ENA, undisputedly should fall under GST regime and the State lost its Legislative competence to enact laws, to impose tax on sales of ENA and have quashed the notification of VAT @ 5%. Thereafter the State Government filed the SLP before the Hon'ble Supreme Court, even CIABAC and ISWAI also filed the SLP against the order of High Court. All the SLPs are tagged, which are yet to be listed for hearing in Hon'ble Supreme Court.

In view of the High Court order dated September 28, 2021, Joint Commissioner-Corporate, State tax, Moradabad issued notices U/S 73(5) ascertaining the GST on ENA for the period July 2017 to September 2021 . We filed the reply but the department did not agree with our reply & issued show cause notices U/S 73(1) of GST act for the same period. We filed the reply of SCN with the office of Joint Commissioner, Corporate, however department issued the demand U/S 73 (9) of GST on June 20, 2023 amounting to ₹ 10,857 Lakh (including interest and penalty) for the period ended July 2017 to September 2021, which is challenged by the Company before Additional Commission Appeals at Moradabad. In the mean time on October 7, 2023 GST council in its 52<sup>nd</sup> meeting has decided and recommended that the ENA used for manufacture of alcoholic liquor for human consumption is out side the purview of GST, however no formal notification has been issued till date.

- (e) The issue of applicable rate of GST on job work activities for alcoholic beverages was open since inception of GST. This is due to classification of Food & Food products. The GST Council in its 39<sup>th</sup> and 40<sup>th</sup> Council meeting considered the issue, however, due to lack of unanimity, decided that courts should take a view on whether alcoholic beverages are food or otherwise.

Finally, in 45<sup>th</sup> GST Council meeting decision was taken that alcoholic beverage is not "food" and be taxed accordingly. Therefore, w.e.f. October 01, 2021, specific entry was included vide notification no. 06/2021 whereby services of job work in relation to alcoholic beverage is to be taxed @ 18% .

Subsequently, circular no. 164/20/2021 dated October 06, 2021 was issued clarifying that alcoholic beverage is not food and therefore not taxed @ 5% but at recommended rate of 18%. Afterward Department has started to issue notice to our various bottlers & matter is pending in various court. Total approx. demand ₹ 33.02 crore plus interest & penalty if any.

- iv) A fire occurred at our Rampur Plant, U.P. on March 6, 2021 involving two alcohol storage tanks. The Company's emergency response team along with the local fire brigades were able to bring the fire under control without further spread to plant's other areas. There was no loss of life.

This accident resulted in loss of Extra Neutral Alcohol to the tune of 1.81 lakh Alcoholic liters stored in these two tanks resulting into financial loss of ₹152.89 lakhs including the replacement cost of damaged tanks. Since the same are duly covered under insurance policy, the insurance company had been intimated. As an interim measure claim of ₹ 142.89 lakhs has already been received.

Beside this, the U.P. State Excise Department has issued a show cause notice (SCN) to us claiming Excise Duty amounting to ₹ 1,822.77 lakhs on the lost Alcohol (out of which ₹ 455.69 lakhs has been paid under protest). Based on the opinion of legal counsel, the Company has filed an appeal under Rule 813 of the U.P. Excise Rule before the U.P. Commissioner of Excise seeking the relief from above claim by way of setting aside the above mentioned SCN, considering this loss of alcohol as an unavoidable accident of fire.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

- c During the current year, the Holding Company has received an erroneous demand amounting to ₹ 2,403.51 lacs via demand order dated March 21, 2024. However, subsequently on perusal of the records it was observed by the Assessing officer that the tax credit of Advance tax/regular tax paid was not given to the Company and TDS credit was given less to the Holding Company. It being the mistake apparent from records, the same has been rectified by Income Tax department via order dated April 1, 2024. Accordingly, the Holding Company has not disclosed same as contingent liabilities.

## 38 Information on Lease Transactions pursuant to Ind AS 116 - Leases

### Assets taken on lease

The Group has leases for lease land, offices, warehouses, plant and equipment and office equipment. With the exception of short term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets.

#### i Lease payments not included in measurement of lease liability

The expenses related to payments not included in the measurement of the lease liability is as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Short term leases	157.50	162.66
Lease of low value assets	-	-
Variable lease payments	19.02	22.35
<b>Total</b>	<b>176.52</b>	<b>185.01</b>

- ii Total cash outflow for leases for the year ended March 31, 2024 was ₹ 1,938.32 lakhs (March 31, 2023 : ₹ 816.18 lakhs).

#### iii Following are the changes in the carrying value of right of use assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balance at the beginning of the year</b>	12,487.38	7,878.78
Additions	3,953.98	5,207.40
Deletion	-	(57.83)
Depreciation	(976.15)	(540.97)
<b>Balance at end of the year</b>	<b>15,465.21</b>	<b>12,487.38</b>

#### iv The following is the break-up of current and non-current lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Current lease liabilities	2,003.64	1,169.78
Non current lease liabilities	6,122.73	4,518.00
<b>Total</b>	<b>8,126.37</b>	<b>5,687.78</b>

#### v The following is the movement in lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balance at the beginning of the year</b>	5,687.78	1,166.77
Additions	3,953.98	5,176.11
Finance cost accrued during the year	422.93	161.08
Payment of lease liabilities (total cash outflow)	(1,938.32)	(816.18)
<b>Balance at end of the year</b>	<b>8,126.37</b>	<b>5,687.78</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## vi Amounts recognised in the Statement of Profit and Loss

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Depreciation charge on right-of-use assets		
Leasehold land	169.07	49.13
Buildings	423.03	414.86
Plant and equipment	384.05	103.48
<b>Total</b>	<b>976.15</b>	<b>567.47</b>
(b) Interest expenses (included in finance cost)	<b>422.93</b>	<b>161.08</b>

## vii Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments as at March 31, 2024 are as follows:

Particulars	Lease Payments	Interest Expense	Net Present Value
Not later than 1 year	2,508.24	504.60	2,003.64
Later than 1 year but not later than 2 year	2,402.01	362.26	2,039.75
Later than 2 year but not later than 3 year	2,128.87	225.49	1,903.38
Later than 3 year but not later than 4 year	1,677.95	93.77	1,584.18
Later than 4 year but not later than 5 year	608.18	17.88	590.30
Later than 5 year	29.49	24.37	5.12
<b>Total</b>	<b>9,354.74</b>	<b>1,228.37</b>	<b>8,126.37</b>

The lease liabilities are secured by the related underlying assets. Future minimum lease payments as at March 31, 2023 are as follows:

Particulars	Lease Payments	Interest Expense	Net Present Value
Not later than 1 year	1,531.62	362.63	1,168.99
Later than 1 year but not later than 2 year	1,463.37	278.43	1,184.94
Later than 2 year but not later than 3 year	1,352.55	194.64	1,157.91
Later than 3 year but not later than 4 year	1,120.69	120.64	1,000.05
Later than 4 year but not later than 5 year	1,212.78	42.07	1,170.71
Later than 5 year	30.27	25.09	5.18
<b>Total</b>	<b>6,711.28</b>	<b>1,023.50</b>	<b>5,687.78</b>

The Group has lease contracts for plant and equipment that contain variable payments. Variable lease payments that depend on production volumes are recognized in the statement of profit and loss in the period in which the condition that triggers those payments occurs and hence are not considered in determining the lease liability. Any changes in production under contracts which includes variable lease payments, would have a proportionate impact on the variable lease payments.

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

**39** In the opinion of the Management and to the best of their knowledge and belief, the value on realization of current/non current assets, loans and advances in the ordinary course of business would not be less than the amount at which they are stated in the financial statements.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 40 Dividend

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
<b>Dividend paid</b>		
Dividend for the financial year 2022-23 (₹ 3.00 per share of ₹ 2 each)	4,010.21	-
Dividend for the financial year 2021-22 (₹ 3.00 per share of ₹ 2 each)	-	4,010.20
	<b>4,010.21</b>	<b>4,010.20</b>
<b>Proposed dividend</b>		
Dividend for the financial year 2023-24 (₹ 3.00 per share of ₹ 2 each)#	4,011.17	-
Dividend for the financial year 2022-23 (₹ 3.00 per share of ₹ 2 each)^	-	4,010.21
	<b>4,011.17</b>	<b>4,010.21</b>

# The Board of Directors at its meeting held on May 14, 2024 have recommended a payment of final dividend of ₹ 3.00 per equity share with value of ₹ 2.00 each for the financial year ended March 31, 2024. The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

^ Paid to shareholders during the financial year 2023-24.

## 41 Earnings per Equity Share (EPS)

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
<b>Net profit attributable to equity shareholders</b>		
Net profit for the year (BEPS)	26,217.46	22,035.13
Add: Effect of Dilution, Share options (ESOP)	-	-
Net profit attributable to equity holders adjusted for the effect of dilution (DEPS)	26,217.46	22,035.13
<b>Nominal value per equity share (₹)</b>	<b>2.00</b>	<b>2.00</b>
Total number of equity shares outstanding at the beginning of the year	133,673,765	133,673,765
Total number of equity shares outstanding at the end of the year	133,715,325	133,673,765
<b>Weighted average number of equity shares for calculating basic earning per share</b>	<b>133,696,541</b>	<b>133,673,765</b>
<b>Basic earning per share (₹)</b>	<b>19.61</b>	<b>16.48</b>
<b>Weighted average number of Equity shares adjusted for the effect of dilution</b>	<b>133,773,851</b>	<b>133,645,910</b>
<b>Diluted earning per share (₹)</b>	<b>19.61</b>	<b>16.48</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 42 Income Tax

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
<b>The major components of Income tax expense</b>		
<b>Profit and Loss statement</b>		
Current income tax charge	7,241.07	6,889.48
<b>Total (A)</b>	<b>7,241.07</b>	<b>6,889.48</b>
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	1,387.75	147.06
<b>Total (B)</b>	<b>1,387.75</b>	<b>147.06</b>
<b>Total (A+B)</b>	<b>8,628.82</b>	<b>7,036.54</b>
<b>Other Comprehensive Income (OCI)</b>		
Deferred tax related to items recognized in OCI during the year:		
Net loss/(gain) on re-measurements of defined benefit plans	31.18	(62.79)
Income tax charged to OCI	<b>31.18</b>	<b>(62.79)</b>

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

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
Profit/loss for the year	34,201.50	27,473.71
Statutory income tax rate	25.17%	25.17%
<b>Tax expense at statutory income tax rate</b>	<b>8,607.83</b>	<b>6,914.58</b>
Effect of expenses that are not deductible/(taxable) for determining taxable profits		
CSR and Charity & Donation	168.41	169.24
Interest and penalty & Others	13.25	14.47
Profit on sale of PPE	-	-
Dividend Income	(90.60)	-
Others	(70.07)	(61.75)
<b>Total Tax</b>	<b>8,628.82</b>	<b>7,036.54</b>

### Deferred tax assets/(liabilities) (net)

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
<b>Deferred tax liability arising on account of:</b>		
Property, plant and equipment	10,731.68	9,313.70
Lease assets (net of lease liabilities)	163.93	15.87
<b>Sub total</b>	<b>10,895.61</b>	<b>9,329.57</b>
<b>Deferred tax asset arising on account of:</b>		
Expenses allowed on payment/actual basis	504.95	560.55
Provision for expected credit loss	929.16	845.84
Provision for obsolete and non-moving inventory	230.38	118.34
Others	37.54	30.19
<b>Sub total</b>	<b>1,702.03</b>	<b>1,554.92</b>
<b>Net deferred tax assets/(liabilities)</b>	<b>(9,193.58)</b>	<b>(7,774.65)</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## Movement in deferred tax assets/(liabilities) for the year ended March 31, 2024

Particulars	For the year ended March 31, 2024	Credited/(charged)		For the year ended March 31, 2023
		Profit and loss	OCI	
Tax effect of items constituting deferred tax assets:				
Expenses allowed on payment/actual basis	560.54	(24.41)	(31.18)	504.95
Lease assets (net of lease liabilities)	(15.87)	(148.06)	-	(163.93)
Provision for expected credit loss	845.83	83.33	-	929.16
Provision for obsolete and non-moving inventory	118.34	112.04	-	230.38
Others	30.20	7.34	-	37.54
<b>Deferred tax assets</b>	<b>1,539.04</b>	<b>30.24</b>	<b>(31.18)</b>	<b>1,538.10</b>
Tax effect of items constituting deferred tax liabilities:				
Property, plant and equipment exceeds its tax base	9,313.69	1,417.99	-	10,731.68
<b>Deferred tax liabilities</b>	<b>9,313.69</b>	<b>1,417.99</b>	<b>-</b>	<b>10,731.68</b>
<b>Net deferred tax assets/(liabilities)</b>	<b>(7,774.65)</b>	<b>(1,387.75)</b>	<b>(31.18)</b>	<b>(9,193.58)</b>

## Movement in deferred tax assets/(liabilities) for the year ended March 31, 2023

Particulars	For the year ended March 31, 2023	Credited/(charged)		For the year ended March 31, 2022
		Profit and loss	OCI	
Tax effect of items constituting deferred tax assets:				
Expenses allowed on payment/actual basis	453.18	44.57	62.79	560.54
Lease assets (net of lease liabilities)	18.55	(34.42)	-	(15.87)
Provision for expected credit loss	751.07	94.76	-	845.83
Provision for obsolete and non-moving inventory	88.54	29.80	-	118.34
Others	4.55	25.65	-	30.20
<b>Deferred tax assets</b>	<b>1,315.89</b>	<b>160.36</b>	<b>62.79</b>	<b>1,539.04</b>
Tax effect of items constituting deferred tax liabilities:				
Property, plant and equipment exceeds its tax base	9,006.27	307.42	-	9,313.69
<b>Deferred tax liabilities</b>	<b>9,006.27</b>	<b>307.42</b>	<b>-</b>	<b>9,313.69</b>
<b>Net deferred tax assets/(liabilities)</b>	<b>(7,690.38)</b>	<b>(147.06)</b>	<b>62.79</b>	<b>(7,774.65)</b>

The entity offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 43 Interest in Other Entities

Name of entity	% of ownership interest			
	As at March 31, 2024	As at March 31, 2023	Country of incorporation	Nature of activities
<b>Subsidiary</b>				
Radico Spiritzs India Private Limited	100%	100%	India	Real estate
<b>Step down Subsidiary</b>				
Accomreal Builders Private Limited	100%	100%	India	Real estate
Compagt Era Builders Private Limited	100%	100%	India	Real estate
Destihomz Buildwell Private Limited	100%	100%	India	Real estate
Equibuild Realtors Private Limited	100%	100%	India	Real estate
Proprent Era Estates Private Limited	100%	100%	India	Real estate
Binayah Builders Private Limited	100%	100%	India	Real estate
Firstcode Reality Private Limited	100%	100%	India	Real estate
<b>Interest in Joint Venture</b>				
Radico NV Distilleries Maharashtra Limited	36%	36%	India	Liquor Manufacturing

## 44 Segment Reporting

i) Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Officer, in deciding how to allocate resources and assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group is engaged in the business of manufacture, purchase and sale of beverage alcohol and other allied spirits, including through tie-up manufacturing units. Based on the management approach as defined in Ind AS 108, the Chief Operating Officer evaluates the company's performance based on only one segment i.e. manufacturing and trading in Liquor & Alcohol.

### ii) Geographical information

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.

### Revenue from Operation (excluding excise duty)

Particulars	For the year ended March 31 2024	For the year ended March 31 2023
Domestic	384,957.27	296,582.90
Overseas	26,894.93	17,698.68
	<b>411,852.20</b>	<b>314,281.58</b>

### Note

- (i) There are no non-current assets located outside India.
- (ii) No single external customer amounts to 10% or more of the Company's revenue.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 45 Related party Transactions and Disclosures

### (1) List of related parties and their relationships:

#### I Key Management personnel:

- (1) Dr. Lalit Khaitan, Chairman & Managing Director
- (2) Mr. Abhishek Khaitan, Managing Director
- (3) Mr. K.P.Singh, Whole Time Director
- (4) Mr. Dilip K Banthiya, Chief Financial Officer
- (5) Mr. Dinesh Kumar Gupta, Company Secretary
- (6) Dr. Raghupati Singhanian, Independent Director
- (7) Mr. Sarvesh Srivastava, Independent Director
- (8) Ms. Sushmita Singha, Independent Director
- (9) Mr. Tushar Jain, Independent Director
- (10) Mr. Sharad Jaipuria, Independent Director

#### II Relatives of Key Management personnel:

- (1) Mrs. Deepshikha Khaitan (Wife of Mr. Abhishek Khaitan)

#### III Enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise :

Sapphire Intrex Limited

#### IV Post employment benefit plan entities:

- (1) The Rampur Distillery & Chemical Company Limited (Employees P. F. Trust)
- (2) The Rampur Distillery & Chemical Company Limited (Employees Group Gratuity Trust)
- (3) The Rampur Distillery & Chemical Company Limited (Employees Superannuation Scheme)

#### V Joint Ventures:

- (1) Radico NV Distilleries Maharashtra Limited

#### VI Subsidiaries:

- (1) Radico Spiritzs India Private Limited

#### VII Step-down Subsidiaries:

- (1) Accomreal Builders Private Limited
- (2) Compaqt Era Builders Private Limited
- (3) Destihomz Buildwell Private Limited
- (4) Equibuild Realtors Private Limited
- (5) Proprent Era Estates Private Limited
- (6) Binayah Builders Private Limited
- (7) Firstcode Reality Private Limited

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## (2) Summary of transaction with related parties

The following transactions were carried out with related parties in the ordinary course of business:

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Key Management Personnel :</b>		
Dr. Lalit Khaitan, Chairman & Managing Director		
Remuneration		
Salary and Allowances	1,074.07	958.44
Contribution to Provident and other Funds	78.34	70.08
Value of benefits, calculated as per Income Tax Rules	139.52	546.23
Director's Sitting fee	1.95	0.95
Mr. Abhishek Khaitan, Managing Director		
Remuneration		
Salary and Allowances	1,074.07	958.44
Contribution to Provident and other Funds	79.34	71.08
Value of benefits, calculated as per Income Tax Rules	60.70	194.25
Director's Sitting fee	2.65	1.90
Mr. K.P.Singh, Whole Time Director		
Remuneration		
Salary and Allowances	205.86	188.25
Contribution to Provident and other Funds	9.39	8.65
Value of benefits, calculated as per Income Tax Rules	2.83	2.70
Director's Sitting fee	2.50	2.50
Dr. Raghupati Singhania, Independent Director		
Director's Sitting fee	0.55	1.80
Mr. Sarvesh Srivastava, Independent Director		
Director's Sitting fee	2.80	2.80
Ms. Sushmita Singha, Independent Director		
Director's Sitting fee	2.05	1.50
Mr. Tushar Jain, Independent Director		
Director's Sitting fee	2.25	1.80
Mr. Sharad Jaipuria, Independent Director		
Director's Sitting fee	2.80	1.95
Mr. Dilip K Banthiya, Chief Financial Officer		
Remuneration		
Salary and Allowances	288.71	273.67
Contribution to Provident and other Funds	12.66	11.73
Value of benefits, calculated as per Income Tax Rules	4.09	4.56
Mr. Dinesh Kumar Gupta, Company secretary		
Remuneration		
Salary and Allowances	74.25	61.48
Contribution to Provident and other Funds	3.67	3.44
Value of benefits, calculated as per Income Tax Rules	2.87	0.77

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

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

**Enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise :**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Sapphire Intrex Limited</b>		
Rent Paid	74.34	72.72
<b>Contribution paid (Employer's contribution only)</b>		
The Rampur Distillery & Chemical Company Limited (Employees P. F. Trust)	855.72	681.72
The Rampur Distillery & Chemical Company Limited (Employees Group Gratuity Trust)	150.05	484.53
The Rampur Distillery & Chemical Company Limited (Employees Superannuation Scheme)	144.37	125.66
<b>Joint Venture</b>		
<b>Radico NV Distilleries Maharashtra Limited</b>		
Commission Income (Including GST)	-	238.63
Lease rent paid	70.80	7.08
Bottling charges paid *	1,393.60	1,150.36
Tie-up operation income	-	7.96
Expenses towards lease operations	12.46	-
Dividend on Equity Shares	359.99	-
Advance for GST deposited	14.68	-
Purchase of material	8,111.22	7,814.47
Sale of material	-	-
Sale of material	-	-

\* Excluding GST refundable on export consignment bottling ₹ 59.58 lakhs (previous year ₹ 58.37 lakhs).

### 3 Summary of closing balances with related parties

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Joint Venture</b>		
<b>Radico NV Distilleries Maharashtra Limited</b>		
Trade payable	78.66	187.19
Investment in equity share	19,775.81	19,136.04
<b>Enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise :</b>		
<b>Sapphire Intrex Limited</b>		
Security Receivable	60.00	60.00

#### Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no outstanding guarantees provided or received for any related party receivables or payables in the current financial year. For the year ended March 31, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties ₹, Nil (March 31, 2023: ₹ Nil). This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 4 Disclosure requirements pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

There are no loans / advances in nature of loan given by the Company to related parties, accordingly the disclosure requirements pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable.

## 46 Remittance in Foreign Currency / or to the Mandate Banks on Account of Dividends to non Residents

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Number of non resident shareholders	2,630	2,750
(ii) Number of shares held by them	60,899,470	26,050,778
(iii) Dividend per share	3.00	3.00
(iv) Financial year to which the dividend relates	2022-23	2021-22

## 47 Foreign Currency Exposure

### Derivatives not designated as hedging instruments

The entity uses foreign currency denominated borrowings and foreign exchange forward contracts to manage some of its transaction exposures. However such foreign currency denominated borrowings have not been designated as hedge. Such derivatives are recorded at mark to market at each reporting date with a corresponding recognition in the Statement of Profit and Loss.

The carrying amounts of the Company's foreign currency denominated monetary items are as follows:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Foreign Currency	INR	Foreign Currency	INR
<b>Other foreign currency exposures:</b>				
<b>Export receivables</b>				
USD	77.39	6,454.59	62.44	5,133.40
EURO	3.18	285.96	-	-
GBP	0.24	25.33	0.12	12.72
<b>Overseas creditors</b>				
USD	0.61	51.05	0.64	3.63
EURO	0.11	9.73	-	-
<b>Balance with banks</b>				
USD	1.27	105.98	3.66	300.63

### Foreign currency sensitivity- Impact on profit

Change in foreign exchange rates	March 31, 2024		March 31, 2023	
	5% increase	5% decrease	5% increase	5% decrease
USD	325.28	(325.28)	271.52	(271.52)
EURO	13.81	(13.81)	-	-
GBP	1.27	(1.27)	0.64	(0.64)

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## Foreign currency sensitivity-Impact on equity

The below table demonstrates the sensitivity to a 1% increase or decrease in the foreign currencies against, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 1% represents management's assessment of reasonably possible change in foreign exchange rate. 1% increase or decrease in foreign exchange rates will have the following impact on profit before tax per rupee:

Change in foreign exchange rates	March 31, 2024		March 31, 2023	
	5% increase	5% decrease	5% increase	5% decrease
USD	243.55	(243.55)	203.18	(203.18)
EURO	10.34	(10.34)	-	-
GBP	0.95	(0.95)	0.48	(0.48)

## 48 Financial Instruments

### A- Category wise classification of Financial Instruments

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	Amortized cost	FVTOCI	FVTPL	Amortized cost	FVTOCI
<b>Financial assets</b>						
Trade receivables	-	97,815.01	-	-	82,405.59	-
Cash and cash equivalents	-	8,624.77	-	-	12,207.19	-
Bank balances other than above	-	1,437.10	-	-	921.87	-
Loans	-	1,476.34	-	-	2,226.34	-
Other financial assets	-	7,282.54	-	-	7,879.74	-
<b>Total</b>	<b>-</b>	<b>116,635.76</b>	<b>-</b>	<b>-</b>	<b>105,640.73</b>	<b>-</b>
<b>Financial liabilities</b>						
Borrowings	-	73,709.05	-	-	69,675.84	-
Lease liabilities	-	8,126.37	-	-	5,687.78	-
Trade payables	-	26,704.88	-	-	27,489.09	-
Other financial liabilities	-	33,073.39	-	-	22,054.72	-
<b>Total</b>	<b>-</b>	<b>141,613.69</b>	<b>-</b>	<b>-</b>	<b>124,907.43</b>	<b>-</b>

### B- Fair value hierarchy

The following table provides fair value management hierarchy of the company's assets:

Particulars	Level 1	Level 2	Level 3
<b>March 31, 2024</b>			
<b>Assets for which fair values are disclosed (Note 48A)</b>			
Trade receivables	-	-	97,815.01
Cash and cash equivalents	-	-	8,624.77
Bank balances other than above	-	-	1,437.10
Loans	-	-	1,476.34
Other financial assets	-	-	7,282.54
<b>Total</b>	<b>-</b>	<b>-</b>	<b>116,635.76</b>
<b>Liabilities for which fair values are disclosed (Note 48A)</b>			
Borrowings	-	-	73,709.05
Lease liabilities	-	-	8,126.37
Trade payables	-	-	26,704.88
Other financial liabilities	-	-	33,073.39
<b>Total</b>	<b>-</b>	<b>-</b>	<b>141,613.69</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

Particulars	Level 1	Level 2	Level 3
<b>March 31, 2023</b>			
<b>Assets for which fair values are disclosed (Note 48A)</b>			
Trade receivables	-	-	82,405.59
Cash and cash equivalents	-	-	12,207.19
Bank balances other than above	-	-	921.87
Loans	-	-	2,226.34
Other financial assets	-	-	7,879.74
<b>Total</b>	<b>-</b>	<b>-</b>	<b>105,640.73</b>
<b>Liabilities for which fair values are disclosed (Note 48A)</b>			
Borrowings	-	-	69,675.84
Lease liabilities	-	-	5,687.78
Trade payables	-	-	27,489.09
Other financial liabilities	-	-	22,054.72
<b>Total</b>	<b>-</b>	<b>-</b>	<b>124,907.43</b>

There have been no transfer between level 1, level 2 and level 3 during the year.

## C- Valuation techniques and processes used to determine fair value

Fair value of unquoted investments is determined based on the present values, calculated using generally accepted valuation principles.

## D- Valuation inputs and relationships to fair value

Significant unobservable inputs used in Level 3 fair value measurement:-

### Non current investment - Unquoted

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Fair Value	-	-
Earnings growth rate (%)	10.00	10.00
Risk adjusted discount rate (%)	10.00	10.00
There were no significant inter-relationships between unobservable inputs that materially affect fair values.		
<b>E- Reconciliation of financial instruments categorized under level 3</b>		
Opening at the beginning of the year	-	-
Additions during the year	-	-
Gain/(Loss) recognized in OCI during the year	-	-
Closing at the end of the year	-	-

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 49 Financial Risk Management Objectives and Policies

The Company's activities exposes it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, deposits with banks, trade receivables, loans and other financial assets measured at amortized cost	Review of receivables	Diversification of bank deposits, monitoring of credit limits and assessment of recoverability of loan and advances from related party & other counter party.
Liquidity risk	Borrowings and other financial liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk-Interest rate	Short-term borrowings at floating rates	Sensitivity analysis of interest rates	Monitoring of changes in interest rates

The Group's principal financial liabilities comprise loans and borrowings, security deposits and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets includes loans, investment in preference shares & equity shares, trade and other receivables, and cash and cash equivalents that are derived directly from its operations.

The Group's business activities are exposed to a variety of financial risks, namely market risks, credit risk and liquidity risk. The Group's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyze the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Group.

### (a) 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 of interest rate risk and currency risk and equity price risk. Financial instruments affected by market risk include loans and borrowings.

The sensitivity analysis in the following sections relate to the position as at March 31, 2024 and March 31, 2023.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies to total debts.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations and provisions.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2024 and March 31, 2023.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## (i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The entity's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

In order to balance the Group's position with regards to interest income and interest expense and to manage the interest rate risk, treasury performs comprehensive interest rate risk management. As the Group does not have any significant amount of debt, the exposure to interest rate risk from the perspective of Financial Liabilities is negligible. Further, treasury activities, focused on managing investments in debt instruments, are centralized and administered under a set of approved policies and procedures guided by the tenets of safety, liquidity and returns. This ensures that investments are made within acceptable risk parameters after due evaluation.

### Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows

**At the reporting date the interest rate profile of the entity's interest bearing financial instrument is as its fair value:**

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed rate borrowings	42,571.42	32,902.18
Variable rate borrowings	31,137.62	36,773.65
<b>Total borrowing</b>	<b>73,709.04</b>	<b>69,675.83</b>

### Fair value sensitivity analysis for fixed rate instruments

The Company does not have any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss and neither would it affect the equity.

A change of 100 basis points in interest rates for variable rate instruments at the reporting date would have increased/(decreased) profit or loss for the below years by the amounts shown below. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	As at March 31, 2024		As at March 31, 2023	
Increase/ (decrease) in basis points	100	(100)	100	(100)
Effect on profit before tax (increase)/ decrease	311.38	(311.38)	367.74	(367.74)
Effect on equity (increase)/ decrease	233.01	(233.01)	275.18	(275.18)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

## (ii) Foreign currency risk

The Indian National Rupee is the entity's most significant currency. As a consequence, the Group's results are presented in Indian National Rupee and exposures are managed against Indian National Rupee accordingly. The Group has limited foreign currency exposure which are mainly on account of imports and exports. Refer note 47.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## (iii) Equity price risk

The Group's equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. Reports on the equity portfolio are submitted to the company's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

### At the reporting date, the exposure to:

- unlisted equity securities at fair value is ₹ NIL.

## (iv) Price risk

The Company's exposure to price risk arises from investments held and classified as FVTPL. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

### Sensitivity analysis

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Group's profit for the year:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Price sensitivity</b>		
Price increase by (5%) - FVTPL	-	-
Price decrease by (5%) - FVTPL	-	-

## (b) 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 entity 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.

### Trade receivables and loans

Credit risk is managed by company in accordance with the Group's established policy, procedures and control relating to credit risk management. Credit quality is assessed based on an extensive credit rating and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables and loans are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for receivables and loans. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note below. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and has been rated highly based on internal credit assessment parameters.

For trade receivables, as a practical expedient, the Group computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. . The Group is using provision matrix of 0.20%, 15%, 25% 50% and 75% for ageing bucket of less than 6 months, 06 months to 01 year, 01 Year to 2 year, 2 to 3 year and More than 3 Year respectively. Further Company is using 65% ECL on disputed matters.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the entity's treasury department in accordance with the entity's policy. Counterparty credit limits are reviewed by the entity's Board of Directors on an annual basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the Balance Sheet at March 31, 2024 and March 31, 2023 is the carrying amounts as illustrated in note below.

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial assets for which loss allowance is measured using 12 months expected credit losses (ECL)</b>		
<b>Non current financial assets</b>		
Other financial assets	3,751.81	3,252.08
<b>Total</b>	<b>3,751.81</b>	<b>3,252.08</b>
<b>Current financial assets</b>		
Cash and cash equivalents	8,624.77	12,207.19
Bank balances other than those included in Cash & Cash equivalents	1,437.10	921.87
Loans	1,476.34	2,226.34
Other financial assets	3,530.73	4,627.66
<b>Total</b>	<b>15,068.94</b>	<b>19,983.06</b>
<b>Financial assets for which loss allowance is measured using life time expected credit losses (LECL)</b>		
Trade receivables	97,815.01	82,405.59
<b>Total</b>	<b>97,815.01</b>	<b>82,405.59</b>

## Summary of change in loss allowances measured using ECL

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Opening allowance</b>	3,196.91	3,004.16
Provided during the year	470.00	228.53
Reversal of provision during the year	138.91	-
Amounts written-off	-	35.78
<b>Closing allowance</b>	<b>3,528.00</b>	<b>3,196.91</b>

## (c) Liquidity risk

The Group monitors its risk of shortage of funds on a regular basis. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Particulars	Payable within one year	Payable after one year and before five years	Payable after 5 years	Total
<b>As at March 31, 2024:</b>				
Term loans from banks	13,571.44	28,999.99	-	42,571.43
Short term borrowings	31,137.62	-	-	31,137.62
Trade payables	26,704.88	-	-	26,704.88
Lease liability	2,003.64	6,117.61	5.12	8,126.37
Other financial liabilities	33,055.10	18.29	-	33,073.39
<b>Total</b>	<b>106,472.68</b>	<b>35,135.89</b>	<b>5.12</b>	<b>141,613.69</b>
<b>As at March 31, 2023:</b>				
Term loans from banks	4,216.47	28,685.72	-	32,902.19
Short term borrowings	36,773.65	-	-	36,773.65
Trade payables	27,489.09	-	-	27,489.09
Lease liability	1,168.99	4,513.61	5.18	5,687.78
Other financial liabilities	22,032.39	22.33	-	22,054.72
<b>Total</b>	<b>91,680.59</b>	<b>33,221.66</b>	<b>5.18</b>	<b>124,907.43</b>

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

## Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the entity's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the entity's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

## Collateral

The Group has created a charge in favor of the lenders for loans and borrowings (Refer note-17 and 21 on Borrowings for details).

## 50 (I) Defined Benefit Plan

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Provident fund	855.72	681.72

## (II) Post-employment benefit plans

Particulars	As at March 31, 2024	As at March 31, 2024
Gratuity (funded)	(201.76)	204.36

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

The Company has a retirement benefit plans for Gratuity, Provident Fund and Leave Encashment. For provident fund, entity makes contribution to provident fund trust. Gratuity plan is funded with LIC and requires contributions to be made to a separate fund administered by LIC. Leave encashment liability of the entity is unfunded. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

Each year, the Board of Trustees reviews the level of funding in the Gratuity plan and Provident fund. Such a review includes the asset-liability matching strategy and investment risk management policy. The Board of Trustees decides its contribution based on the results of this annual review. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The following tables summaries the gratuity components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for the respective plans.

## i Changes in present value of defined benefit obligation:

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of obligation as at beginning of the year	4,486.70	3,963.93
Interest cost	331.12	284.60
Current service cost	258.86	236.91
Benefits paid	(172.33)	(227.09)
Actuarial (gain)/loss recognized in other comprehensive income	(145.98)	228.35
- changes in financial assumption	50.05	(48.48)
- experience adjustment	(196.03)	276.83
<b>Present value of obligation as at end of the year</b>	<b>4,758.37</b>	<b>4,486.70</b>

## ii. Reconciliation of the present value of plan assets :

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	4,282.35	3,989.98
Return on plan assets recognized in total other comprehensive income	293.95	265.33
Contribution paid into the plan	556.17	254.13
Benefits paid	(172.33)	(227.09)
Balance at the end of the year	4,960.14	4,282.35
<b>Net defined benefit liability (asset)</b>	<b>(201.76)</b>	<b>204.36</b>

## iii. Net asset / (liability) recognized in the consolidated balance sheet

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of obligation at the end	4,758.37	4,486.70
Fair value of plan assets	4,960.14	4,282.35
<b>Net (unfunded liability) /assets in consolidated balance sheet</b>	<b>201.76</b>	<b>(204.36)</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## iv Actuarial Assumptions

### A. Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes into account inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discounting rate	7.21	7.38
Future salary increase	5.50	5.50

### B. Demographic assumptions

Particulars	As at March 31, 2024	As at March 31, 2023
i) Retirement age	58/59/60/62/64 /65/72/82/90	58/59/60/62 /64/65/72/82
ii) Mortality table	100% OF IALM (2012-14)	100% OF IALM (2012-14)
iii) Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 years (Store employees/Back office employees)	3.00	3.00
From 31 to 44 years (Store employees/Back office employees)	2.00	2.00
Above 44 years (Store employees/Back office employees)	1.00	1.00

Assumption regarding future mortality have been based on published statistics and mortality tables

### C. Actuarial Method

- Projected unit credit (PUC) actuarial method has been used to assess the plan's liabilities allowing for retirement, death-in-service and withdrawal and also compensated absence while in service.
- Under the PUC method a projected accrued benefit is calculated at the beginning of the period and again at the end of the period for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plan accrual formula and upon service as at the beginning and end of the period, but using member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the projected accrued benefits as on the date of valuation for active members.

### v(a) Expense recognized in the consolidated statement of profit or loss:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Employee benefit expenses:</b>		
(a) Current service cost	258.86	236.91
(b) Interest cost	331.12	284.62
(c) Interest income on plan assets	(316.04)	(286.48)
	<b>273.94</b>	<b>235.05</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## v(b) Remeasurements recognized in other comprehensive income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial gain/(loss) on defined benefit obligation	145.98	(228.35)
Actuarial gain/(loss) on plan assets	(22.09)	(21.15)
	<b>123.89</b>	<b>(249.50)</b>
<b>Expense recognized in the consolidated statement of profit and loss</b>	<b>150.05</b>	<b>484.55</b>

## vi. Reconciliation of statement of expense in the consolidated statement of profit and loss

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Present value of obligation as at the end of the year	4,758.37	4,486.70
Present value of obligation as at the beginning of the year	(4,486.70)	(3,963.93)
Benefits paid	172.33	227.09
Actual return on plan assets	(293.95)	(265.32)
<b>Expense recognized in the consolidated statement of profit and loss</b>	<b>150.05</b>	<b>484.54</b>

## vii. Change in fair value of plan assets:

Particulars	As at March 31, 2024	As at March 31, 2023
Opening fair value of plan assets	4,282.35	3,989.98
Actual return on plan assets	293.95	265.33
Fund charges	-	-
Contribution by employer	556.17	254.13
Benefits paid	(172.33)	(227.09)
<b>Fair value of plan assets as at year end</b>	<b>4,960.14</b>	<b>4,282.35</b>

## viii. The expected maturity analysis of undiscounted defined benefit liability is as follows

Particulars	Less than a year	Between one to two years	Between two to five years	Over five years
March 31, 2024	677.64	1,481.85	437.85	2,161.04
March 31, 2023	608.31	1,472.54	435.99	1,969.87

The weighted average duration of the defined benefit obligation is 15.20 years (31 March 2023- 15.10 years).

## ix. Bifurcation of closing net liability at the end of year

Particulars	As at March 31, 2024	As at March 31, 2023
Current liability (amount due within one year)	677.64	608.30
Non-current liability (amount due over one year)	4,080.73	3,878.40
	<b>4,758.37</b>	<b>4,486.70</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

**x. Investment details of plan assets:**

Particulars	As at March 31, 2024	As at March 31, 2023
Insurance products	100%	100%

**xi. Expected contribution for the next Annual reporting period**

Particulars	As at March 31, 2024	As at March 31, 2023
Service cost	273.31	250.78
Net Service cost	(14.55)	15.08
Expected expense for the next Annual reporting period	258.76	265.86

**xii. Sensitivity analysis**

A quantitative sensitivity analysis for significant assumptions is as shown below:

**Impact of the change in discount rate on defined benefit obligation**

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of obligation at the end of the year		
a) Impact due to increase of .50%	(145.73)	(117.52)
b) Impact due to decrease of .50%	154.01	124.24

**Impact of the change in salary on defined benefit obligation**

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of obligation at the end of the year		
a) Impact due to increase of .50%	155.82	125.90
b) Impact due to decrease of .50%	(148.72)	(120.10)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated. Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable. 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 recognized 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.

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 plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

- 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 plan's liability.
- d) Mortality and disability** - Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities
- e) Withdrawals** - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

## D. Code of social security

The Code on Social Security, 2020 ("the Code") relating to employee benefits during employment and post-employment received Presidential assent in September 2020. Subsequently, the Ministry of Labour and Employment had released the draft rules on the aforementioned Code. However, the same is yet to be notified. The Company will evaluate the impact and make necessary adjustments to the financial statements in the period when the Code will be notified and will come into effect.

## 51 Information under 186(4) of the Companies Act, 2013

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Movement of loans and advances:</b>		
i) In the form of unsecured short-term Inter corporate deposits*		
<b>Opening balance</b>	<b>2,226.34</b>	<b>2,426.34</b>
Given during the year	-	-
Received / adjusted during the year	(750.00)	(200.00)
<b>Closing balances (refer note 12)</b>	<b>1,476.34</b>	<b>2,226.34</b>

\* All loans are given to unrelated entities at interest rates ranging from 8% to 12% per annum. All the loans are provided for business purposes of respective entities. Further, The Group has not invested, granted a loan, or issued a guarantee covered under Section 186(3) of the Companies Act, 2013.

## 52 Capital Management

For the purpose of the Group's capital management, capital includes issued equity share capital and other equity attributable to the equity holders of the group. The primary objective of the group's capital management is to maximize the shareholder's wealth.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditors 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 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 net debt divided by total capital.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

The Group's debt equity ratio was as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings	73,709.05	69,675.84
Equity capital	2,674.31	2,673.48
Other equity	241,287.52	218,116.05
<b>Total equity</b>	<b>243,961.83</b>	<b>220,789.53</b>
Debt equity ratio	30.21%	31.56%

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 interest-bearing loans and borrowings that define 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 financial year. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024.

## 53 Disclosures on Revenue pursuant to Ind AS 115 - Revenue from Contracts with Customers

### A. Reconciliation of revenue from sale of products with the contracted price

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contracted Price	426,877.91	332,384.94
Add: Excise duty	1,136,535.97	960,109.50
Less: Discount and rebates, etc.	(25,828.66)	(21,943.13)
<b>Sale of products</b>	<b>1,537,585.22</b>	<b>1,270,551.31</b>

### B. Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers:

#### Revenue from contracts with customers

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>i) Revenue from operations</b>		
Alcohol and other alcoholic products	393,301.82	302,223.13
Pet bottles and caps	3,085.46	3,787.16
Jaivik khad	361.54	529.83
Others	717.61	863.90
Trading of products	469.59	418.41
Royalty Income	3,113.23	2,619.38
Add: Excise duty collected from customer	1,136,535.97	960,109.50
Operating revenue	<b>1,537,585.22</b>	<b>1,270,551.31</b>
<b>ii) Other operating income</b>	<b>10,802.95</b>	<b>3,839.77</b>
<b>Total revenue covered under Ind AS 115</b>	<b>1,548,388.17</b>	<b>1,274,391.08</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## C. Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Contract liabilities</b>		
Advance from consumers	3,268.73	8,533.17
<b>Total</b>	<b>3,268.73</b>	<b>8,533.17</b>
<b>Receivables</b>		
Trade receivables	101,343.01	85,602.50
Less : Allowances for expected credit loss	(3,528.00)	(3,196.91)
<b>Net receivables</b>	<b>97,815.01</b>	<b>82,405.59</b>

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer in advance.

In Accordance of Ind As 115, the recognition of revenue for the company is at a point in time.

The amounts receivable from customers become due after expiry of credit period which on an average ranges between 30-90 days.

## D. Significant changes in the contract liabilities balances during the year are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Opening balance</b>	<b>8,533.17</b>	<b>6,799.08</b>
Addition during the year	3,268.73	8,533.17
Revenue recognized during the year	(8,533.17)	(6,799.08)
<b>Closing balance</b>	<b>3,268.73</b>	<b>8,533.17</b>

## 54 Reconciliation of Liabilities arising from Financing Activities Pursuant to Ind AS 7 - Cash flows

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Non-current borrowings	Current borrowings	Lease liabilities	Total
<b>Net debt as at April 1, 2022</b>	<b>514.69</b>	<b>18,488.23</b>	<b>1,166.77</b>	<b>20,169.69</b>
Recognition of lease liabilities (including current)	-	-	5,337.19	5,337.19
Repayment (including current maturities)	(12.50)	-	(816.18)	(828.68)
Proceeds from current borrowings (net)	32,400.00	18,285.42	-	50,685.42
<b>Net debt as at March 31, 2023</b>	<b>32,902.19</b>	<b>36,773.65</b>	<b>5,687.78</b>	<b>75,363.62</b>
Recognition of lease liabilities (including current)	-	-	4,376.91	4,376.91
Repayment of long term borrowings (excluding current maturities of long term borrowing) (net)	(4,930.76)	-	(1,938.32)	(6,869.08)
Proceeds from long term borrowings (net)	14,600.00	-	-	14,600.00
Proceeds from short term borrowings (net)	-	(5,636.03)	-	(5,636.03)
<b>Net debt as at March 31, 2024</b>	<b>42,571.43</b>	<b>31,137.62</b>	<b>8,126.37</b>	<b>81,835.42</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 55 Ageing Schedule for Capital Work in Progress

As at March 31, 2024	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Projects in progress</b>	4,869.60	304.52	-	-	5,174.12
Projects temporarily suspended	57.02	62.23	-	-	119.25
<b>Total</b>	<b>4,926.62</b>	<b>366.75</b>	-	-	<b>5,293.37</b>

As at March 31, 2023	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Projects in progress</b>	32,261.94	286.41	16.23	-	32,564.58
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>32,261.94</b>	<b>286.41</b>	<b>16.23</b>	-	<b>32,564.58</b>

# There is no project during the year whose completion is overdue or has exceeded its cost compared to its original plan

## 56 Ageing Schedule of Trade Receivables

As at March 31, 2024

Particulars	Outstanding from the due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	92,931.03	2,636.21	1,153.62	442.60	318.33	97,481.79
Undisputed trade receivables - credit impaired	70.89	225.18	204.83	211.05	2,197.19	2,909.14
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	333.23	333.23
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	618.85	618.85
	<b>93,001.92</b>	<b>2,861.39</b>	<b>1,358.45</b>	<b>653.65</b>	<b>3,467.60</b>	<b>101,343.01</b>
Allowance for expected credit losses	70.89	225.18	204.83	211.05	2,816.05	3,528.00
<b>Total</b>	<b>92,931.03</b>	<b>2,636.21</b>	<b>1,153.62</b>	<b>442.60</b>	<b>651.55</b>	<b>97,815.01</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## As at March 31, 2023

Particulars	Outstanding from the due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	77,214.59	1,902.40	2,011.94	160.58	750.04	82,039.55
Undisputed trade receivables - credit impaired	52.97	256.85	215.43	117.17	1,875.54	2,517.96
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	366.04	366.04
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	678.95	678.95
	<b>77,267.56</b>	<b>2,159.25</b>	<b>2,227.37</b>	<b>277.75</b>	<b>3,670.57</b>	<b>85,602.50</b>
Allowance for expected credit losses	52.97	256.85	215.43	117.17	2,554.49	3,196.91
<b>Total</b>	<b>77,214.59</b>	<b>1,902.40</b>	<b>2,011.94</b>	<b>160.58</b>	<b>1,116.08</b>	<b>82,405.59</b>

## 57 Ageing Schedule of Trade Payables

### As at March 31, 2024

Particulars	Outstanding from the due date of payment					Total
	Unbilled Payable	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro and small enterprises (MSME)	-	4,123.04	-	-	-	4,123.04
Others than Micro and small enterprises	4,272.78	17,711.00	239.22	124.74	234.10	22,581.84
Disputed Dues (MSME)	-	-	-	-	-	-
Disputed Dues (Others)	-	-	-	-	-	-
<b>Total</b>	<b>4,272.78</b>	<b>21,834.04</b>	<b>239.22</b>	<b>124.74</b>	<b>234.10</b>	<b>26,704.88</b>

### As at March 31, 2023

Particulars	Outstanding from the due date of payment					Total
	Unbilled Payable	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro and small enterprises (MSME)	-	3,561.34	-	-	-	3,561.34
Others than Micro and small enterprises	2,971.59	20,506.03	205.63	242.23	7.86	23,933.34
Disputed Dues (MSME)	-	-	-	-	-	-
Disputed Dues (Others)	-	-	-	-	-	-
<b>Total</b>	<b>2,971.59</b>	<b>24,067.37</b>	<b>205.63</b>	<b>242.23</b>	<b>7.86</b>	<b>27,494.68</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## 58 Details of Promoter Shareholding

Name of promoter	As at March 31, 2024			As at March 31, 2023		
	Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
Dr. Lalit Kumar Khaitan	234,295	0.18%	-	234,295	0.18%	-
Lalit Kumar Khaitan HUF	41,850	0.03%	-	41,850	0.03%	-
Abhishek Khaitan	86,065	0.06%	-	86,065	0.06%	-
Deepshikha Khaitan	50,000	0.04%	-	50,000	0.04%	-
Sapphire Intrex Limited	45,379,098	33.94%	-	45,379,098	33.95%	-
Rampur International Limited	5,254,085	3.93%	-	5,254,085	3.93%	-
Classic Fintrex Private Ltd	2,576,100	1.93%	-	2,576,100	1.93%	-
Abhishek Fiscal Services Private Limited	99,050	0.07%	-	99,050	0.07%	-
Elkay Fiscal Services Private Limited	66,000	0.05%	-	66,000	0.05%	-
Smita Fiscal Private Limited	43,275	0.03%	-	43,275	0.03%	-
<b>Total</b>	<b>53,829,818</b>	<b>40.26%</b>		<b>53,829,818</b>	<b>40.27%</b>	

## 59 Intangible Assets under Development:

a) For Intangible assets under development, following ageing schedule shall be given

Intangible assets under development	As at March 31, 2024				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	129.80	-	-	129.80

Intangible assets under development	As at March 31, 2023				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	129.80	-	-	-	129.80
Projects temporarily suspended	-	-	-	-	-

# There is no project during the year whose completion is overdue or has exceeded its cost compared to its original plan.

## 60 Other Statutory Information

- The Group has not undertaken any 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).
- The Group do not have any transactions with companies struck off.
- The Group does not hold any Investment property hence not applicable.
- In Current year, no revaluation has been done for Property, plant and equipment and Intangible assets.
- The Group has not been declared a 'Willful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

- f. The Group does not have any Benami property and no proceedings have been initiated or pending against the Group for holding any Benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.
- g. The Group has not traded or invested in Crypto currency or Virtual Currency during the current and previous financial year.
- h. The Group have not advanced or loaned or invested funds to any other persons or entities, including foreign entities (intermediaries) with the understanding that the intermediary shall:
- (a) Directly and 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 ultimate beneficiaries.
- i. 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:
- i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or ,
- ii. provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- j. The Group has ensured compliance with Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on Number of Layers) Rules, 2017 ('Layering Rules') is not applicable.
- k. The quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts.
- l. The borrowings obtained by the Group from banks have been applied for the purposes for which such loans were was taken.
- m. The Group has been sanctioned a working capital limit in excess of ₹ 5 crore by banks based on the security of current assets during the year. The quarterly returns/statements, in respect of the working capital limits have been filed by the Group with such banks and such returns/statements are in agreement with the books of account of the Group for the respective periods.

## 61 Additional information pursuant to Schedule III to the Companies Act, 2013 as at and for the year ended March 31, 2024

### A Summarised financial information of joint venture that is material to the Group:

Name of Entity	Principal activity	Principal place of business	% of equity	
			As at March 31, 2024	As at March 31, 2023
Radico NV Maharashtra Distilleries Limited	Manufacture & sale of spirit	India	36.00%	36.00%

The above joint venture is accounted for using equity method in the consolidated financial statements. There is no quoted market price for Radico NV Maharashtra Distilleries Limited.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## i. Summarised balance sheet

Particulars	As at March 31, 2024	As at March 31, 2023
Non current Asset	53,114.85	54,228.96
Current Assets	28,450.25	24,336.18
<b>Total Asset</b>	<b>81,565.10</b>	<b>78,565.14</b>
Non current liabilities	13,035.61	15,612.54
Current liabilities	14,131.13	10,331.36
<b>Total Liabilities</b>	<b>27,166.74</b>	<b>25,943.90</b>
<b>Net Asset</b>	<b>54,398.36</b>	<b>52,621.24</b>

## ii. Summarised statement of profit and loss

Particulars	As at March 31, 2024	As at March 31, 2023
Revenue	70,621.84	45,500.34
<b>Total comprehensive income</b>		
Net profit	2,791.03	4,438.81
Other comprehensive income	(13.91)	(27.18)
<b>Total</b>	<b>2,777.12</b>	<b>4,411.63</b>

## iii. Reconciliation of summarised financial information to the carrying amount of the interest in the associates recognised in the consolidated financial statements

Particulars	As at March 31, 2024	As at March 31, 2023
Opening net assets	53,155.66	48,744.03
Add: shares issued during the year	-	-
<b>Total net assets available to equity holders</b>	<b>53,155.66</b>	<b>48,744.03</b>
Add: Profit during the year	2,791.03	4,438.81
Add: other comprehensive income/(loss) during the year	(13.91)	(27.18)
Less: Dividend paid	(1,000)	-
<b>Closing net assets available to equity holders</b>	<b>54,932.78</b>	<b>53,155.66</b>
Group's share in %	36%	36%
Group's share in ₹	<b>19,775.81</b>	<b>19,136.04</b>
Investment in 10% cumulative, non-convertible preference shares	-	-
<b>Carrying value of investment accounted for using equity method</b>	<b>19,775.81</b>	<b>19,136.04</b>

## iv. Contingent liabilities, commitments and other claims

### a Capital commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	21.98	154.86
	<b>21.98</b>	<b>154.86</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## b Contingent liabilities and other claims

### i) Claims against the Joint venture, not acknowledged as debts

Particulars	As at	As at
	March 31, 2024	March 31, 2023
(a) Disputed VAT/MVAT/CST matters under appeal	-	-
(b) Disputed delayed water charges levied by MIDC (pending before Hon'ble Supreme Court of India)	75.99	75.91
(c) Transport/ fee on molasses*	39.13	39.13
	<b>115.12</b>	<b>115.04</b>

\*During the year 2017-18, Government of Maharashtra had enhanced transport fees from ₹ 1 per MT to ₹ 500 per MT and Import fees from ₹ 50 Per Permit to ₹ 5000 per permit on transport of molasses. The industry has obtained stay on enhancing this fees from Honourable High Court Bombay. In the meantime, the Joint Venture has deposited an amount of ₹108.70 Lakhs under protest. Based on legal advise obtained by the Joint Venture, the management is of the view that this liabilities will not arise on the group, hence shown as recoverable.

- ii) The producers of Alcohol from Grain including us received show cause notice during 2018-19 from Commissioner of Excise, Maharashtra demanding duty on lower recovery of alcohol from Grain which was suitably replied by the industry and the Group, however, notice of hearing is still awaited from the Commissioner.
- iii) GST demand, on bottling done for various principals, of ₹ 253.61 Lakhs has been received. The Joint venture has contesting the same however, in the event of any confirmation of liability the said amount are recoverable/reimburse from the said principals for whom bottling was done.

## B Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements

### For the Year ended 31 March 2024

Name of entity Consolidated	Net Assets i.e. total asset minus total liabilities		Share in profit and Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated net asset	Amount	As % of Consolidated net profit	Amount	As % of Consolidated net profit	Amount	As % of Consolidated net profit	Amount
<b>Parent Company</b>								
Radico Khaitan Limited	97.45%	237,736.99	97.55%	25,575.95	105.71%	92.71	97.58%	25,668.66
<b>Subsidiaries</b>								
Radico Spiritzs India Private Limited	0.00%	0.10	0.01%	3.12	0.00%	-	0.01%	3.12
<b>Step Down Subsidiaries</b>								
Accomreal Builders Private Limited	0.00%	1.17	0.00%	0.16	0.00%	-	0.00%	0.16
Compaqt Era Builders Private Limited	0.00%	2.28	0.01%	1.33	0.00%	-	0.01%	1.33
Destihomz Buildwell Private Limited	0.00%	2.27	0.01%	1.37	0.00%	-	0.01%	1.37
Equibuild Realtors Private Limited	0.00%	3.58	0.01%	1.61	0.00%	-	0.01%	1.61
Proprent Era Estates Private Limited	0.00%	2.26	0.00%	1.29	0.00%	-	0.00%	1.29
Binayah Builders Private Limited	0.00%	2.26	0.01%	1.38	0.00%	-	0.01%	1.38
Firstcode Reality Private Limited	0.00%	1.99	0.00%	1.23	0.00%	-	0.00%	1.23
<b>Join Venture</b>								
Radico NV Distilleries Maharashtra Limited	8.11%	19,775.81	2.46%	644.78	-5.71%	(5.01)	2.43%	639.77
Consolidation adjustments		(13,566.88)		-14.76		-		-14.76
		<b>243,961.83</b>		<b>26,217.46</b>		<b>87.70</b>		<b>26,305.16</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in Lakhs unless otherwise stated)

## For the Year ended 31 March 2023

Name of entity Consolidated	Net Assets i.e. total asset minus total liabilities		Share in profit and Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated net asset	Amount	As % of Consolidated net profit	Amount	As % of Consolidated net profit	Amount	As % of Consolidated net profit	Amount
<b>Parent Company</b>								
Radico Khaitan Limited	97.47%	215,201.26	92.77%	20,442.17	95.02%	(186.71)	92.75%	20,255.46
<b>Subsidiaries</b>								
Radico Spiritz India Private Limited	0.00%	(3.02)	0.00%	(1.09)	0.00%	-	-0.01%	-1.09
<b>Step Down Subsidiaries</b>								
Accomreal Builders Private Limited	0.00%	0.99	0.00%	0.12	0.00%	-	0.00%	0.12
Compaqt Era Builders Private Limited	0.00%	0.93	0.00%	0.09	0.00%	-	0.00%	0.09
Destihomz Buildwell Private Limited	0.00%	0.89	0.00%	0.07	0.00%	-	0.00%	0.07
Equibuild Realtors Private Limited	0.00%	1.99	0.01%	1.26	0.00%	-	0.01%	1.26
Proprent Era Estates Private Limited	0.00%	0.95	0.00%	0.13	0.00%	-	0.00%	0.13
Binayah Builders Private Limited	0.00%	0.88	0.00%	0.06	0.00%	-	0.00%	0.06
Firstcode Reality Private Limited	0.00%	0.76	0.00%	(0.05)	0.00%	-	0.00%	-0.05
<b>Join Venture</b>								
Radico NV Distilleries Maharashtra Limited	8.67%	19,136.04	7.25%	1,597.97	4.98%	(9.78)	7.27%	1,588.19
Consolidation adjustments		(13,552.14)		-5.60		-		-5.60
		<b>220,789.53</b>		<b>22,035.13</b>		<b>(196.49)</b>		<b>21,838.64</b>

## 62 Audit Trail

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 only use such accounting software which was a feature of recording audit trail of each & every transactions, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The new requirement is applicable with effect from the financial year beginning on April 1, 2023.

The Group and its joint venture company uses SAP as the primary accounting software. During the current financial year, the audit trail (edit log) feature for any direct changes made at the database level was not enabled for the accounting software used for maintenance of all the accounting records by the group Group and its joint venture company. However, the audit trail (edit log) at the application level (entered from the frontend by users) for the accounting software were operating for all relevant transactions recorded in the software .

**63** Figures of Previous year figures have been regrouped, wherever necessary. The impact of the same is not material to the user of the consolidated financial statements.

As per our report of even date attached

For **Walker Chandio & Co LLP**  
Chartered Accountants  
Firm Regn. No. 001076N/N500013

**Ashish Gupta**  
Partner  
Membership No. 504662

Place: New Delhi  
Date: May 14, 2024

For and on behalf of Board of Directors

**Dilip K. Banthiya**  
Chief Financial Officer

**Dinesh Kumar Gupta**  
Sr. Vice President - Legal &  
Company Secretary

**Alok Agarwal**  
Sr. Vice President  
(Finance & Accounts)

Place: New Delhi  
Date: May 14, 2024

**Dr. Lalit Khaitan**  
Chairman & Managing Director  
DIN: 00238222

**Abhishek Khaitan**  
Managing Director  
DIN: 00772865

# Company Information

## BOARD OF DIRECTORS

**Dr. Lalit Khaitan**  
Chairman & Managing Director

**Mr. Abhishek Khaitan**  
Managing Director

**Dr. Raghupati Singhania**  
Independent Director

**Mr. Sharad Jaipuria**  
Independent Director

**Ms. Sushmita Singha**  
Independent Director

**Mr. Tushar Jain**  
Independent Director

**Mr. Sarvesh Srivastava**  
Independent Director  
(upto May 29, 2024)

**Mr. Krishan Pal Singh**  
Whole Time Director  
(upto July 01, 2024)

**Mr. Pushp Jain**  
Independent Director  
(w.e.f. May 30, 2024)

**Mr. Amar Singh**  
Whole Time Director  
(w.e.f. July 02, 2024)

## CHIEF FINANCIAL OFFICER

**Mr. Dilip K. Banthiya**

## SENIOR VICE PRESIDENT - LEGAL & COMPANY SECRETARY

**Mr. Dinesh Kumar Gupta**

## AUDIT COMMITTEE

**Mr. Tushar Jain**  
Chairman

**Dr. Raghupati Singhania**  
Member

**Mr. Pushp Jain**  
Member

## NOMINATION, REMUNERATION AND COMPENSATION COMMITTEE

**Dr. Raghupati Singhania**  
Chairman

**Mr. Sharad Jaipuria**  
Member

**Mr. Tushar Jain**  
Member

**Mr. Pushp Jain**  
Member

## STAKEHOLDER'S RELATIONSHIP COMMITTEE

**Mr. Sharad Jaipuria**  
Chairman

**Mr. Pushp Jain**  
Member

**Mr. Amar Singh**  
Member

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

**Mr. Tushar Jain**  
Chairman

**Mr. Abhishek Khaitan**  
Member

**Ms. Sushmita Singha**  
Member

## RISK MANAGEMENT COMMITTEE

**Dr. Lalit Khaitan**  
Chairman

**Mr. Abhishek Khaitan**  
Member

**Mr. Sharad Jaipuria**  
Member

**Mr. Dilip K. Banthiya**  
Member

## SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

**Dr. Lalit Khaitan**  
Chairman

**Mr. Abhishek Khaitan**  
Member

**Ms. Sushmita Singha**  
Member

**Mr. Amar Singh**  
Member

## STATUTORY AUDITORS

**Walker Chandiok & Co LLP**  
L 41, Connaught Circus  
New Delhi - 110001

## INTERNAL AUDITORS

### SCV & Co. LLP

505, 5<sup>th</sup> Floor, World Trade Tower  
C-1, Sector 16, Noida

### Ernst & Young LLP

Ground Floor 67, Institutional Area  
Sector 44, Gurgaon - 122003

## COST AUDITORS

### Mr. R. Krishnan

Cost Accountants  
H-301, Green Valley Apartment Plot  
No. 18, Sector-22  
Dwarka, New Delhi - 110 077

## TRANSFER AGENTS

### KFin Technologies Limited

305, New Delhi House 27,  
Barakhamba Road Connaught Place  
New Delhi - 110 001

## BANKERS

State Bank of India

Punjab National Bank

Axis Bank

HDFC Bank

ICICI Bank

IDBI Bank

Kotak Mahindra Bank

## REGISTERED OFFICE

Rampur Distillery Bareilly Road  
Rampur - 244 901 Uttar Pradesh

## CORPORATE OFFICE

Plot J-1, Block B-1, Mohan Co-  
operative Industrial Area, Mathura  
Road New Delhi - 110 044

## WORKS

Rampur Distillery  
Bareilly Road, Rampur - 244 901  
Uttar Pradesh

Village - Kanduni,  
Block/ Tehsil - Biswan  
Sidhauri - Biswan Road  
District - Sitapur - 261 145  
Uttar Pradesh

B-24, A-25, Shri Khatushyamji  
Industrial Complex, Reengus Dist.  
Sikar - 332 404 Rajasthan

A-1/A-2/B-3, Bazpur Industrial Area,  
Phase - I, P.O. Sultanpur Patti, Bazpur  
Dist. Udham Singh Nagar - 262  
123 Uttarakhand

S. No. 59, Timmapur Village Palmakul  
Post - 509 325 Shadnagar Tq.  
Dist. Ranga Reddy, Mahbubnagar,  
Telangana, Hyderabad.

Sy No 59 Part, Palmakul Post,  
Thimmapur, Kothur, Rangareddy -  
509 325

44 KM Stone,  
Delhi Rohtak Road Village & Post  
Rohad, Bahadurgarh,  
Dist. Jhajjar - 124 507 Haryana

*Radico*

SPIRIT OF EXCELLENCE

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