



S d F
INDUSTRIES LTD

ANNUAL REPORT
2020 - 2021

Board of Directors

Mr. K.V Viswamohan, B.com (Hons), PGD (Law)
M.A(Economics), D.L(Law), FCMI(London)- Chairman
Mr. Vinoo.P.Stephen, M.com, MBA, PGDCA –
Whole-time Director cum Chief Financial Officer
Ms. K.V Vinaya, MIB- Director
Ms. Sheethal G K, B.com, ACS, MIB -Director
Mr. Ranjiit Taunk, B.com – Director
Mr. G. Sudhakaran Nair, MBA – Director

Company Secretary

Ms. Anupama R, M.com, ACS

Management

Mr. Suresh Kumar G, B.A - Chief Manager (Commercial &
Production)
Mr. Shamsuddin PH, B.Sc, MBA - Sr. Manager (Production)
Mr. Santhosh K, B.com, Manager (Estate and Public
Relations)
Ms. Seema V Nair, M.com, DCA - Manager (Finance)
Ms. Lissy TT- Executive (Factory)

Statutory Auditors

Mr. B.Giridharan, B.com, FCA
M/s GGA and Associates
Chartered Accountants, Coimbatore

Secretarial Auditors

Mr. V.S Subash, M.com, LLB, FCS
M/s JMACS Associates
Company Secretaries, Coimbatore

Registrar and Share Transfer Agents

M/s Link Intime India Pvt Ltd
C 101, 247 Park, L.B.S.Marg,
Vikhroli (West), Mumbai - 400083.

Branch Office

M/s Link Intime India Pvt. Ltd,
Surya 35, Mayflower Avenue,
Sowripalayam Road,
Coimbatore – 641028



(CIN: L15511KL1990PLC005674)

Registered Office

SDF House,
Panchayath Door No 13/610,
Xanadu No.7, Sarayu Nagar,
Chandranagar P.O. Palakkad
Kerala. PIN - 678007

Factory

SDF Industrial Complex
5/90, Pampadi, Thiruvilwamala
Thrissur, Kerala. PIN : 680588

2020-2021

ANNUAL GENERAL MEETING

Date : 20th October 2021

Time : 10.30 am

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NOTICE OF THE ANNUAL GENERAL MEETING

To all Members,

Notice is hereby given that the Thirty First Annual General Meeting of the members of SDF Industries Limited will be held on Wednesday the 20th day of October 2021 at 10.30 a:m through Video Conferencing/Other Audio Visual Means("VC/OAVM") without the in-person presence of shareholders to transact the following business(es):-

AGENDAORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2021 including audited Balance Sheet as at 31st March, 2021 and the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vinoo P. Stephen (DIN: 08876495) Whole-Time Director, who retires by rotation in accordance with Section 152 of the Companies Act,2013 and being eligible, offers himself for re-appointment.

By Order Of The Board
For SDF INDUSTRIES LIMITED

Anupama R
Company Secretary

Place : Palakkad
Date : 13.09.2021

Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020, December 31,2020 and January 13,2021(collectively referred to as "MCA Circulars") permitted the conduct of the Annual General Meeting ("AGM") through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. The same has been acknowledged by the Securities and Exchange Board of India vide their circular dated May 12,2020 and January 15,2021 (collectively referred to as "SEBI Circulars").The deemed venue for the AGM shall be the Registered Office of the Company. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars and SEBI Circulars the AGM of the Company is being held through VC / OAVM. Members desirous of participating in the meeting through VC/OAVM, may refer to the procedure to be adopted as mentioned in serial No 26 below.

2. The Company has appointed M/s Link Intime India Pvt. Limited (“LIPL”), Registrar and Transfer Agent of the Company, to provide the VC/ OAVM facility for conducting AGM electronically and for voting through remote e-voting or through e-voting at the AGM.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA /SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Brief resume, details of shareholding and Directors’ inter-se relationship of Directors seeking election/re-election/ changes in terms as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2, are provided below.
5. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to mds@mdsassociates.in with a copy marked to evoting@cdsl.co.in.
6. The Register of Members and share transfer books of the Company will remain closed from 14th October 2021 (Thursday) to 20th October 2021 (Wednesday) (both days inclusive) as per Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 91 of the Companies Act, 2013.
7. Members whose shareholding is in the electronic mode are requested to update bank account details (Bank Account No., name of the Bank, Branch, IFSC code, MICR code and place with PIN Code) to their respective Depository Participants and not to the Company. Members whose shareholding is in the physical mode are requested to direct the above details to the Company or to the RTA.
8. The Company has entered into agreements with Central Depository Services (India) Limited (“CDSL”). The Depository System envisages the elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, mutilation of share certificates, etc. Simultaneously, Depository System offers several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc. Members, therefore, now have the option of holdings and dealing in the shares of the company in electronic form through CDSL. Members are encouraged to convert their holding to electronic mode.
9. Securities and Exchange Board of India has mandated that the transfer of securities held in physical form, except in case of transmission or transposition, shall not be processed by the listed entities / Registrars and Share Transfer Agents with effect from 1st April, 2019. Therefore, members holding share(s) in physical form are requested to immediately dematerialize their shareholding in the Company. Necessary prior intimation in this regard was provided to the shareholders.

10.a) Members are requested to notify immediately any change of address:

- i. to their Depository Participants (“DPs”) in respect of the shares held in electronic form, and
- ii. to the Company or its RTA, in respect to the shares held in physical form together with a proof of address viz, Aadhar/Electricity Bill/ Telephone Bill/Ration Card/Voter ID Card/ Passport etc.

b) In case the registered mailing address is without the Postal Identification Number Code (“PIN CODE”), Members are requested to kindly inform their PIN CODE immediately to the Company / RTA/ DPs.

11. Non-Resident Indian (“NRI”) Members are requested to inform the Company or its RTA or to the concerned Depository Participants, as the case may be, immediately:

- a. the change in the residential status on return to India for permanent settlement
- or
- b. the particulars of the NRE/NRO Account with a Bank in India, if not furnished earlier.

12. As per the provisions of Section 72 of the Companies Act,2013, facility for making nominations is now available to INDIVIDUALS holding shares in the Company, Members holding shares in physical form may obtain the Nomination Form from the RTA of the Company. Members holding shares in electronic form must approach their Depository Participant(s) for completing the nomination formalities.

13. Members who are holding shares in identical order of names in more than one folio are requested to send to the Registrar and Share Transfer Agent (‘RTA’), the details of such folios together with the share certificates for consolidating their holdings into one folio. The share certificates will be returned to the Members after making requisite changes thereon.

14. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company Secretary of the Company or its RTA, namely, M/s. Link Intime India Pvt. Limited, "Surya", 35 May Flower Avenue, II Floor, Behind Senthil Nagar, Sowripalayam, Coimbatore – 641 028 by quoting the Folio number or the Client ID number with DP ID number.

15. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

16. A member who needs any clarification on accounts or operations of the Company shall write to the Company Secretary, so as to reach her at least 7 days before the meeting. The same will be replied by the Company suitably.

17. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Physical copies of the Annual Report will not be sent to the members. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company’s website www.sdfil.com, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com, and on the website of CDSL <https://www.evoting.cdsl.com>. Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.

18. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

19. Members may note that M/s. GGA & Associates., Chartered Accountants, Coimbatore, (FRN: 009663S), the Statutory Auditors of the Company were appointed by the Shareholders at the 27th Annual General Meeting (AGM) held on 27th September, 2017, to hold office for a period of 5 years till the conclusion of AGM to be held during the year 2022, subject to ratification by the shareholders at every AGM. However, the Ministry of Corporate Affairs vide notification dated 7th May, 2018 amended Section 139 of the Companies Act, 2013 by omitting the requirement of seeking ratification of the members for appointment of statutory auditors at every AGM. Accordingly, the original resolution appointing the Statutory Auditors passed by the Shareholders at the 27th AGM held on 27th September, 2017 was amended vide resolution approved by the Shareholders at their 28th AGM held on 26th September, 2018 to remove the requirement for ratification of the appointment of auditors by the shareholders at every AGM. Hence, no resolution is being proposed for ratification of appointment of Statutory Auditors at this Annual General Meeting.

20. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

21. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participant(s) with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details to the Company or RTA.

22. As per the green initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register/update their e-mail address with the Company/RTA in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in electronic form in order to enable the Company to serve documents in electronic mode.

23. Annual financial statements and related details is posted on the Company's website and is also kept for inspection at the Registered Office of the Company. A copy of the same will be provided to the members on request.

24. Soft copies the Register of Directors and Key Managerial Personal and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members on their request. Members seeking to inspect such registers can send their request to sdfindustries@gmail.com/anupama.cs.sdf@gmail.com.

25. Registration of email ID and Bank Account details:

In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered email address.

In case the shareholders has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

(i) In case of shares held in physical form, kindly log in to the website of our RTA, Link Intime India Private Ltd. at www.linkintime.co.in under Investor Services > Email/Bank detail Registration - fill in the details and upload the required documents and submit. (or)

(ii) In the case of Shares held in Demat mode, the shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

26. VOTING THROUGH ELECTRONIC MEANS

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 (including any statutory modification(s), clarifications, exemptions or reenactments thereof for the time being in force), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS - 2), the Company is providing to its Members with the facility to cast their vote electronically from a place other than venue of the Annual General Meeting ("remote e-voting") using an electronic voting system provided by Central Depository Services Ltd (CDSL), as an alternative, for all members of the Company to enable them to cast their votes electronically, on all the business items set forth in the Notice of Annual General Meeting and the business may be transacted through such remote e-voting. The instructions to e-voting, as given below, explain the process and manner for generating/ receiving the password, and for casting of vote(s) in a secure manner. However, the Members are requested to take note of the following items

- I. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of Annual General Meeting Notice and holding shares as of the cut-off date, i.e. 13th October, 2021, may refer to this Notice of the Annual General Meeting, posted on Company's website www.sdfil.com for detailed procedure with regard to remote e-voting. Any person who ceases to be the member of the Company as on the cut-off date and is in receipt of this Notice, shall treat this Notice for information purpose only.
- II. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again. Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- III. The e-voting period begins on Saturday, 16th October 2021 (9.00 A.M. IST) and ends on Tuesday 19th October 2021 (5.00 P.M. IST). During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 13th October 2021 may cast their votes electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

CDSL e-Voting System – For e-voting and Joining Virtual meetings.

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular(s) dated April 8, 2020, April 13, 2020 May 05, 2020, September 28, 2020, December 31, 2020 and January 13, 2021. The forthcoming AGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circular(s) dated April 8, 2020, April 13, 2020 May 05, 2020, September 28, 2020, December 31, 2020 and January 13, 2021 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular(s), the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on Saturday, 16th October 2021 (9.00 A.M. IST) and ends on Tuesday 19th October 2021 (5.00 P.M. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 13th October 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p>

	<p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.

- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <SDF INDUSTRIES LIMITED> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; sdfindustries@gmail.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at sdfindustries@gmail.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at sdfindustries@gmail.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to sdfindustries@gmail.com / coimbatore@linkintime.co.in.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

IV. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd December 2020.

- V. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote by remote e-voting shall not vote by e-voting conducted during the Meeting.
- VI. The Company has appointed Mr. M.D.Selvaraj, FCS of MDS & Associates, Company Secretaries, Coimbatore, as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- VII. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow e-voting for all those members who are present at the Annual General Meeting by electronic means but have not cast their votes by availing the remote e-voting facility.
- VIII. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes casted during the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against and invalid votes if any, forthwith to the chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- IX. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.sdfil.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange, where the shares of the Company are listed.

Details of Director seeking re-appointment at the Thirty First Annual General Meeting (in pursuance of Regulation 36 (3) of the Listing Regulations and SS-2).

Name	Vinoo P. Stephen
Director Identification Number	08876495
Date of Birth/ Age	04/05/1970
Nationality	Indian
Date of first appointment on the Board	14.09.2020
Relationship with other Directors, Manager and KMP	Nil
Qualification	M.com, MBA, PGDCA
Expertise in functional area	22 years, Chief Financial Officer
No. of shares held in the Company	100
List of companies in which Directorship held	Nil
Chairman/ Member of the Committees of the Board of the companies on which he is a Director	Nil
Number of Board meetings attended during the year	NA
Remuneration last drawn and sought to be paid	9.02 Lakhs
Terms and conditions of re-appointment	As per the resolution at item 2
Board position held	Executive

DIRECTORS' REPORT 2020-21**DEAR SHAREHOLDERS,**

Your directors have pleasure in presenting their 31st Annual Report on the business and operations of the Company and the accounts for the Financial Year ended 31st March 2021.

FINANCIAL HIGHLIGHTS:

Company's financial performance for the year under review along with previous year's figures are given hereunder:

Particulars	As on 31.03.2021 (Rs. Lakhs)	As on 31.03.2020 (Rs. Lakhs)
Profit/ (Loss) before Depreciation Exceptional items & Tax	(206.66)	(121.02)
Less: Depreciation	22.39	23.74
Profit/(Loss) before Exceptional items and Tax	(229.05)	(144.76)
Less: a) Exceptional items b) Tax Expense		
Current Tax		
Deferred Tax	7.56	0.58
Net Profit/(Loss) for the year	(221.49)	(144.18)

COMPANY PERFORMANCE

The liquor industry of Kerala remains highly regulated with high taxation, Government controls in the production, retailing and other activities including restrictions in the availability. Liquor being a state subject is highly dependent on the policies of state government.

The operations of your company were seriously affected due to COVID-19 pandemic.

During the year under review, your Company continued to operate below its normal rated capacity resulting in a lower turnover during the year. On account of severe working capital constraints, due to lower demand by bottling clients, the Company could not operate at its normal full capacity. The gross revenue from operations of your Company during the year under review was Rs 538.03 Lakhs as against Rs. 1937.61 Lakhs for the previous financial year. The company had incurred a loss of Rs 221.49 Lakhs for the year under review as against a loss of Rs 144.18 Lakhs in the previous financial year. However, the Board, hopes that in the years to come, the Company would be able to achieve better results, with steep cost cutting and introduction of new product lines and new bottling clients expecting that the situation may improve in the availability and affordability of raw materials, though the pandemic situation is still unabated in Kerala.

The Board wishes to thank the managers and employees for their hard work and sincere efforts in running the company in a least expensive endeavor to contain the losses to minimum, under a very trying circumstances.

RESERVES

The Company has not transferred any amount to its reserves during the year under review. However, the current year loss of Rs.221.49 Lakhs has been added to the accumulated losses and the balance carried forward losses of Rs.1335.78 Lakhs has been shown under the Other Equity in the Balance Sheet.

DIVIDEND

Due to accumulated losses the company is not able to declare any dividend.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

There is no amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made thereunder.

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2021 was Rs. 11,68,73,000/-. During the year under review, the Company has not issued any shares.

ANNUAL RETURN

The Annual Return of the Company for the financial year 2020-21 as required under Section 92(3) of the Companies Act, 2013 is available on the website of the Company and can be accessed on the Company's website at the link.www.sdfil.com

BOARD AND COMMITTEE MEETINGS

During the year under review, Eight Meetings of the Board of Directors, Six Meetings of the Audit Committee, Four Meeting of the Nomination and Remuneration Committee and One Meeting of the Stakeholders Relationship Committee were held. Further details of the same have been enumerated in the Corporate Governance Report annexed herewith.

STATEMENT ON COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively. The Company has duly complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the Requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed;
- (b) The directors had 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 at the end of the financial year and of the loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis;
- (e) The internal financial controls to be followed by the company were laid down and such internal financial controls were adequate and were operating effectively.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143 (12) OF THE COMPANIES ACT, 2013 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT.

There have been no frauds reported by the Auditors pursuant to Section 143(12) of the Companies Act, 2013.

DECLARATION BY INDEPENDENT DIRECTORS

All the independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent

Mr. Ranjiit Taunk, Mr. G.Sudhakaran Nair and Ms. Sheethal Jayandra Mehta.

STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

Board of Directors have evaluated the Independent Directors appointed/ re-appointed during the year 2020-21 and opined that the integrity, expertise and experience (including proficiency) of the Independent Directors is satisfactory.

FAMILIARIZATION PROGRAMMES

In compliance with the requirements of the Listing Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their roles, rights and responsibilities as Independent Directors, the working of the Company, nature of the industry in which the Company operates, business model and so on. The same is also available on the Company website at <http://sdfil.com/INDEPENDENT%20DIRECTORS%20APPOINTMENT/Familiarization%20Programme%20for%20Independent%20Directors%2019-20%20.pdf>.

NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In adherence of section 178 of the Companies Act, 2013 and in terms of Regulation 19(4) of the SEBI Listing Regulations, the Board of Directors of the Company approved a policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178(3) of the Act, based on the recommendations of the Nomination and Remuneration Committee.

The Company's Policy relating to appointment of Directors, Directors' qualifications, positive attributes, Independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in Annexure No.2- and forms part of this Report and can also be accessed on the Company's website at <http://sdfil.com/POLICIES%20&%20CODES/Nomination%20and%20Remuneration%20Policy.pdf>.

COMMENTS ON AUDITOR'S REPORT

There are no adverse comments in the reports of Statutory Auditors (appearing elsewhere in the Annual Report).

AUDITORS**STATUTORY AUDITORS**

M/s. GGA & Associates, Chartered Accountants, having Firm Registration No. 009663S were appointed as statutory auditors for a period of 5 consecutive years at the 27th annual general meeting of the Company held on 27th September, 2017, subject to ratification by the shareholders at every annual general meeting. Consequent to the amendments made in the provisions of Section 139 of the Companies Act, 2013, the members, at their 28th Annual General Meeting, has approved to continue the appointment of M/s. GGA & Associates, Chartered Accountants, as statutory auditors for a period of 5 consecutive years till the conclusion of the 32nd Annual General Meeting to be held in the year 2022 without ratification. Hence, no resolution for ratification of appointment of statutory auditors is included in the Notice convening the 31st Annual General Meeting. The Company has received a certificate from the statutory auditors to the effect that their appointment would be in accordance with the provisions of section 141 of the Companies Act, 2013.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed Mr. V.S. Subhash, M.Com, LLB, FCS, M/s. JMACS Associates to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed as Annexure - 3.

With reference to the observations made by the Secretarial Auditor in his report the Directors wish to state that the (a) DEMAT of promoters' shares are under progress (b) The company has been filing reports, statements, documents, filings etc through email, as the electronic platform provided through BSE Limited on its Listing Centre Portal is not available to the company as the shares of the company are suspended (c) The company had instructed to website service providers to update the website, but due to adverse circumstances related by covid-19 the service providers couldn't execute the update (d). with regard to suspension of trading of securities, the company is taking all necessary steps for revocation of suspension.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

There were no loans, guarantees or investments made by the Company under section 186 of the Companies Act, 2013 during the period under review and hence the said provision is not applicable.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All transactions entered into during the financial year 31st March 2020 with Related Parties as defined under the Companies Act 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any transaction referred to in Section 188(1) of the Companies Act, with related parties which could be considered material. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) of the Companies Act in Form AOC-2 is not applicable. Attention of Members is drawn to the disclosures of transactions with related parties set out in Notes to Accounts - Note 29 forming part of the financial statements. However, it is to be noted that this venture is advantageous to your company as it contributes profitability.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

Due to outbreak of COVID 19 pandemic and based on the directives of the Government of India, the operations of the Company was carried on in a phased manner with minimal workforce by following requisite precautions/guidelines. This has impacted the turnover and profitability of the Company. Since March 2021 major parts of the Country were affected by the second wave of Covid-19.

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

The information pertaining to conservation of energy, technology absorption, Foreign Exchange Earnings and outgo as required under section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure - 4 and is attached to this report.

RISK MANAGEMENT POLICY

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans.

As on the date of this report, the Company does not foresee any critical risk, which threatens its existence. Your Company, through its risk management policy, strives to contain impact and likelihood of the risks within the risk appetite as agreed from time to time with the Board of Directors.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

ANNUAL PERFORMANCE EVALUATION

The Company has devised a Policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which includes criteria for performance evaluation of the Non-executive Directors and Executive Directors. The evaluation process inter alia considers attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, etc, which is in compliance with applicable laws, regulations and guidelines.

The Board carried out annual performance evaluation of the Board, Board Committees and Individual Directors and Chairman. The Independent Directors, at their separate meetings, also evaluated the performance of non-independent directors and the Board as a whole based on various criteria. The Chairman of the respective Board Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Board Committees. The reports on performance evaluation of the Individual Directors were reviewed by the Chairman of the Board. The Board and the Independent Directors were of the unanimous view that performance of the Board of Directors as a whole was satisfactory.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the financial year ended 31st March, 2021.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:**Director liable to retirement by rotation:**

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Vinoo P. Stephen, Whole-time Director cum CFO (DIN: 08876495) who retires by rotation at the ensuing Annual General Meeting, being eligible offers himself for re-appointment. The Board recommends his re-appointment in the forthcoming Annual General Meeting.

Other than the above, there were no change in the Board of Directors of the Company.

Key Managerial Personnel

Key Managerial Personnel of the Company as required pursuant to Section 2(51) and 203 of the Companies Act, 2013 are of Sri. K.V Viswamohan, Chairman and Whole-time Director, Mr. Vinoo P Stephen, Whole-time Director cum Chief Financial Officer and Ms. Anupama Radhakrishnan, Company Secretary.

SUBSIDIARIES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary or Associate Company.

FIXED DEPOSITS

The Company has neither accepted nor renewed any deposits within the meaning of Schedule V of the Companies Act, 2013 and rules framed thereunder during the year under review. There was no deposit remaining unpaid or unclaimed as at the end of the year.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

There is no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Your Company has in place an adequate internal financial control framework with reference to financial and operating controls. During Financial Year 2020-21, such controls were tested and no reportable material weakness in the design or operation was observed.

The Directors have in the Directors Responsibility Statement confirmed the same to this effect and a report of Auditors pursuant to Section 143(3)(i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Auditors report.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR

No applications have been made and no proceedings are pending against the Company under the Insolvency and Bankruptcy Code, 2016.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

The disclosure under this clause is not applicable as the Company has not undertaken any one-time settlement with the banks or financial institutions.

PARTICULARS OF EMPLOYEES AND REMUNERATION

The requisite details relating to ratio of remuneration, percentage increase in remuneration etc. as stipulated under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as Annexure - 5 to this Report.

The disclosure referred to the Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 does not apply to the Company as there were no employees who are in receipt of remuneration in the aggregate at the rate of not less than Rupees One Crore Two Lakh if employed throughout the year or Rupees Eight Lakh and Fifty Thousand per month if employed for part of the year.

AUDIT COMMITTEE

Audit Committee of the Company meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The details of the composition of the Audit Committee as required under the provisions of Section 177(8) of the Companies Act, 2013 are given in the Corporate Governance Report which forms part of this annual report.

The Board accepted the recommendations of the Audit Committee whenever made by the Committee during the year.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has in place an Anti -harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee has been setup to redress complaints received regarding sexual harassment. There was no complaint received during the financial year 2020-21 and hence no complaint is outstanding as on 31.03.2021 for redressal.

MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE

The Management Discussion and Analysis Report and the Report on Corporate Governance, as required under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of the Annual Report.

CORPORATE GOVERNANCE:

As per Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

DISCLOSURE OF MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013

The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013.

ACKNOWLEDGEMENTS:

The Board of Directors express their appreciation for the contribution made by the employees, customers and bankers for the support extended by them during the year under review. We also would like to thank our bottling partners for their faith in us with continued patronage

For and on behalf of the Board

Place: Palakkad

Date:13.09.2021

Vinoo P. Stephen

Whole-time Director cum CFO

(DIN: 08876495)

NOMINATION AND REMUNERATION POLICY**Introduction:**

This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee in Compliance with Section 178 of the Companies Act, 2013 and the rules made thereunder and Clause 49 of the Listing Agreement and approved by the Board of Directors.

Definitions:

“**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“**Key Managerial Personnel**” (KMP) Means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) Such other officer as may be prescribed.

“**Senior Managerial Personnel**” mean the personnel of the company who are members of its core management team excluding Board of Directors.

Objectives of the Committee:

The Committee shall:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- ii. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- iii. Identify persons who are qualified to become Director(s) and persons who may be appointed in Key Managerial positions and Senior Management positions in accordance with the criteria laid down in this policy.

General Appointment Criteria:

- i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
- ii. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder.
- iii. The Director / Independent Director / KMP / Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder.

Term / tenure:

The term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time.

Evaluation:

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules Made thereunder or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Remuneration to Managing Director / Whole-time Directors:

The remuneration / Commission etc, to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013, and rules made there under and the approvals obtained from the Members of the Company.

Remuneration to Non-Executive / Independent Directors:

The Non-Executive / Independent directors may receive Sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

Remuneration to Key Managerial Personnel and Senior Management:

The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014] and Regulation 24A of SEBI (Listing obligation and Disclosures Requirements) Regulations, 2015

To
The Members,
SDF INDUSTRIES LIMITED
(CIN: L15511KL1990PLC005674)
SDF House, Panchayath Door No 13/610,
Xanadu No.7, Sarayu Nagar, Chandranagar P.O.,
Palakkad, 678007

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

Based on our verification of **M/s. SDF Industries Limited'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 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client and;
 - e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

The following laws, as identified by the management, are specifically applicable to the industry to which the Company belongs;

- a) The Factories Act,1948.
- b) Industrial Disputes Act,1947
- c) The Payment of Wages Act,1936
- d) The Minimum Wages Act, 1948
- e)Employee's State Insurance Act,1948
- f) The Employee's Provident fund and Miscellaneous Provisions Act,1952
- g) The Payment of Bonus Act, 1965
- h) The Payment of Gratuity Act, 1972
- i) The Contract Labour (Regulation and Abolition) Act, 1970
- j) The Maternity Benefit Act,1961

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

- a. Secretarial Standards with respect to Board Meetings (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).
- b. The Listing Agreement entered into by the Company with BSE Limited

We report that, during the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Standards etc. stated above mentioned above except that ;

- (a) Some of the promoters have not dematerialized their shares as required under Regulation 31(2) of SEBI (Listing obligation and Disclosures Requirements) Regulations, 2015
- (b) The Company has filed the reports, statements, documents, filings and other information required pursuant to Regulations 7(3), 13(3), 23(9), 29, 30, 33, 39(3), 40(9), 42, 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 through email instead of filing the same on the electronic platform provided through BSE Limited on its Listing Centre Portal as required under Regulation 10 of SEBI (Listing obligation and Disclosures Requirements) Regulations, 2015.
- (c) The Company has not updated the information as required under Regulation 46 of SEBI (Listing Obligations and disclosures Requirements) Regulations, 2015 in its website.
- (d) The equity shares of the Company remain suspended on the BSE Limited due to penal reasons.

We further report that, during the year under review, there were no actions/ events in pursuant of the following Rules/Regulations requiring compliance thereof by the Company;

- a) 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.
- b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
- c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

We further report that having regard to the compliance system prevailing in the Company and on the review of compliance reports taken on record by the Board of Directors and on examination of the relevant documents and

records in pursuance thereof, on test-check basis, the Company has complied with the labour and environmental laws as applicable.

We further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

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 and a woman director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

All decisions at Board meetings and Committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that, during the audit period there were no instances of

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities
- (iii) Major decision taken by the members in pursuance of Section 180 of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations

For JMACS ASSOCIATES

**V.S.Subash M.Com, LL.B, FCS
PARTNER**

Place: Coimbatore

Date: 08/09/2021

**Membership No:3907 COP No.:2671
UDIN:F003907C000920889
Peer Review No: P2004TN005200**

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

'Annexure A'

To

**The Members,
SDF INDUSTRIES LIMITED
(CIN: L15511KL1990PLC005674)
SDF House, Panchayath Door No 13/610,
Xanadu No.7, Sarayu Nagar, Chandranagar P.O.,
Palakkad,678007**

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

1. Maintenance of Secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For JMACS ASSOCIATES

**V.S.Subash M.Com, LL.B, FCS
PARTNER
Membership No.F 3907
COP No: 2671
UDIN:F003907B001177684**

Place: Coimbatore

Date : 08.09.2021

Annexure Forming Part of The Directors' Report
Under Section 134 (3) (m) of the Companies Act, 2013

A. Conservation of Energy**a) Steps taken or impact on conservation of energy.**

The company is making continuous efforts to conserve and optimize energy wherever practicable, though the company is not a power intensive one. The energy consumption is being monitored on a regular basis and efforts are taken to control and reduce cost of energy. Regular maintenance of the captive power generation systems are undertaken to reduce the energy cost.

b) Steps taken for utilizing alternate source of energy

The Company has not initiated any steps for utilizing alternate source of energy during the year under review.

c) Capital investment on energy conservation equipments

The Company has not undertaken any capital Investment on energy conservation equipment during the year.

B. Technology Absorption**a) Efforts made towards technology absorption, adaption and innovation:**

The Company has not absorbed any technology from outsiders

b) Benefits derived as a result of the above efforts: NA**c) Information of imported technology: NA****d) Expenditure incurred on Research & Development: NIL****C. Foreign Exchange Earnings and Outgo: (in Rs/-)**

Particulars	2020-21	2019-20
(i) Foreign Exchange Earned	50,42,421/-	80,02,135/-
(ii) Outgo	Nil	Nil

For and on behalf of the Board

Vinoo P. Stephen
Whole-time Director cum CFO
(DIN: 08876495)

Place : Palakkad
Date : 13.09.2021

Annexure-4**Statement pursuant to Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

I. Particulars pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014.

a) The ratio of the remuneration of each director to the median employee's remuneration for the financial year.

Name of the Director	Ratio (in x times)
Mr. Kavassery Veetil Viswamohan, Chairman & Wholetime Director	4.41x
Mr.Vinoo P Stephen Whole Time Director & CFO	3.69x

The median remuneration of all the employees of the Company was 2,71,610

Figures have been rounded off wherever necessary

b) The percentage increase in remuneration of wholetime Director, Chief Financial Officer, Company Secretary or Manager, if any. In the financial year.

Name of the Director/CFO/CS	Percentage
Mr. K.V. Viswamohan, Chairman & Whole Time Director	Salary paid only from FY 20-21.
Mr.Vinoo P Stephen Whole Time Director & CFO	-5.26%
Ms.Anupama Radhakrishnan (CS)	0.68%

c) The percentage increase in the median remuneration of employees in the financial year: During FY 2020-21, the percentage increase in the median remuneration of employees as compared to previous year was approximately -16.47%

d) The number of permanent employees on the rolls of Company: 29

e) Average percentile increases 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: Average increase in remuneration is -20.80% for Employees other than Managerial Personnel and 19.09% for Managerial Personnel

f) Your Directors affirm that the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board

Vinoo P. Stephen
Whole-time Director cum CFO
(DIN: 08876495)

Place : Palakkad
Date : 13.09.2021

REPORT ON CORPORATE GOVERNANCE

[In compliance with Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. Company's philosophy on code of Governance

The Company firmly believes in transparency in all its dealing and lays emphasis on integrity and regulatory compliance. The Company's philosophy of Code of Corporate Governance is aimed at assisting the top management in the efficient conduct of its business and fulfilling its obligations towards the Government, its shareholders, employees and other stakeholders.

In ensuring strict adherence to the Corporate Governance Code, the Company believes in Integrity, Accountability, Transparency, Confidentiality, Control and Social Responsibility. With this in view, this year's Annual Report has made necessary disclosures on the activities of the Company.

2. Board of Directors

Composition of the Board:

The composition of the Board ensures a judicious mix of Executive, Non-Executive and Independent Directors. The Board of Directors of the Company presently consists of Six Directors which comprises of one Promoter Executive Chairman, one Executive Director, three Independent Non-Executive Directors and one Non-Independent Non-Executive. Chairman of the Board is a Promoter Executive Director. The company has two women directors. The members of the Board are well experienced. The composition of the Company's Board is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Category of Directors, Attendance, other directorships and committee membership:

The names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and Committee positions held by them in public limited Companies are given below:

Name of the Director	Category	No. of Board Meetings attended during 2020-2021	Attendance at AGM held on 29 th December 2020	No. of directorships held in public Companies #	No. of membership in Committees \$ Member/ Chairman
^Mr.K.V.Viswamohan	Chairman/ Promoter/ Executive	8	Yes	-	3
*Mr.Ramankutty Sunil Nair	Executive	3	No	-	-
*Mr.M.P.Gopalakrishnan	Independent Non Executive	3	No	-	3
*Mr.N.Muralidhar Nair	Independent Non Executive	0	No	-	2
Mrs.Sheethal Jayandra Mehta	Independent -Non Executive	2	Yes	-	3
**Mr.Vinoo.P.Stephen	Executive	5	Yes	-	-
**Mr.Ranjiit Taunk	Independent Non Executive	6	Yes	-	3
***Mr. G.Sudhakaran Nair	Independent Non Executive	5	Yes	-	2
***Ms.K.V Vinaya Menon	Non-Independent Non Executive	5	Yes	-	1

Excludes directorships in Private Companies and foreign companies

\$ Only Audit Committee and Stakeholders Relationship Committee has been considered for committee positions.

^ Re-designated as Non-executive Chairman with effect from 14.09.2020 and further, appointed as an executive Chairman with effect from 21.11.2020

*Resigned from Directorship with effect from 14.09.2020

**Appointed as directors with effect from 14.09.2020

*** Appointed as directors with effect from 15.10.2020

None of the Directors holds directorship in more than 20 Companies (including limit of maximum directorships in 10 public companies) pursuant to the provisions of the Companies Act, 2013. Further, none of the Directors including Independent Directors hold directorships in more than the maximum number of Directorships prescribed under Regulation 17A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the disclosures received from the Directors, none of the Directors serve as member of more than 10 committees nor they the Chairman / Chairperson of more than 5 committees, and therefore meet the requirements of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Other Directorships:

None of the Director(s) holds directorship in other listed entities.

Details of the Board meetings held during the financial year 2020-2021

Eight Board meetings were held during the year and the date on which the Board meetings were held are as follows:

SI No	Date of Board Meeting	No of Directors Attended
1	03.06.2020	3
2	29.07.2020	4
3	14.09.2020	5
4	15.10.2020	5
5	14.11.2020	5
6	21.11.2020	5
7	29.12.2020	5
8	13.02.2021	5

The information as required under Part A of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is made available to the Board. The Board also reviews the declarations made by the Chairman and Whole Time Director, Chief Financial Officer and Company Secretary regarding compliance with all applicable laws, on a quarterly basis.

Shareholding of Non-Executive Directors

The details of shares held by the Non-Executive Directors are given under the table in below. The Company has not issued any type of Convertible instruments to Non-Executive Directors.

Statement showing number of Equity Shares of Rs.10/- each of the Company held by the present Non-Executive Directors as on March 31,2021:

Name of the Director	No of Shares held (as on 31.03.2021)
*Mr.M.P.Gopalakrishnan	900
*Mr.N.Muralidhar Nair	Nil
Mrs. Sheethal Jayandra Mehta	Nil
#Mr. Ranjiit Taunk	61200
##Mr.G.Sudhakaran Nair	Nil
##Ms.K.V Vinaya Menon	Nil

* Resigned from directorship wef 14.09.2020

#Appointed as directors with effect from 14.09.2020

Appointed as directors with effect from 15.10.2020

Directors Inter-se Relationship:

Mr.K.V.Viswamohan and Ms.K.V.Vinaya Menon are relatives as defined under Section 2(77) of the Companies Act, 2013. Ms. K.V.Vinaya Menon is daughter of Mr. K.V.Viswamohan, Chairman.

Other than the above, none of the directors are related to each other.

Skills / Expertise / Competencies of the Board of Directors:

The Board of Directors comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective decisions or contributions to the Board, its committees and the management.

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates
- Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company
- Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making,
- Financial and Management skills
- Technical / Professional skills and specialized knowledge in relation to Company's business.

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted. However, in the absence of mark against a Director does not necessarily mean that the member does not possess the said qualification or skill.

Board Qualifications

Name of the Director	Area of Expertise				
	Knowledge on Company's businesses	Behavioral skills	Business Strategy	Financial and Management skills	Technical / Professional skills
#Mr.K.V.Viswamohan	✓	✓	✓	✓	✓
*Mr.Ramankutty Sunil Nair	✓	✓	✓	✓	✓
*Mr.M.P.Gopalakrishnan	✓	✓	✓	✓	✓
*Mr.N.Muralidhar Nair	✓	✓	✓	✓	✓
Mrs.Sheethal Jayandra Mehta	✓	✓	✓	✓	✓
**Mr.Vinoo.P.Stephen	✓	✓	✓	✓	✓
**Mr.Ranjiit Taunk	✓	✓	✓	✓	✓
***Mr. G.Sudhakaran Nair	✓	✓	✓	✓	✓
***Ms.K.V Vinaya Menon	✓	✓	✓	✓	✓

**Resigned from Directorship with effect from 14.09.2020*

***Appointed as directors with effect from 14.09.2020*

**** Appointed as directors with effect from 15.10.2020*

Re-designated as Non-executive Chairman with effect from 14.09.2020 and further, appointed as an executive Chairman with effect from 21.11.2020

Independent Directors

All Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013. Formal letters of appointment have been issued to the Independent Directors. The Company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013. The terms and conditions of their appointment are disclosed on the Company's website.

Separate Meeting of the Independent Directors:

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on 13th February 2021, as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the Independent Directors were present at the meeting.

Confirmation on the fulfillment of the conditions of independence:

Based on the declarations received from the Independent Directors, the Board of Directors are of the opinion that the Independent Directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and are independent of the management.

Resignation of Independent Director(s) before expiry of tenure

Mr.MP Gopalakrishnan and Mr.N.Muralidhar Nair, Independent Directors resigned from the Board of directors with effect from 14.09.2020 due to personal reasons.

In respect of the above, the Board hereby confirms that there are no other material reasons other than the above provided reason for the resignation of the aforementioned Independent Directors from the Board of Directors of the Company.

Subject to the above, none of the other Independent Directors has resigned before the expiry of the tenure during the year under review.

Familiarization Programme for Independent Directors

The Company familiarizes its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. These include orientation programme as well as other initiatives to update the Directors on a continuing basis. The familiarization programme for Independent Directors is disclosed on the Company's website under the web link: <http://www.sdfil.com/Familiarisation%20programme.pdf>

3. Audit Committee

The Board has constituted a well-qualified Audit Committee in compliance with Section 177 of the Companies Act, 2013 read with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee now comprises of Four Directors, of which three are independent directors. Mr. Ranjiit Taunk, Independent Non-Executive Director, is presently the Chairman of the Audit Committee. The members of the audit committee possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.

Terms of Reference:-

The role, powers and functions of the committee are as per Section 177 of the Companies Act, 2013 and the guidelines set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of this committee are as required by SEBI – under Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Besides having access to all the required information from within the company, the committee can obtain external professional advice whenever required. The Committee acts a link between the statutory and internal auditors and the Board of Directors of the Company.

Composition and Attendance

During the financial year ended 2020-2021, Six Audit Committee Meetings were held on 29th July 2020, 14th September 2020, 15th October 2020, 14th November 2020, 21st November 2020 and 13th February 2021. The necessary quorum was present at these meetings.

The composition of the Audit Committee and the details of meetings attended by the Members are as follows:

Name of the Members	Category	Designation	No. of Meetings	
			Held	Attended
*Mr.M.P.Gopalakrishnan	Non-Executive – Independent	Chairman	6	2
*Mr.N.Muralidhar Nair	Non-Executive – Independent	Member	6	0
Ms. Sheethal Jayandra Mehta	Non-Executive – Independent	Member	6	2
**Mr. K.V Viswamohan	Executive-Promoter Chairman	Member	6	4
**Mr. Ranjiit Taunk	Non-Executive – Independent	Chairman	6	4
***Mr. G. Sudhakaran Nair	Non-Executive – Independent	Member	6	4

*Resigned from Directorship with effect from 14.09.2020

**Appointed as the members of the committee with effect from 14.09.2020

*** Appointed as the members of the committee with effect from 15.10.2020

The meetings of the Audit Committee are usually attended by the Chief Financial Officer, Company Secretary and Internal Auditor. The Minutes of the Audit Committee meetings were circulated to the Board, where it was discussed and taken note of.

The quarterly financial results were reviewed by the Committee before submission to the Board. Independent sessions were held with the Statutory and the Internal Auditors to assess the effectiveness of the audit processes. On quarterly basis, the Committee continues to review whistle-blower complaints, litigations, related party transactions, the corrective actions and mitigating controls put in place thereof.

The Chairman of the Audit Committee, Mr. Ranjiit Taunk was present at the Annual General Meeting of the Company held on 29th December 2020.

Ms. Anupama Radhakrishnan, Company Secretary, acts as the Secretary of the Audit Committee.

4. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted in compliance with the requirements of Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 of the Companies Act 2013.

Terms of Reference:-

The terms of reference of this committee has been mandated with the same as specified in Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also with the requirement of Section 178 of the Companies Act, 2013. The broad terms of reference of the Nomination and Remuneration Committee therefore include recommending a policy relating to remuneration and employment terms of whole-time directors and senior management personnel, to recommend to the Board all remuneration, in whatever form, payable to senior management, adherence to and review of the remuneration/ employment policy as approved by the Board of Directors, formulating the criteria and identify persons who may be appointed as directors or senior management of the Company, evaluation of every Director's performance, as referred to in Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other matters which the Board of Directors may direct from time to time.

Composition and Attendance during the year

The composition of the Committee and the details of Meetings attended by the Directors during the year are given below:

Name of the Members	Category	Designation	No. of Meetings	
			Held	Attended
*Mr.M.P.Gopalakrishnan	Non-Executive – Independent	Chairman	4	1
*Mr.N.Muralidhar Nair	Non-Executive – Independent	Member	4	0
Mrs.Sheethal Jayandra Mehta	Non-Executive - Independent	Member	4	1
**Mr. Ranjiit Taunk	Non-Executive – Independent	Chairman	4	4
***Mr. G. Sudhakaran Nair	Non-Executive – Independent	Member	4	3
**** Ms. Vinaya	Non-Executive – Non Independent	Member	4	2

**Resigned from Directorship with effect from 14.09.2020*

***Appointed as the Chairman of the committee with effect from 14.09.2020*

**** Appointed as the members of the committee with effect from 15.10.2020*

*****Appointed as a member of the committee with effect from 21.11.2020*

During the financial year ended 31st March 2021, four meetings were held on 14th September 2020, 15th October 2020, 21st November 2020 and 13th February 2021. The Committee is, inter alia, authorized to identify persons who are qualified to become Directors and who may be appointed in Senior Management, evaluation of Directors performance, formulating criteria for determining qualifications, positive attributes and independence of a director and recommending policy relating to the remuneration for the Directors, key managerial personnel.

Mr. Ranjiit Taunk, Chairman of the Nomination and Remuneration Committee, Audit Committee and Stakeholders relationship committee was present at the Annual General Meeting of the Company held on 29th December 2020. The remuneration policy of the Company is annexed to the Board's Report and can also be accessed on the Company's websites at www.sdfil.com

Performance evaluation of non-executive and independent directors

The evaluation of the performance of the independent directors is based on their qualification, experience, knowledge and competency, ability to fulfill allotted functions / roles, ability to function as a team, pro-activeness, participation and attendance, commitment, contribution, integrity and ability to articulate independent views and judgement. Accordingly, the performance evaluation of Independent Directors has been conducted and the results have been communicated to the Chairman of the Board.

Pursuant to the provisions of the Companies Act, 2013 and as per Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the board has carried out the annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the committees of the board. They also evaluated various aspects of the board such as adequacy of the composition of the board and its committees, board diversity, execution and performance of specific duties, obligations and governance.

5. Remuneration of Directors

The Company has paid remuneration to Mr. K.V. Viswamohan, Chairman and Whole-time Director and Mr. Vinoo P. Stephen, Wholetime Director cum CFO. Details of Remuneration paid to the Whole Time Director of the Company during the financial year ended 31st March 2021.

Details of Remuneration	K.V. Viswamohan
Term of Appointment	The tenure of the Chairman and Whole-time Director shall for a period 3 years from 21 st November 2020
Salary	Maximum upto 30 Lakhs per annum with such increments as may be determined by the Board of Directors of the Company from time to time
Perquisites & Allowances	NIL
Commission, Stock option, bonus, pension, performance linked incentives etc.	NIL
Notice period and Severance fees	

Details of Remuneration	Vinoo P. Stephen
Term of Appointment	The tenure of the Whole Time Director cum CFO shall be for a period from 14 th September 2020 to 30th September 2022.
Salary	Rs.75,250/- (Rupees Seventy Five Thousand and Two Hundred and Fifty only) per month with such increments as may be determined by the Board of Directors of the Company from time to time
Perquisites & Allowances	NIL
Commission, Stock option, bonus, pension, performance linked incentives etc.	NIL
Notice period and Severance fees	

The Company has not paid any sitting fees to Non-Executive Directors for attending Board Meetings and other Committee Meetings.

The Company does not have any employee stock option scheme.

There has been no materially relevant pecuniary transaction or relationship between the Company and its non-executive independent directors during the year.

6. Stakeholders Relationship Committee

The Stakeholders Relationship Committee was constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 read with Regulation 20 and Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The composition of the above committee and attendance as under

Name of the Members	Category	Designation	No. of Meetings	
			Held	Attended
*Mr.M.P.Gopalakrishnan	Non-Executive – Independent	Chairman	1	NA
Ms.Sheethal Jayandra Mehta	Non-Executive - Independent	Member	1	0
Mr. K.V.Viswamohan Menon	Executive - Promoter Chairman	Member	1	1
**Mr. Ranjiit Taunk	Non-Executive – Independent	Chairman	1	1
***Ms.K.V Vinaya	Non-Executive – Non-Independent	Member	1	1

**Resigned from Directorship with effect from 14.09.2020*

***Appointed as the Chairman of the committee with effect from 14.09.2020*

**** Appointed as the member of the committee with effect from 15.10.2020*

During the year under review, the Committee met One time to deliberate on various matters referred above. The Stakeholders Relationship Committee of the Board is empowered to oversee the redressal of investors' complaints pertaining to share transfer, non-receipt of annual reports, issue of duplicate certificates, transfers and transmission of shares and other miscellaneous complaints. The committee also approved transfer, transmission, transposition, consolidation, split, name deletion and issue of duplicate share certificates.

In addition, the Committee looks into other issues including status of dematerialization / re-dematerialization of shares as well as systems and procedures followed to track investor complaints and suggest measures for improvement from time to time. The minutes of the Stakeholders Relationship Committee were placed before the board meeting.

Ms. Anupama Radhakrishnan, Company Secretary, is Compliance Officer of the Company. The minutes of the Investors Relations committee were placed before the board meeting.

At the beginning of the year, no complaint was pending. During the year three investor complaints were received and the complaints were resolved. No investor complaint was pending as on 31st March 2021. No request for transfer or dematerialization of shares was pending as on 31st March, 2021.

Pursuant to Regulation 40(9) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on half-yearly basis from a Practicing Company Secretary confirming that all certificates have been issued within thirty days of the date of lodgment for transfer or any other purpose and the same has been submitted to the Stock Exchange within stipulated time

Management Discussion and Analysis Report:

Management Discussion and Analysis Report covering matters in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) for the year under review is given as separate annexure in this Annual Report.

Unclaimed Suspense Account

Pursuant to Regulation 39(4) read with Schedule VI of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company does not have any unclaimed shares. Hence, opening of unclaimed suspense security account is not applicable.

7. General Body Meetings

The last three Annual General Meetings (AGM) of the Company were held as under:

Year	Date	Time	Venue of meeting
2017-2018	26.09.2018	9.30 a:m	Rotary Paul Harris Hall, N.H Bye Pass Road, Palakkad
2018-2019	26.09.2019	9.30 a:m	
2019-2020	29.12.2020	10.30 am	Through VC/OAVM Mode

The following are the special resolutions passed at the last three Annual General Meeting

Date of AGM	Summary of Special Resolution passed
26.09.2018	There were no matters that required passing of special resolution at these Annual General Meetings.
26.09.2019	<ol style="list-style-type: none"> 1. To re-appoint Mr. M P Gopalakrishnan as an Independent Director. 2. To re-appoint Mr. N. Muralidhar Nair as an Independent Director. 3. To adopt new set of Articles of Association of the Company containing regulations in conformity with Companies Act, 2013. 4. To Re-appoint of Mr. K.V Viswamohan as Chairman & Whole Time Director. 5. To contribute to bonafide charitable funds.
29.12.2020	<ol style="list-style-type: none"> 1. To appoint Mr. Ranjiit Taunk (DIN: 00053780) as an Independent Director 2.To appoint Mr. K.V. Viswamohan (DIN: 00666339), Chairman as a Whole-time Director

During the year no Extra Ordinary General Meeting was convened. There was no resolution passed in the financial year 2020-21 by Postal Ballot. As of date, there is no proposal to pass any resolution by Postal Ballot.

No Special Resolutions were put through postal ballot last year and there is no proposal for this year.

8. Means of Communication:

The Board approved quarterly and annual results are forthwith sent to the BSE Limited and also could get published in Business Standard (English) and Kerala Kaumudi (Malayalam). Quarterly and annual financial results and Annual Reports are also available at Company's website viz., www.sdfil.com and at the website of Stock Exchange viz., www.bseindia.com

Whenever any important developments the company release new releases and are displayed on the company's web site www.sdfil.com and also forwarded a copy of the same to the Stock Exchange. There were no specific presentations made to Institutional Investors or to analysts during the period ended 31st March 2021.

9. General Shareholder Information

a. 31st Annual General Meeting

Date: 20th October 2021

Time: 10.30 am

Means: The meeting is being convened through video conferencing/ other audio-visual means and hence the registered office of the Company will be deemed to be the venue of the AGM.

b. Financial Year : The Company follows April to March as its financial year. The results for every quarter beginning from 01st April 2021 are declared within the timeline as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the SEBI Circular CIR/CFD/FAC/62/2016 dated July 5, 2016.

c. Dividend payment date : Not Applicable

d. Listing on Stock Exchange: The Company's equity shares are listed on BSE Limited P.J.Towers, Dalal Street, Fort, Mumbai – 400001.

e. Stock Code/Symbol :

Stock Code: SUPDF - 507518

ISIN Number for CDSL: INE543D01015

f. Market price data: Shares are not traded in BSE since 6th July 2001. The last quoted rate was Rs.1.80.

g. Performance in comparison to broad-based indices -

Since the shares are not traded on BSE performance in comparison to broad based indices does not arise.

h. The equity shares of the Company has been suspended from trading on BSE.

i. Registrar and Share Transfer Agents (For both physical & demat segments)

M/s. Link Intime India Pvt Limited- C-3 Pannalal Silk Mills Compound, Bhandup (West), Mumbai-400 078.

Branch Office at Coimbatore- Link Intime India Private Limited, "Surya", 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641 02

j. Reconciliation of Share Capital Audit

A qualified Company Secretary in Practice carried out reconciliation of share capital audit to reconcile the total admitted capital with Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The reconciliation of share capital audit report confirms that the total issued/ paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with CDSL.

k. Share Transfer System

Securities and Exchange Board of India has mandated that the transfer of securities held in physical form, except in case of transmission or transposition, shall not be processed by the listed entities / registrar and share transfer agents with effect from 1st April 2019. Therefore, members holding shares in physical form are requested to immediately dematerialize their shareholding in the Company. All requests for dematerialization of shares are processed confirmed to the depository, CDSL, within 15 days. The Stakeholders Relationship Committee generally meets whenever necessary and other related activities.

l. Distribution of shareholding

Shareholding range	No of Holders	% of shareholders	No of Shares	% of shareholding
Upto 500	12476	85.58	2806980	24.01
501 – 1000	1279	8.77	1044350	8.94
1001 – 2000	444	3.04	706400	6.04
2001 – 3000	132	0.91	340010	2.91
3001 – 4000	63	0.43	229400	1.96
4001 – 5000	57	0.39	277800	2.38
5001 – 10000	66	0.45	549800	4.70
10001 and above	62	0.43	5733460	49.06
	14579	100.00	11687300	100.00

Shareholding Pattern as on 31.03.2021

Shares held by	No of Holders	No of Shares	% of shareholding
Promoters and Promoters Group	10	3612100	30.91
Mutual Funds	1	22400	0.19
Financial Institution/Banks	2	12100	0.10
Bodies Corporate	67	692900	5.93
Indian Public	14261	6747100	57.74
Non Resident Indians	238	600500	5.13
Total	14579	11687300	100.00

m. Dematerialisation of shares and liquidity

The Company has arrangement with Central Depository Services (India) Limited (CDSL) for demat facility. As on 31st March 2021 out of 1,16,87,300 equity shares 36,02,200 shares were dematerialized through CDSL. The Company's shares being in compulsory dematerialised (demat) list are transferable through the depository system. Considering the advantages of demat trading, shareholders are requested to consider dematerialization of their shares so as to avoid inconvenience in future. With effect from 1st April, 2019, the applications for transfer of shares held in physical form will not be processed by the listed entity / Registrar and Share Transfer Agent, except in case of transmission or transposition, in accordance with the amended Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

n. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments

There are no outstanding warrants or any convertible instruments. The Company has not issued GDR/ADR.

o. Commodity price risk or foreign exchange risk and hedging activities

The Company did not engage in hedging activities.

p. Plant location:

SDF Industrial Complex, 5/90, Pampadi, Thiruvilwamala, Thrissur District, Kerala-680588.

q. Address for Correspondence:

M/s.Link Intime India Private Limited
Coimbatore Branch Office
"Surya", 35, Mayflower Avenue,
Behind Senthil Nagar
Sowripalayam Road
Coimbatore – 641 028
Tel. No.: 0422-2314792
Fax No.: 0422-2314792
E-mail: coimbatore@linkintime.co.in

Shareholders can also contact at the Registered
Office of the Company at
The Company Secretary
SDF Industries Limited
SDF House, Panchayath Door No 13/610, Xanadu,
No.7, Sarayu Nagar, Chandranagar,
Palakkad – 678 007
E-mail : sfindustries@gmail.com

r. Credit Rating:

The Company does not have any Debt instruments or fixed deposit programme or any scheme or proposal involving mobilization of funds either in India or abroad that requires Credit Rating.

10. Disclosures:**(a) Related party Transactions**

During the year there were no materially significant transactions with the related parties that may have potential conflict with the interests of the Company at large.

Related party transactions have been disclosed in Notes to the financial statements. Omnibus approval was obtained for transactions which were repetitive in nature. Transactions entered into pursuant to omnibus approval were placed before the Audit Committee for its review during the year.

The Company has a Related Party Transaction Policy in place and uploaded on the company's website www.sdfil.com.

(b) Details of non-compliance by the company, penalties, strictures imposed on the company by any Statutory Authorities, during the last three years.

No penalties have been levied or strictures have been passed by SEBI, Stock Exchange or any other statutory authority on matters relating to capital markets in the last three years.

(c) Vigil mechanism and Whistle Blower Policy

The Company has Whistle Blower Policy for establishing a vigil mechanism to report genuine concerns regarding unethical behavior, mismanagement, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy of the Company has been posted on the website of the Company.

(d) Details of compliance with mandatory requirements and adoption of the non mandatory Requirements.

The mandatory requirements have been complied with as stated in this report on Corporate Governance. The non-mandatory requirements have not been adopted by the Company.

Details of compliance of non-mandatory requirements

The Company has adopted the non-mandatory requirement of Reporting of internal auditors to Audit Committee as recommended under Regulation 27(1) read with Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the current financial year, there are no audit qualifications in the financial statements of the Company. The Company continues to adopt appropriate best practices in order to ensure unqualified financial statements. The Company has not adopted any other non- mandatory requirements.

(e) A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Security Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority has been obtained and is annexed to this report

(f) Material Subsidiaries:

The Company does not have any subsidiaries as defined under Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(g) Disclosure of Commodity price risks and commodity hedging activities

The Company has price review mechanism to protect against material movement in price of raw materials.

(h) The Company has not raised any funds through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the year.

(i) During the year under review, the recommendations made by the different Committees have been accepted and there were no instances where the Board of Directors had not accepted any recommendation of the Committees.

(j) The Company has paid a sum of Rs. 3,25,000/- as fees on consolidated basis to the Statutory auditor and all entities in the network firm / entity of which the Statutory auditor is a part for the services rendered by them.

(k) As per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee. During the year 2019-20, no complaint was received by the committee. As such, there are no complaints pending as at the end of the financial year.

Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

Risk Management

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

11. The Company has complied with the mandatory requirements specified in Regulations 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Certificate from CEO/CFO

The CEO and CFO certification of the financial statements for the year has been submitted to the Board of Directors, in its meeting held on 29th July, 2021 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations.

Code for prevention of Insider Trading

The Company has framed a code of conduct for monitoring the trading done by Insiders based on The SEBI (Prohibition of Insider Trading) Regulations, 2015. This code is applicable to all Directors / officers / Designated employees

The Company has also formulated “The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)” in compliance with The SEBI (Prohibition of Insider Trading) Regulations, 2015.

Code of Conduct

The Board has laid down a Code of Conduct for all Board members and senior management. All Board members and senior management personnel have affirmed the compliance with the Code of Conduct. A declaration to this effect signed by the Chairman, forms part of this Annual report. Code of conduct of Board of Directors and Senior Management Personnel are available in Company's website: www.sdfil.com.

The Directors and senior management of the Company have made disclosures to the Board confirming that there are no material financial and/ or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

For and on behalf of the Board

**Place: Palakkad
Date :13.09.2021**

**Vinoo P. Stephen
Whole-time Director cum CFO
(DIN: 08876495)**

DECLARATION – CODE OF CONDUCT

I, K.V.Viswamohan, Chairman & Whole Time Director of SDF Industries Limited, declare that all the members of the Board of Directors and Senior Management have, for the year ended 31st March, 2021 affirmed compliance with the Code of Conduct laid down by the Board of Directors and Senior Management in terms of Regulation 26(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board

**Place : Palakkad
Date : 13.09.2021**

**K.V. Viswamohan
Chairman
(DIN: 00666339)**

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,
SDF INDUSTRIES LIMITED
CIN: L15511KL1990PLC005674
SDF House, Panchayath Door No.13/610, Xanadu,
No.7 Sarayu Nagar, Chandranagar P O
Palakkad, Kerala
PIN : 678007

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s SDF INDUSTRIES LIMITED** having **CIN L15511KL1990PLC005674** and having registered office at SDF House, Panchayath Door No 13/610, Xanadu No.7, Sarayu Nagar, Chandranagar P.O., Palakkad KL 678007 , India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company, as stated below for the Financial Year ending on 31stMarch, 2021, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sl. No.	Name of the Director	DIN	Date of Appointment in Company
1	RANJIT TAUNK	00053780	14/09/2020
2	KAVASSERY VEETIL VISWAMOHAN	00666339	25/01/1993
3	SHEETHAL JAYANDRA MEHTA	08237102	17/10/2018
4	VINAYA KAVASSERY VEETIL	08492445	15/10/2020
5	VINOO PALLIPARAMBIL STEPHEN	08876495	14/09/2020
6	GOVINDAPILLAI SUDHAKARAN NAIR	08910726	15/10/2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my 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.

Place: Coimbatore

Date: 08.09.2021

For JMACS ASSOCIATES

V.S.SUBASH

Company Secretary in Practice

M No.:F 3907; CP: 2671

MANAGEMENT DISCUSSION AND ANALYSIS

1. Industry Structure & Developments : Liquor is a state subject and the respective state government sets all the control parameters to this trade. Our Company's present business is restricted to IMFL. All the domestic market business is routed through Kerala State Beverages (M&M) Corporation Limited, a state government enterprise.
2. Opportunities & Threats : The alcohol industry falls within the domain of the industries for which license is not available easily. But it also heavily dependent on the government policies.
3. Risks & Concerns : Any change in the Government Policy has a bearing on the industry. The liquor market is also highly competitive.
4. General :
 - a) Internal Control – The company has a system of Internal Control to ensure that all its assets are properly safeguarded. Besides, the company has also appointed internal auditors. The company also has an Audit Committee of the Board of Directors which meets regularly to review various aspects of the Company's policies and Management.
 - b) Human Resources – Considering the financial position of the Company, the number of employees are kept at the minimum and the company makes optimum use of its employees. All the bottling works are carried out by contract workers as it is being seasonal and depend heavily on short term government policies.

c) **KEY FINANCIAL RATIOS :**

S. No	Description	31.03.2021	31.03.2020	% of Change
1.	Debtors Turnover	9.19	7.51	22.29%
2.	Inventory Turnover	0.92	15.17	-93.96%
3.	Interest Coverage Ratio	0.45	0.77	-41.16%
4.	Current ratio	-54.61	-34.63	57.69%
5.	Debt Equity ratio	4.44	2.48	78.74%
6.	Operating Profit Margin %	-41.26%	-7.17%	475.06%
7.	Net Profit Margin (%) or sector specific equivalent ratio	-40.63%	-7.35%	452.59%
8.	Return on Net worth	0.00%	0.00%	0.00%

For and on behalf of the Board

Place: Palakkad
Date :13.09.2021

Vinoo P. Stephen
Whole-time Director cum CFO
(DIN: 08876495)

GGA & ASSOCIATES, CHARTERED ACCOUNTANTS," VENKATALAYA, NO.B1,"EVER GREEN CASTLE", SN DAS LAYOUT III, TATABAD, COIMBATORE - 641 012

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH 2021

TO THE MEMBERS OF SDF INDUSTRIES LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of SDF Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 independence requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Other Matters

We draw attention to the following matters in the Notes to the Ind AS financial statements

- (i) Note No. 31 to the Ind AS financial statements which states that no provision has been made in the accounts towards interest payable on turnover tax liability of Rs.3,75,14,634/- relating to earlier years, for the reasons stated therein.
- (ii) Note No. 27 to the Ind AS financial statements 'Claims against the company not acknowledged as debt' in respect of law suits for Rs.3,18,72,623/- filed before various authorities, the outcome of which is uncertain.

Our opinion is not modified in respect of the above matters.

Emphasis of Matter

We draw attention to Clause 18 of Note I to the standalone financial results which explains the impact of COVID-19 that has caused significant disruptions in the business operations of companies across India, resulted in reduction in turnover to a greater extent.

Information Other than the Standalone Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS 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 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the

going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone IndAS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS 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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of accounts as required by the Companies Act, 2013 (including relevant Rules under the Companies Act, 2013 as amended) have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act, read with Schedule V of the Companies Act, 2013

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS standalone financial statements.
 - ii. The Company did not have any long-term contract including derivative contracts and hence, the provision for material foreseeable losses does not arise.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for **GGA & ASSOCIATES**
Chartered Accountants
F.R.No. 009663S

Place: Coimbatore
Date:29-07-2021

B.Giridharan
Partner
Membership No. 208590
UDIN :21208590AAAADY3231

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT (REQUIREMENTS UNDER COMPANIES (AUDITOR'S REPORT) ORDER 2016)

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SDF Industries Limited of even date)

- i. In respect of the Company's fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The Company has a system of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties which are freehold, are held in the name of the Company as at the balance sheet date.
- ii. The Company has a system of verification to cover all the items of inventories in a phased manner which, in our opinion, is reasonable having regard to the size of the Company. Pursuant to the program, inventories were physically verified at periodical intervals by the management during the year..According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms,limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. The company has not made any investment or granted any loans or given any security or given any guarantee for which the provisions of sections 185 and 186 of the Companies Act, 2013 are applicable
- v. The Company has not accepted any deposits with the meaning of Rule 2(c) Companies (Acceptance of Rules)2014 from the public and hence, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed there under are not applicable. However, the company has accepted trade deposits which are exempted deposits in terms of the above rules.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable except the followings:

SDF Industries Limited

Nature dues	Nature of statue	Period to which the amount relates	Amount (in Rs.)
Turnover Tax	KGST Act 1963	2001-02, 2002-03& 2005-06 to2009-10	3,75,14,634.00
Central Sales Tax	CST Act 1956	2010-11	2,59,443.00

c) Details of dues of Sales Tax (VAT) and Excise Duty which have not been deposited as at March 31, 2021 on account of dispute are given below:

Nature dues	Nature of statue	Period to which the amount relates	Amount (in Rs.)	Forum where dispute is pending
Excise duty on IMFL old stock	Abkari Act 1967	2008-09 & 2009-10	28,66,665.00	High court of Kerala
Sales Tax	KVAT Act 2003	2010-2013	35,23,783.00	High court of Kerala
Sales Tax	KVAT Act 2003	2011-17	62,84,978.00	High court of Kerala
Sales Tax	CST Act,1956	2007-08 to 2019-10	1,42,52,893.00	Supreme Court
Sales Tax	KVAT Act 2003	2005-2010	46,36,083.00	High court of Kerala
Sales Tax	KVAT Act 2003	2017-2018	3,08,221.00	DC Appeals
		Total	3,18,72,623.00	

- viii. The Company has availed working capital limit from Indian Bank during the financial year. According to the records of the company examined by us and on the basis of information and explanation given to us, the company has not defaulted in repayment of any dues to bank as on the balance sheet date
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. 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 by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

SDF Industries Limited

- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in Note No. 30 to the Ind AS standalone financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting requirement under Clause (xvi) of the Order is not applicable.

for **GGA & ASSOCIATES**
Chartered Accountants
F.R.No. 009663S

B.Giridharan
Partner
Membership No. 208590
UDIN :21208590AAAADY3231

Place: Coimbatore
Date: 29-07-2021

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of SDF Industries Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **SDF INDUSTRIES LIMITED** (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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 Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **GGA & ASSOCIATES**

Chartered Accountants

F.R.No. 009663S

B.Giridharan

Partner

Membership No. 208590

Place: Coimbatore

Date: 29-07-2021

SDF Industries Limited**Standalone Balance Sheet**

'(All amounts in Indian rupees, except share data and where otherwise stated)

SI No	Particulars	Note No.	As at 31.03.2021	As at 31.03.2020
I	ASSETS			
	Non-current assets			
	Property, plant and equipment			
	i) Tangible Assets	2	5,63,74,572.87	5,85,26,556.36
	ii) Intangible Assets	3	96,321.17	78,614.73
	Financial assets			
	i) Other financial assets	4	36,97,702.00	74,33,693.00
	Income tax assets (net)	25f	0.00	8,91,777.01
	Deferred tax assets (net)	25b	12,42,119.01	4,80,914.00
			6,14,10,715.05	6,74,11,555.09
	Current assets			
	Inventories	5	46,28,706.13	73,20,569.17
	Financial assets			
	i) Trade receivables	6	1,17,10,351.37	5,15,73,061.82
	ii) Cash and cash equivalents	7	9,63,139.23	14,20,590.28
	Other Current Assets	8	1,18,88,859.25	53,05,601.66
			2,91,91,055.98	6,56,19,822.93
	Total Assets	A	9,06,01,771.03	13,30,31,378.02
II	EQUITY AND LIABILITIES			
	Equity			
	Equity Share capital	9	11,68,73,000.00	11,68,73,000.00
	Other equity	10	(10,02,08,948.43)	(7,86,72,073.42)
			1,66,64,051.57	3,82,00,926.58
	LIABILITIES			
	Non-current liabilities			
	Financial Liabilities			
	i) Borrowings	11	5,78,958.00	0.00
	ii) Other financial liabilities	12	47,00,000.00	62,00,000.00
	Long Term Provisions	13	39,14,931.00	29,87,636.00
			91,93,889.00	91,87,636.00
	Current liabilities			
	Financial Liabilities			
	i) Borrowings	14	48,15,956.74	40,86,465.41
	ii) Trade payables	15	1,51,51,743.07	3,47,44,069.79
	Other current liabilities	16	3,93,95,968.65	4,19,48,961.24
	Short Term Provisions	13	53,80,162	48,63,319.00
	Income tax liabilities (net)		0.00	0.00
			6,47,43,830.46	8,56,42,815.44
	Total Equity and Liabilities	B	9,06,01,771.03	13,30,31,378.02

Summary of significant accounting policies

1

The accompanying notes are an integral part of the standalone Ind AS financial statements.

As per our report of even date

for **GGA & Associates**

Chartered Accountants

F.R.No. 009663S

B.Giridharan, B.Com., FCA.

Partner

Membership No. 208590

Place: Coimbatore

Date: 29-07-2021

for and on behalf of the Board of Directors of SDF Industries Limited**K.V.Viswamohan**

Chairman & Whole-time Director

DIN : 00666339

Vinoo P. Stephen

Whole-time Director cum CFO

Anupama R

Company Secretary

Place: Palakkad

Date: 29-07-2021

SDF Industries Limited**Standalone Statement of Profit and Loss**

(All amounts in Indian rupees, except share data and where otherwise stated)

SI No	Particulars	Note No.	For the year ended March 31	
			2021	2020
I	Income from operations			
	Revenue from operations	17	5,38,03,238.10	19,37,61,506.54
	Other income	18	7,15,556.73	23,52,840.50
	Total Revenue		5,45,18,794.83	19,61,14,347.04
II	Expenses			
	Cost of materials consumed	19	63,20,991.22	9,85,70,569.04
	Changes in inventory of finished goods	20	23,31,361.57	(17,93,171.77)
	Employee benefits expenses	21	1,28,20,593.81	1,09,97,761.60
	Finance costs	22	4,11,924.10	4,06,314.00
	Depreciation and amortisation expenses	23	22,38,878.73	23,74,659.13
	Other expenses	24	5,33,00,652.42	10,00,35,141.55
	Total Expenses		7,74,24,401.85	21,05,91,273.55
	Profit/(Loss) before exceptional items and tax (I - II)		(2,29,05,607.02)	(1,44,76,926.51)
	Exceptional items		0.00	0.00
	Profit/(Loss) before tax		(2,29,05,607.02)	(1,44,76,926.51)
	Tax expense			
	Current tax	25a	0.00	0.00
	Deferred tax		7,56,595.00	58,491.00
	Profit/(Loss) for the period		(2,21,49,012.02)	(1,44,18,435.51)
	Other Comprehensive Income (OCI)			
A)	<i>Items that will not be reclassified to profit or loss in subsequent periods</i>			
	(i) Re-measurement losses on defined benefit plans		6,07,527	6,25,260.00
	(ii) Income tax effect on above		4,610	(2,00,010.00)
B)	<i>Items that will be reclassified to profit or loss in subsequent periods</i>			
	(i) Fair value changes		0.00	0.00
	(ii) Income tax effect on above		0.00	0.00
	Total other comprehensive income/ (loss), net of tax		6,12,137.00	4,25,250.00
	Total comprehensive income for the period		(2,15,36,875.02)	(1,39,93,185.51)
	Earnings per equity share (equity share of face value of Rs.10 each)			
	Basic (Rs.)	26	(1.90)	(1.23)
	Diluted (Rs.)	26	(1.90)	(1.23)
	Weighted average equity shares used in computing earnings per equity share			-
	Basic		1,16,87,300	1,16,87,300
	Diluted		1,16,87,300	1,16,87,300
	Summary of significant accounting policies	1		
	The accompanying notes are an integral part of the standalone Ind AS financial statements.			

As per our report of even date
for **GGA & Associates**
Chartered Accountants
F.R.No. 009663S

B.Giridharan, B.Com., FCA.
Partner
Membership No. 208590

Place: Coimbatore
Date: 29-07-2021

for and on behalf of the Board of Directors of SDF Industries Limited

K.V.Viswamohan
Chairman & Wholetime Director
DIN : 00666339

Vinoo P. Stephen
Whole-time Director cum CFO

Place: Palakkad
Date: 29-07-2021

Anupama R
Company Secretary

Standalone Statement of Cash Flows

(All amounts in Indian rupees, except share data and where otherwise stated)

Accounting Policy

Cashflows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of an on cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cashflows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

SI No	Particulars	Note No.	For the year ended March 31	
			2021	2020
I	Cash flow from operating activities:			
	Profit for the year before tax		(2,29,05,607.02)	(1,44,76,926.51)
	Adjustments to reconcile net profit to net cash provided by operating activities:			
	Depreciation and amortization		22,38,878.73	23,74,659.13
	Bad debts written off		11,84,158.00	2,17,752.00
	Allowance for doubtful receivables		15,28,337.72	6,304.00
	Exchange differences (net)		41,385.09	(2,74,203.21)
	Employee benefit expenses		6,07,527.00	6,25,260.00
	Liabilities no longer required written back		(13,876.00)	0.00
	Interest expense		4,11,924.10	4,06,314.00
	Interest income		0.00	(9,18,001.00)
	Changes in assets and liabilities			
	Inventories		26,91,863.04	(8,49,899.32)
	Trade receivables		3,71,08,829.64	(1,97,79,339.95)
	Other current assets		(65,83,257.59)	(20,87,395.16)
	Other financial assets		37,35,991.00	28,41,834.00
	Long term provisions		9,27,295	(5,40,470.00)
	Trade payables		(1,95,78,450.72)	2,88,33,665.97
	Other current liabilities		(25,52,992.59)	38,82,520.24
	Short term provisions & other finance liabilities		(9,83,157.02)	(34,14,200.08)
	Cash generated from operations		(21,41,151.62)	(31,52,125.89)
	Income taxes paid (net of refunds)		(8,91,777.02)	(25,99,802.00)
	Net cash generated by operating activities	A	(12,49,374.60)	(5,52,323.89)
II	Cash flow from investing activities:			
	Expenditure on property, plant and equipment		(1,04,601.68)	(6,20,433.90)
B)	Proceeds on property, plant and equipment		0.00	0.00
	Interest received		0.00	9,18,001.00
	Net cash used in investing activities	B	(1,04,601.68)	2,97,567.10
III	Cash flow from financing activities:			
	Repayment of Borrowings (net)		13,08,449.33	11,74,991.61
	Interest paid		(4,11,924.10)	(4,06,314.00)
	Net cash used in financing activities	C	8,96,525.23	7,68,677.61
	Net increase / (decrease) in cash and cash equivalents (A+B+C)		(4,57,451.05)	5,13,920.82
	Cash and cash equivalents at the beginning of the year		14,20,590.28	9,06,669.46
	Cash and cash equivalents at the end of the year		9,63,139.23	14,20,590.28
	Components of cash and cash equivalents			
	Cash on hand		45,160	1,09,823.00
	Balances with banks - In current accounts		9,17,979.23	13,10,767.28
	- Bank Overdrafts		0.00	0.00
	Balance as per statement of cash flows		9,63,139.23	14,20,590.28

Summary of significant accounting policies

1

The accompanying notes are an integral part of the standalone Ind AS financial statements.

As per our report of even date

for and on behalf of the Board of Directors of SDF Industries Limited

for **GGA & Associates**

Chartered Accountants

F.R.No. 009663S

K.V.Viswamohan

Chairman & Wholetime Director

DIN : 00666339

B.Girdharan, B.Com., FCA.

Partner

Membership No. 208590

Vinoo P. Stephen

Whole-time Director cum CFO

Anupama R

Company Secretary

Place: Coimbatore

Place: Palakkad

Date: 29-07-2021

Date: 29-07-2021

Standalone Statement of Changes in Equity

(All amounts in Indian rupees, except share data and where otherwise stated)

Particulars	Equity Share Capital	Other Equity				Total equity attributable to equity holders of the Company
		Reserves & Surplus		Items of OCI		
		General Reserve	Retained earnings	Revaluation Surplus	Defined benefit obligations	
Balance as at April 1, 2019	11,68,73,000	-	(9,70,11,501.01)	-	(5,06,148.00)	(9,75,17,649.01)
Changes in equity for the year ended March 31, 2020						
Add:						
Profit for the year	-	-	(1,44,18,435.51)	-	-	(1,44,18,435.51)
Remeasurement of the net defined benefit liability/asset	-	-	-	-	6,25,260.00	6,25,260.00
Deferred tax effect on the above	-	-	-	-	(2,00,010.00)	(2,00,010.00)
OCI on Revaluation of Land	-	-	-	3,28,38,761	-	3,28,38,761.10
Shares issued during the year	-	-	-	-	-	0.00
Total comprehensive income for the year	-	-	(1,44,18,435.51)	3,28,38,761.10	4,25,250.00	1,88,45,575.59
Less:						
Transfer to general reserve	-	-	-	-	-	-
Dividends (including dividend distribution tax)	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Balance as at March 31, 2020	11,68,73,000	-	(11,14,29,936.52)	3,28,38,761.10	(80,898.00)	(7,86,72,073.42)
Balance as at April 1, 2020	11,68,73,000	-	(11,14,29,936.52)	3,28,38,761.10	(80,898.00)	(7,86,72,073.42)
Changes in equity for the year ended March 31, 2021						
Add:						
Profit for the year	-	-	(2,21,49,012.02)	-	-	(2,21,49,012.02)
Remeasurement of the net defined benefit liability/asset	-	-	-	-	6,07,527.00	6,07,527.00
Deferred tax effect on the above	-	-	-	-	4,610.00	4,610.00
OCI on Revaluation of Land	-	-	-	-	-	-
Shares issued during the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	(2,21,49,012.02)	-	6,12,137.00	(2,15,36,875.02)
Transfer to general reserve	-	-	-	-	-	-
Dividends (including dividend distribution tax)	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Balance as at March 31, 2021	11,68,73,000	-	(13,35,78,948.53)	3,28,38,761.10	5,31,239.00	(10,02,08,948.43)

The accompanying notes are an integral part of the standalone Ind AS financial statements.

As per our report of even date

for and on behalf of the Board of Directors of
SDF Industries Limited

for GGA & Associates

Chartered Accountants

F.R.No. 009663S

K.V.Viswamohan
Chairman&Wholetime Director
DIN : 00666339

B.Giridharan, B.Com., FCA.

Partner

Membership No. 208590

Vino P. Stephen
Whole Time Director & CFOAnupama R.
Company Secretary

Place: Coimbatore

Place: Palakkad

Date: 29-07-2021

Date: 29-07-2021

Notes 1 to the standalone Ind AS financial statements for the year ended March 31, 2021**1. Corporate information**

SDF Industries Limited (the Company) is a public Company domiciled in India and incorporated on 19-04-1990, under the provisions of the Companies Act. The registered office of the Company is located at No."SDF House:, Panchayath Door No.13/610, Xanadu, No.7 Sarayu Nagar, Chandranagar, Palakkad, Kerala - 678007. The Company is primarily engaged in the business of manufacture and sale of Indian Made Foreign Liquor (IMFL) and also blending & bottling of IMFL.

The company has been listed with BSE. The trading has been temporarily suspended due to sickness. The company is taking steps to withdraw the suspension.

2. Significant accounting policies

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

Basis of preparation of standalone Ind AS financial statements**(i) Compliance with Ind AS**

The financial statements comprising of Balance Sheet, Statement of Profit and Loss account, Statement of Changes in Equity, Cash Flow Statement, together with notes for the year ended 31st March 2020 have been prepared in accordance Ind AS as notified from time to time and Division 11 of IndAS Schedule 111 of the Companies Act, 2013

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured on fair values, the provisions of the Companies Act, 2013('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India(SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

Effective from April 1, 2017, the Company has adopted the Ind AS and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2016 as the transition date. The transition was carried out from financial statements prepared as per accounting standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

The standalone Ind AS financial statements are presented in Indian Rupee ("INR") except when otherwise stated. The standalone Ind AS financial statements have been prepared on a historical cost basis, except for assets and liabilities which have been measured at fair value, more particularly the following.

- The defined benefit asset is recognised as the net total of the plan assets, plus unrecognised past service cost and unrecognised actuarial losses, less unrecognised actuarial gains and present value the defined benefit obligation. This item has been measured at fair value and method used to measure fair value is discussed further

Notes 1 -10 - Employee benefits**(ii) Current versus Non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

Notes to the standalone Ind AS financial statements contd

- expected to be realized or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- expected to be settled in normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3. Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in **Notes 1-17 - Critical estimates and judgements**. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

4. Revenue recognition

The Company derives revenues primarily from business of manufacture and sale of Indian Made Foreign Liquor (IMFL) and also blending & bottling of IMFL.

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch up transition method.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration, the company expect to receive in exchange for those products or services.

6. Foreign currency translation**(i) Functional and presentation currency**

The standalone Ind AS financial statements are presented in INR, which is also the Company's functional currency.

Notes to the standalone Ind AS financial statements contd**(ii) Transactions and balances**

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date, the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in other comprehensive income ("OCI") or profit or loss are also recognised in OCI or profit or loss, respectively).

6. Property, plant and equipment and Intangible assets**Property, plant and equipment**

Freehold land is carried at Fair value as on 31.03.2020. The company has revalued its freehold factory land during the last quarter of the financial year (Q4 2019-20) . Accordingly, the excess over the book value before revaluation of Rs.328.38 lacs has been credited to Other Comprehensive Income (OCI) and shown under Other Equity - Revaluation Surplus in accordance with Ind AS-16. All other items of property, plant and equipment are stated at historical cost less depreciation, and impairment loss . Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

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

Depreciation is calculated using the **Straight-Line Method (SLM)** as per the estimated useful lives of assets as below:

Asset category	Useful life (in years)	Basis of determination of useful lives
(I) Buildings		
-Roads	5	Assessed to be in line with Schedule II of the Act
Buildings RCC	60	Assessed to be in line with Schedule II of the Act
Buildings Other than RCC	30	Assessed to be in line with Schedule II of the Act
Factory Building	30	Assessed to be in line with Schedule II of the Act

Notes to the standalone Ind AS financial statements contd

(II) Plant and equipment		
General	15	Assessed to be in line with Schedule II of the Act
Laboratory Equipments	10	Assessed to be in line with Schedule II of the Act
(III) Furniture and Fittings	10	Assessed to be in line with Schedule II of the Act
(IV)Electrical Equipments	10	Assessed to be in line with Schedule II of the Act
(V) Office Equipments		
Computers	3	Assessed to be in line with Schedule II of the Act
Servers	3	Management estimate
Others	5	Assessed to be in line with Schedule II of the Act
(VI) Motor Vehicles	8	Assessed to be in line with Schedule II of the Act
(VII)Intangible Assets		
Software	5	Management estimate

Useful lives of asset classes determined by management estimate, which are generally lower than those prescribed under Schedule II of the Act are supported by internal technical assessment of the useful lives.

Disposals

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Intangible assets

On adoption of Ind AS, the Company has measured Intangible assets at deemed cost.

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 are amortized 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 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 is recognized in the statement of profit and loss, unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Notes to the standalone Ind AS financial statements contd**Amortisation method and useful lives**

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

- a) Licenses – over the license period
- b) Computer software – 5 years

Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet date to ascertain if there is any indication of impairment based on internal/external factors. An asset is treated as impaired based on the cash generating concept at the year end, when the carrying cost of the assets exceeds its recoverable value in terms of Ind AS-36 “Impairment of Assets”, for the purpose of arriving at impairment loss thereon, if any. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of the recoverable amount.

7. Fair value measurement

The Company measures financial instruments (financial assets & financial liabilities), at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

8. Inventories

Inventories which comprise of raw materials, work-in-progress, finished goods, stock-in-trade, packing materials and stores and spares are carried at the lower of cost or net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, Packing materials and bottles, Stores and spares: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods and Work-in-progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

Stock-in-trade: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

In determining the cost, weighted average cost method is used. In case of manufactured finished goods and work-in-progress, fixed production overheads are allocated on the basis of normal capacity of production facilities. 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.

Notes to the standalone Ind AS financial statements contd

9. Cash and cash equivalents

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

10. Employee benefits

a) Short-term obligations

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

(b) Post-employment obligations

I. Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

II. Defined benefit plans

The Company's defined benefit plans comprise of gratuity plan and leave plan (where the Company's obligation is to provide the agreed benefit to the qualifying employees and the actuarial risk and investment risk if any, fall in substance, on the Company).

Gratuity obligations

The gratuity plan of the company is a defined benefit scheme in case of for its employees which is payable on exit of the employees after completion of a atleast 5 years of service. However any exit due to death or total disability to do any gainful employment this service minimum is ignored. The benefit is payable in any case on attaining superannuation. This is taken as a post exit benefit.

The Plan is operated without an insurance or funding and hence there are no plan assets to value.

Earned leave obligations

The Leave Plan of the company is a defined benefit scheme for its employees which is payable while in service or on exit of the employee as per the Company's Rules. The value of the permissible accumulation leave balance is payable in any case on attaining superannuation.

Notes to the standalone Ind AS financial statements contd

The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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, if any. This cost is included in employee benefit expense in the Statement of profit and loss.

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

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

12. Taxes**Current income tax**

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity in correlation to the underlying transaction). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate.

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 and assets are recognized for all taxable temporary differences and deductible temporary differences, except:

- when the deferred tax liability or asset 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 profit nor taxable profit or loss; and
- in respect of taxable temporary differences and deductible temporary differences associated with investments in subsidiary and associate, 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 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 utilized. 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 relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity in correlation to the underlying transaction).

Notes to the standalone Ind AS financial statements contd

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.

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 on Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is reasonably certain 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 on Unabsorbed business losses

Deferred tax asset on timing differences arising on account of unused tax losses and unused tax credits has not been recognised as the management believes that there exists no virtual certainty in matter to its realisations in the near future period.

12. Earnings per share (EPS)

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

14. Provisions and contingencies**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.

Notes to the standalone Ind AS financial statements contd**Contingent liability**

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the standalone Ind AS financial statements.

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.

14. 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.

15. Exceptional items

When an item of income or expense within Statement of profit and loss from ordinary activity is of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year, the nature and amount of such items is disclosed as exceptional items.

16. Segmental information

The Company is primarily engaged in the business of manufacture and sale of Indian Made Foreign Liquor (IMFL) and also blending & bottling of IMFL. The Executive Committee of the Company (being the Chief Operating Decision Maker) assesses performance and allocates resources for the business of the Company as a whole and hence the management considers company's business activities as a single operating segment (viz. IMFL).

17. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual result. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- a) Estimation of defined benefit obligation – **Notes 1 - 10**
- b) Estimation of provisions and contingent liabilities – **Notes 1 - 13**

Notes to the standalone Ind AS financial statements contd

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

Use of estimates and judgments - Estimation of uncertainties relating to the global health pandemic from COVID-19

COVID-19 has caused significant disruptions to business across India. The management has considered the possible effects, if any, that may impact the carrying amounts of inventories, receivables and other assets. In making the assumptions and estimates relating to the uncertainties as at the Balance Sheet date in relation to recoverable amounts, the management has considered subsequent events, internal and external information and evaluated economic conditions prevailing as at the date of approval of these financial results. The management expects no impairment to the carrying amounts of these assets, though there may be a delay in the collection of receivables. The management will continue to closely monitor any changes to future economic conditions and assess its impact on the operations. The management believes that there may not be significant impact of COVID-19 pandemic on the financial position and performance of the company in the long term, though there may be lower revenues in the first two quarters of the current financial year (2020-21)

Notes to the Balance Sheet (continued)

2 Property, Plant and Equipment

(All amounts in Indian rupees, except share data and where otherwise stated)

a. The changes in the carrying value of property, plant and equipment for the year ended March 31, 2021 are as follows:

Particulars	Freehold land	Building	Roads	Plant & Equipments	Vehicles	Furniture & Fittings	Office equipments	Computers	Electrical Instln & Eqpts	Total
Gross carrying value as at April 1, 2020	18,31,404.90	6,02,77,097.10	5,10,237.00	15,56,63,383.08	30,77,226.00	19,19,021.00	28,02,493.90	16,80,129.06	12,17,410.00	22,89,78,402.04
Additions	-	-	-	-	-	-	26,635.59	37,966.09	-	64,601.68
Revaluation of Free Hold Land	3,28,38,761.10	-	-	-	-	-	-	-	-	3,28,38,761.10
Deletions	-	-	-	-	-	-	-	-	-	-
Gross carrying value as at March 31, 2021	3,46,70,166.00	6,02,77,097.10	5,10,237.00	15,56,63,383.08	30,77,226.00	19,19,021.00	28,29,129.49	17,18,095.15	12,17,410.00	26,18,81,764.82
Accumulated depreciation/ Impairment as at April 1, 2020	-	4,33,58,938.18	4,84,724.00	15,07,98,929.20	18,33,095.01	15,50,686.00	26,66,014.51	14,63,231.24	11,34,988.64	20,32,90,606.78
Depreciation	-	11,67,289.51	-	5,01,619.73	2,97,974.04	51,772.80	1,05,914.34	88,698.39	3,316.36	22,16,585.17
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2021	-	4,45,26,227.69	4,84,724.00	15,13,00,548.93	21,31,069.05	16,02,458.81	27,71,928.85	15,51,929.63	11,38,304.99	20,55,07,191.95
Carrying value as at March 31, 2021	3,46,70,166.00	1,57,50,869.41	25,513.00	43,62,834.15	9,46,156.95	3,16,562.19	57,200.64	1,66,165.52	79,105.01	5,63,74,572.87
Carrying value as at April 1, 2020	18,31,404.90	1,69,18,158.92	25,513.00	48,64,453.88	12,44,130.99	3,68,335.00	1,36,479.39	2,16,897.82	82,421.36	2,56,87,795.26

b. The changes in the carrying value of property, plant and equipment for the year ended March 31, 2019 were as follows:

Gross carrying value as at April 1, 2019	18,31,404.90	5,99,11,097.10	5,10,237.00	15,56,35,947.08	30,77,226.00	19,19,021.00	27,85,926.16	14,69,698.90	12,17,410.00	22,83,57,968.14
Additions	-	3,66,000.00	-	27,436.00	-	-	16,567.74	2,10,430.16	-	6,20,433.90
Revaluation of Free Hold Land	3,28,38,761.10	-	-	-	-	-	-	-	-	3,28,38,761.10
Deletions	-	-	-	-	-	-	-	-	-	-
Gross carrying value as at March 31, 2020	3,46,70,166.00	6,02,77,097.10	5,10,237.00	15,56,63,383.08	30,77,226.00	19,19,021.00	28,02,493.90	16,80,129.06	12,17,410.00	26,18,17,163.14
Accumulated depreciation/ Impairment as at April 1, 2019	-	4,21,12,083.27	4,84,724.00	15,02,61,553.99	15,07,090.36	14,97,036.89	25,34,614.70	14,06,717.22	11,31,663.20	20,09,35,483.63
Depreciation	-	12,46,854.91	-	5,37,375.21	3,26,004.65	53,649.11	1,31,399.81	56,514.02	3,325.44	23,55,123.15
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2020	-	4,33,58,938.18	4,84,724.00	15,07,98,929.20	18,33,095.01	15,50,686.00	26,66,014.51	14,63,231.24	11,34,988.64	20,32,90,606.78
Carrying value as at March 31, 2020	3,46,70,166.00	1,69,18,158.92	25,513.00	48,64,453.88	12,44,130.99	3,68,335.00	1,36,479.39	2,16,897.82	82,421.36	5,85,26,556.36
Carrying value as at April 1, 2019	18,31,404.90	1,77,99,013.83	25,513.00	53,74,393.09	15,70,135.64	4,21,984.11	2,51,311.46	62,981.68	85,746.80	2,74,22,484.51

SDF INDUSTRIES LIMITED**Notes to the Balance Sheet (continued)**

(All amounts in Indian rupees, except share data and where otherwise stated)

3 Intangible Assets**c. The changes in the carrying value of Intangible Assets for the year ended March 31, 2021 are as follows:**

Particulars	Computer Software	Brands	Licenses & rights	Total
Gross carrying value as at April 1, 2020	1,02,540.00	-	-	1,02,540.00
Additions	40,000.00	-	-	40,000.00
Deletions	-	-	-	-
Gross carrying value as at March 31, 2021	1,42,540.00	-	-	1,42,540.00
Accumulated depreciation/ Impairment as at April 1, 2020	23,925.27	-	-	23,925.27
Depreciation	22,293.56	-	-	22,293.56
Accumulated depreciation on deletions	-	-	-	-
Accumulated depreciation as at March 31, 2021	46,218.83	-	-	46,218.83
Carrying value as at March 31, 2021	96,321.17	-	-	96,321.17
Carrying value as at April 1, 2020	78,614.73	-	-	78,614.73

d. The changes in the carrying value of Intangible Assets for the year ended March 31, 2020 were as follows:

Gross carrying value as at April 1, 2019	1,02,540.00	-	-	1,02,540.00
Additions	-	-	-	-
Deletions	-	-	-	-
Gross carrying value as at March 31, 2020	1,02,540.00	-	-	1,02,540.00
Accumulated depreciation/ Impairment as at April 1, 2019	4,389.29	-	-	4,389.29
Depreciation	19,535.98	-	-	19,535.98
Accumulated depreciation on deletions	-	-	-	-
Accumulated depreciation as at March 31, 2020	23,925.27	-	-	23,925.27
Carrying value as at March 31, 2020	78,614.73	-	-	78,614.73
Carrying value as at April 1, 2019	98,150.71	-	-	98,150.71

Notes to the standalone Ind AS Financial Statements contd

(All amounts in Indian Rupees, except share data and where otherwise stated)

Sl. No	Particulars	As at 31.03.2021	As at 31.03.2020
4)	Other Financial assets		
	Non-Current		
	<i>Unsecured, considered good</i>		
	Security deposits		
	Deposits with govt. and Public Bodies	16,26,605.00	53,12,596.00
	Pre deposits with tax authorities	19,23,797.00	19,23,797.00
	Deposits with Others	1,47,300.00	1,97,300.00
		36,97,702.00	74,33,693.00
	<i>Unsecured, considered doubtful</i>		
	Security deposits	0.00	0.00
	Less: Allowance for doubtful advances	0.00	0.00
	Total	36,97,702.00	74,33,693.00
5)	Inventories		
	(valued at lower of cost and net realisable value)		
	Raw materials	4,77,719.53	6,07,904.31
	Packing materials and bottles	39,07,577.02	41,34,768.68
	Finished goods	0.00	23,31,361.57
	Consumables	19,091.36	23,537.10
	Stores and spares	2,24,318.22	2,22,997.51
	Total	46,28,706.13	73,20,569.17
6)	Trade Receivables		
	Considered good		
	Secured	0.00	0.00
	Unsecured	1,17,10,351.37	5,15,73,061.82
		1,17,10,351.37	5,15,73,061.82
	Considered doubtful		
	Unsecured	28,38,853.14	13,10,515.42
	Less: Allowance for doubtful receivables	28,38,853.14	13,10,515.42
	Total	1,17,10,351.37	5,15,73,061.82
7)	Cash & Cash Equivalents		
	Bank balances on current accounts	9,17,979.23	13,10,767.28
	Bank balances on Overdraft	0.00	0.00
	Bank deposits with original maturity of three months or less	0.00	0.00
	Cash on hand	45,160	1,09,823.00
	Total	9,63,139.23	14,20,590.28

Notes to the standalone Ind AS Financial Statements contd.

Sl. No	Particulars	As at 31.03.2021	As at 31.03.2020
8)	Other Current Assets		
	<i>Unsecured, considered good</i>		
	Prepaid expenses	21,32,309.97	18,55,104.55
	Employees and other advances	50,708.00	-37,379.00
	Balance with statutory/govt authorities	20,76,867.62	11,02,935.00
	Advance given for purchase of capital goods	2,20,000.00	2,20,000.00
	Gomovious Impex (P) Ltd	74,08,973.66	21,64,941.11
	Total	1,18,88,859.25	31,40,660.55

9) Equity Share Capital**Authorised share capital**

1,25,00,000 (March 31, 2021: 1,25,00,000) equity shares of Re. 10 each

12,50,00,000.00 12,50,00,000.00

12,50,00,000.00 12,50,00,000.00**Issued, subscribed and fully paid-up shares**

1,16,87,300 (March 31, 2021: 1,16,87,300) equity shares of Re. 10 each

11,68,73,000.00 11,68,73,000.00

11,68,73,000.00 11,68,73,000.00**a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

	31.03.2021		31.03.2020	
	Nos	Rs.P	Nos	Rs.P
At the beginning of the year	1,16,87,300	11,68,73,000	1,16,87,300	11,68,73,000
Issued during the year	0.00	0.00	0.00	0.00
At the end of the year	1,16,87,300	11,68,73,000	1,16,87,300	11,68,73,000

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Re. 10 per share. Each holder of equity share is eligible for 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. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

As at 31.03.2021		As at 31.03.2020	
Nos	Rs.P	Nos	Rs.P
0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00

Notes to the standalone Ind AS Financial Statements contd.

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

Name of the shareholders	As at 31.03.2021		As at 31.03.2020	
	Nos	%	Nos	%
Equity shares of Re.10 each fully paid				
1. K.V.Viswamohan	28,91,500	24.74	28,91,500	24.74
2. K.V.Pradeep Menon	6,56,500	5.62	6,56,500	5.62

As per records of the Company, the above shareholding represents legal ownership of shares

10) Other Equity

Particulars	Retained Earnings		Other comprehensive income	
	As at		As at	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Opening balance as per last standalone financial statements	(11,14,29,936.52)	(9,70,11,501.01)	3,27,57,863.10	(5,06,148.00)
Add: Profit/(loss) for the year	(2,21,49,012.02)	(1,44,18,435.51)		
Other comprehensive income (OCI)				
Add: Defined benefit obligations	0.00	0.00	6,07,527.00	6,25,260.00
Add: Deferred tax on OCI	0.00	0.00	4,610.00	(2,00,010.00)
Defined benefit obligations				
Add: Revaluation Surplus				
OCI on Revaluation of Land	0.00	0.00	0.00	3,28,38,761.10
Less: Appropriations				
Transfer to general reserve	0.00	0.00	0.00	0.00
Closing balance	(13,35,78,948.53)	(11,14,29,936.52)	3,37,70,000.10	3,27,57,863.10
Total Other Equity	(10,02,08,948.43)	(7,86,72,073.42)		

11) Borrowings

	As at 31.03.2021	As at 31.03.2020
Non current borrowings		
Term Loans- Indian Bank		
TL-Indian Bank-IND-GELCS-Covid 19	88,072	0.00
TL-Indian Bank-IND Funded FITL	0.00	0.00
TL-Indian Bank-IND MSE COVID Emergency Loan	4,90,886.00	0.00
Total	5,78,958.00	0.00

12) Other financial liabilities

	As at 31.03.2021	As at 31.03.2020
Security deposits	47,00,000.00	62,00,000.00
Total	47,00,000.00	47,00,000.00

Notes to the standalone Ind AS Financial Statements contd.

13) Provisions

Particulars	Non Current As at		Current As at	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Provision for employee benefits				
Gratuity	32,80,068.00	25,06,107.00	3,01,956.00	1,02,544.00
Leave Salary	6,34,863.00	4,81,529.00	33,413	25,343.00
	39,14,931.00	29,87,636.00	3,35,369.00	1,27,887.00
Other provisions				
Provisions for expenses	0.00	0.00	50,44,793.00	47,35,432.00
	0.00	0.00	50,44,793.00	47,35,432.00
Total	39,14,931.00	29,87,636.00	53,80,162.00	48,63,319.00

14) Borrowings

	As at 31.03.2021	As at 31.03.2020
Indian Bank OD/CC (Refer note below)	48,15,956.74	40,86,465.41
Total	48,15,956.74	40,86,465.41

The company has availed working capital facility of Rs.50 lacs with Indian Bank, Sivanandha Colony Branch, Coimbatore. The facility repayable on demand basis and is primarily secured by hypothecation of stock and book debts. The existing credit facility of Rs 50 Lakhs is additionally secured by Collateral security on Equitable mortgage of Immovable properties situated at Old Sy No-440, Old Sy Sub Division No-2, Pampadi Village, Thalapilly Taluk, Palayannur Sub district, Thiruvillamala Panchayat, Thrissur district.to an extent of 47 Cents with common right in the usual pathways, road and all other amenities attached to the land; The interest rate is 11.15% p.a, renewable annually. The facility is additionally guaranteed by the Chairman Sri. K.V.Viswamohan.

	As at 31.03.2021	As at 31.03.2020
15) Trade Payables		
Total outstanding dues of micro and small enterprises (Refer Note 27 for details)	10,54,223.02	87,09,954.80
Total outstanding dues of creditors other than micro and small enterprises (including acceptances)*	1,40,97,520.05	2,60,34,114.99
Total	1,51,51,743.07	3,47,44,069.79

Notes to the standalone Ind AS Financial Statements contd.

	As at 31.03.2021	As at 31.03.2020
16) Other Current Liabilities		
Statutory dues payable	3,81,15,120.32	4,16,18,180.51
Wild Tiger Beverages (Fund Transfer A/c)	8,24,848.33	3,30,780.73
Current Maturities to Long term borrowings		
TL-Indian Bank-IND-GELCS-Covid 19	2,88,000.00	0.00
TL-Indian Bank-IND Funded FITL	0.00	0.00
TL-Indian Bank-IND MSE COVID Emergency Loan	1,68,000.00	0.00
Total	3,93,95,968.65	4,16,18,180.51
17) Revenue from operations		
Sale of Products*	1,22,81,539.60	15,04,17,334.59
Sale of services**	4,15,18,215.00	4,30,67,855.00
Other operating revenues	3483.50	2,76,316.95
A	5,38,03,238.10	19,37,61,506.54
*Indicates sale of IMFL		
**Indicates Bottling income		
18) Other Income		
Liabilities no longer required written back	13,876.00	0.00
Foreign Exchange Gain/Loss	12,102.73	0.00
Interest on IT Refund	0.00	9,18,001.00
Miscellaneous Income	6,89,578.00	14,34,839.50
B	7,15,556.73	23,52,840.50
Total Income	A+B	5,45,18,794.83
19) Cost of Materials Consumed		
Raw materials		
Inventories at the beginning of the year	6,07,904.31	11,77,937.91
Add: Purchases including transferes	40,23,300.65	7,53,10,209.34
Less: Inventories at the end of the year	4,77,719.53	6,07,904.31
Consumption	41,53,485.43	7,58,80,242.94
Chemical and others		
Inventories at the beginning of the year	23,537.10	23,555.11
Add: Purchases including transferes	6,33,002.92	4,32,620.31
Less: Inventories at the end of the year	19,091.36	23,537.10
Consumption	6,37,448.66	4,32,638.92
Packing materials & stores and spares		
Inventories at the beginning of the year	43,57,766.19	47,30,987.03
Add: Purchases including transferes	13,04,186.18	2,23,17,105.26
Less: Inventories at the end of the year	41,31,895.24	43,57,766.19
Consumption	15,30,057.13	2,26,90,326.10
Total Consumption	63,20,991.22	9,90,03,207.96

Notes to the standalone Ind AS Financial Statements contd.

20) Changes in inventories of finished goods

Inventories at the beginning of the year		
Finished goods	23,31,361.57	5,38,189.80
Work in progress	0.00	0.00
Stock in trade	0.00	0.00
Inventories at the end of the year		
Less : Finished goods	0.00	23,31,361.57
Work in progress	0.00	0.00
Stock in trade	0.00	0.00
(Increase)/decrease in inventories	23,31,361.57	(17,93,171.77)

21) Employee Benefits

Salaries, wages and bonus	89,40,929.00	82,00,543.00
Contribution to provident fund and other funds (refer note (i) below)	7,40,168.00	10,09,075.00
Gratuity & Leave Salary expenses (refer note (ii) below)	19,42,699.00	5,39,880.00
Workmen & Staff welfare expenses	11,96,797.81	12,48,263.60
Total	1,28,20,593.81	1,09,97,761.60

(i) Defined contribution plans

Contribution to provident and other funds includes the following defined contributions

Provident fund (PF)	6,03,361.00	6,93,983.00
Employees state insurance fund (ESI) & ESI Arrears	1,36,807.00	1,50,141.00
Total	7,40,168.00	8,44,124.00

(ii) Defined benefit plans

The Company operates two defined benefit plans i.e., gratuity plan and leave plan for its employees. The gratuity plan of the company is a defined benefit scheme in case of for its employees which is payable on exit of the employees after completion of atleast 5 years of service. However, any exit due to death or total disability to do any gainful employment this service minimum is ignored. This benefit is payable in any case on attaining superannuation. This is taken as a post exit benefit.

The Plan is operated without an insurance or funding and hence there are no plan assets to value.

The Leave Plan of the company is a defined benefit scheme for its employees which is payable while in service or on exit of the employee as per the Company's Rules. The value of the permissible accumulation leave balance is payable in any case on attaining superannuation.

The following table summarises the components of net benefit expenses and the funded status for respective plans.

Notes to the standalone Ind AS Financial Statements contd.

Particulars	Gratuity Plan		Leave Plan	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
a) Changes in the present value of the defined benefit obligation				
Obligations at beginning of the year	26,08,651.00	29,83,877.00	5,06,872.00	6,20,186.00
Current service cost	2,10,485.00	1,65,011.00	1,16,076.00	94,822.00
Interest cost	2,03,542.00	2,29,978.00	42,368.00	50,069.00
Benefits paid	-51,141.00	0.00	0.00	-4,03,160.00
Actuarial (gain)/loss	6,10,487.00	-7,70,215.00	2,960.00	1,44,955.00
Obligations at end of the year	35,82,024.00	26,08,651.00	6,68,276.00	5,06,872.00
Long term liability	32,80,068.00	25,06,107.00	6,34,863.00	4,81,529.00
Short term liability	3,01,956.00	1,02,544.00	33,413.00	25,343.00
(b) Change in fair value of plan assets**				
Plan assets at the beginning of the year	0.00	0.00	0.00	0.00
Expected return on plan assets	0.00	0.00	0.00	0.00
Contributions during the year	0.00	0.00	0.00	0.00
Benefits paid	0.00	0.00	0.00	0.00
Actuarial gain/(loss)	0.00	0.00	0.00	0.00
Plan assets at end of the year	0.00	0.00	0.00	0.00
Actual return on plan assets	0.00	0.00	0.00	0.00
**The Plan is operated without an insurance or funding and hence there are no plan assets to value.				
(c) Benefit asset/(liability)				
Fair value of plan assets	0.00	0.00	0.00	0.00
Less: Present value of the defined benefit obligations	35,82,024.00	26,08,651.00	6,68,276	5,06,872.00
Benefit asset/(liability)	-35,82,024.00	-26,08,651.00	-6,68,276	-5,06,872.00
(d) Cost charged to profit or loss under employee cost				
Current service cost	2,10,485.00	1,65,011.00	1,16,076.00	94,822.00
Interest cost	2,03,542.00	2,29,978.00	42,368.00	50,069.00
Expected return on plan assets	0.00	0.00	0.00	0.00
Net employee benefit expense	4,14,027.00	3,94,989.00	1,58,444.00	1,44,891.00
(e) Re-measurement (gain)/loss recognised in other comprehensive income (OCI)				
Opening amount disclosed under OCI	-4,25,819.00	3,44,396.00	3,44,149.00	1,99,194.00
Actuarial (gain)/loss on liability	-7,70,215.00	-7,70,215.00	1,44,955.00	1,44,955.00
Actuarial (gain)/loss on assets	0.00	0.00	0.00	0.00
Net actuarial (gain)/loss	-11,96,034.00	-4,25,819.00	4,89,104.00	3,44,149.00

Notes to the standalone Ind AS Financial Statements contd.

(f) The principal assumptions used in determining gratuity and leave plan obligations for the Company plans are as shown below:

Particulars	Gratuity Plan	
	31.03.2021	31.03.2020
No. of Employees	29	31
Average Salary (in Rs.)	17,713	13,514
Average Past Service (in years)	14.753	13.381
Average Age (in years)	44.15	42.69
Superannuation Age (in years)	58	58
Mortality rate	Indian Assured Lives Mortality [1994-96] Ultimate table	Indian Assured Lives Mortality [1994-96] Ultimate table
Attrition Rate	Modified q(x) values under above Mortality Table	Modified q(x) values under above Mortality Table
Discount rate	7.50 % p.a	7.50 % p.a
Compensation Escalation Rate	5.00 % p.a	5.00 % p.a
Rate of Return on Plan Assets	Not Applicable	Not Applicable
Expected Average Remaining Working Life time of Employees (years)	13.85	14.86

Particulars	Leave Plan	
	31.03.2021	31.03.2020
No. of Employees	29	31
Average Salary (in Rs.)	26,088	19,802
Average Age (in years)	44.15	42.69
Superannuation Age (in years)	58	58
Mortality rate	Indian Assured Lives Mortality [1994-96] Ultimate table	Indian Assured Lives Mortality [1994-96] Ultimate table
Attrition Rate	Modified q(x) values under above Mortality Table	Modified q(x) values under above Mortality Table
Discount rate	7.50 % p.a	7.50 % p.a
Compensation Escalation Rate	5.00 % p.a	5.00 % p.a
Rate of Return on Plan Assets	Not Applicable	Not Applicable
Expected Average Remaining Working Life time of Employees (years)	13.85	15.31

*The assumption of future salary increases takes into account inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market;

Notes to the standalone Ind AS Financial Statements contd.

(g) Present value (PV) of obligation recognised in the Balance Sheet

Particulars	31.03.2021	31.03.2020	31.03.2019	31.03.2018	31.03.2017
Gratuity Plan					
PV of obligation at the end of the year	35,82,024	26,08,651	29,83,877	25,04,017	22,09,518
FV of plan assets as at the end of the year	0.00	0.00	0.00	0.00	0.00
Liability / (Asset) recognised in the balance sheet	35,82,024	26,08,651	29,83,877	25,04,017	22,09,518
Leave Plan					
PV of obligation at the end of the year	6,68,276	5,06,872	6,20,186	4,06,762	5,27,734
FV of plan assets as at the end of the year	0.00	0.00	0.00	0.00	0.00
Liability / (Asset) recognised in the balance sheet	6,68,276	5,06,872	6,20,186	4,06,762	5,27,734

For the year ended**31.03.2021****31.03.2020**

22) Finance cost		
Interest expense	4,11,924.10	4,06,314.00
Total	4,11,924.10	4,06,314.00
23) Depreciation and Amortisation Expenses		
Depreciation on Property, Plant and equipment	22,16,585.17	23,55,123.15
Amortisation of intangible assets	22,293.56	19,535.98
Total	22,38,878.73	23,74,659.13
24) Other Expenses		
Bottling Expenses	2,64,43,862.38	3,14,41,587.87
Power, Fuel & Water Charges	14,11,596.57	37,67,305.70
Advertisement & Sales promotion expenses	71,08,834.00	2,02,01,370.85
Rates and taxes	43,92,505.68	2,09,02,610.71
Rent	2,76,000.00	2,86,806.00
Insurance	4,95,997.00	6,49,687.00
Repairs and maintenance		
Plant and machinery	1,48,644.00	2,87,720.76
Buildings	36,000.00	55,200.00
Vehicles	1,82,604.08	2,22,677.40
Others	1,85,693.41	5,19,273.77

Notes to the standalone Ind AS Financial Statements contd.

	For the Year Ended	
	As at 31.03.2021	As at 31.03.2020
Freight, halting and breakage expenses	6,17,290.77	63,87,744.60
Chemical Exam Fees	7,24,613.00	17,63,277.00
Export Expense	4,72,929.81	8,24,086.70
Foreign Exchange Gain/Loss	53,487.82	0.00
Brand, Label,etc Regn. Fee	4,08,600.00	12,99,205.00
Selling and distribution expense	2,58,155.00	11,50,782.00
Statutory Auditor remuneration		
Statutory audit fee	2,00,000.00	2,00,000.00
Limited review fee	75,000.00	75,000.00
Taxation Matters	50,000.00	50,000.00
Certification fee	0.00	0.00
Reimbursement of expenses	6,196	38,285.00
<u>Internal Auditor remuneration</u>		
Internal audit fee	0.00	1,30,000.00
Reimbursement of expenses	0.00	29,170.00
Bad debts/advances written off	27,12,495.72	2,17,752.00
Allowance for doubtful receivables	0.00	6,304.00
Bank Charges & Commission	53,136.50	1,29,427.90
Legal & Professional Charges	15,13,996.75	20,10,895.00
Office Maintenance	6,17,171.83	7,45,063.10
Postage & Telephone Charges	2,14,129.72	1,80,763.00
Packing and Forwarding	66,200.00	0.00
Printing & Stationery	1,97,018.02	2,10,713.82
Security Charges	15,32,753.00	16,83,914.00
Traveling Expenses	11,08,591.15	15,91,902.09
Miscellaneous expenses	17,37,150.21	25,43,977.36
Total	5,33,00,652.42	9,96,02,502.63
Income Tax		

25)

(a) Tax expense recognised in the Statement of profit and loss**(i) Profit and loss section****Current tax**

Current year	0.00	0.00
Total current tax	0.00	0.00

Deferred tax

Relating to origination and reversal of temporary difference in respect of current year	7,56,695.00	58,491.00
Total deferred income tax expense/(credit)	7,56,595.00	58,491.00
Income tax recognised in the statement of profit & loss	7,56,595.00	58,491.00

Notes to the standalone Ind AS Financial Statements contd.

	For the year ended	
	31.03.2021	31.03.2020
(ii) Other comprehensive income (OCI)		
Tax arising on income and expenses recognised in OCI		
Items will not be reclassified to profit or loss		
Re-measurement of defined benefit liabilities/(asset)	6,07,627	6,25,260.00
Income tax effect on above	4,610	(2,00,010.00)
Total	6,12,237.00	4,25,250.00
(b) Deferred tax (liabilities)/asset(net)		
Deferred tax assets	12,31,709.00	5,05,754.00
Deferred tax liabilities	10,410.00	-24,840.00
	12,42,119.00	4,80,914.00
Tax effect of items constituting deferred tax assets		
Provision for doubtful debts	6,74,580.00	2,77,212.00
Provision for employee benefits	5,89,980.00	2,28,542.00
Deferred tax assets on loss carry forward (including unabsorbed depreciation)	0.00	0.00
Expenses allowed on payment basis	-32,851.00	0.00
	12,31,709.00	5,05,754.00
Tax effect of items constituting deferred tax liability		
Property, plant & equipment	10,410.00	-24,840.00
	10,410.00	-24,840.00
Deferred tax (liabilities) / assets(net)	12,42,119.00	4,80,914.00

(c) The movement in deferred tax assets and liabilities during the year ended 31.03.2020

Particulars	31.03.2019	Credit/ (charge) in Statement of profit and loss	in Other comprehensive income	31.03.2020
Deferred tax (liabilities)/assets				
Property, plant and equipment	(23,979.00)	(861)	0.00	(24,840)
Provision for doubtful debts	2,77,212.00	0.00	0.00	2,77,212
Defined benefit obligations	1,85,120.00	2,43,432	(2,00,010)	2,28,542
Carry forward losses (including unabsorbed depreciation)	0.00	0.00	0.00	0.00
Expenses allowed on payment basis	1,84,080.00	(1,84,080)	0.00	0.00
	6,22,433.00	58,491	(2,00,010)	4,80,914

Notes to the standalone Ind AS Financial Statements contd.

The movement in deferred tax assets and liabilities during the year ended March 31, 2021

Particulars	31.03.2020	Credit/ (charge) in Statement of profit and loss	Credit/(charge) in Other comprehensive income	31.03.2021
Deferred tax (liabilities)/assets				
Property, plant and equipment	(24,840.00)	35,250.00	0.00	10,410.00
Provision for doubtful debts	2,77,212.00	3,97,368.00	0.00	6,74,580.00
Defined benefit obligations	2,28,542.00	3,56,828.00	4,610.00	5,89,980.00
Carry forward losses (including unabsorbed depreciation)	0.00	0.00	0.00	0.00
Expenses allowed on payment basis	0.00	(32,851.00)	0.00	(32,851.00)
	4,80,914.00	7,56,595.00	4,610.00	12,42,119.00

(d) Deferred Tax on Unabsorbed business losses

Deferred tax asset on timing differences arising on account of unused tax losses and unused tax credits has not been recognised as the management believes that there exists no virtual certainty in matter to its realisations in the near future period.

	for the year ended	
	31.03.2021	31.03.2020
(e) Advance taxes		
Advance Tax	0.00	0.00
TDS receivables	5,96,889.00	8,69,025.00
	5,96,889.00	8,69,025.00
(f) Income tax receivables		
TDS receivables earlier years	0.00	8,91,777.01
	0.00	8,91,777.01

26) Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computation:

Net profit attributable to equity shareholders	(2,21,49,012.02)	(1,44,18,435.51)
Weighted average number of equity shares considered for calculating basic/ diluted EPS	1,16,87,300	1,16,87,300
Earnings per share		
Basic	(1.90)	(1.23)
Diluted	(1.90)	(1.23)

Notes to the standalone Ind AS Financial Statements contd.

27) Contingent Liabilities and Commitments (to the extent not provided for)**I Contingent Liabilities**

(a) Claims against the Company not acknowledged as debts*

Nature dues	Nature of statute	Period to which amount relates	31.03.2020	31.03.2020
Disputed matters				
(i) Excise duty on IMFL old stock	Abkari Act 1967	2008-09, 2009-10	28,66,665.00	28,66,665.00
(ii) Sales Tax	KVAT Act 2003	2010-2013	35,23,783.00	35,23,783.00
(iii) Sales Tax	KVAT Act 2003	2011-17	62,84,978.00	62,84,978.00
(iv) Sales Tax	CST Act 1956	2007-08 to 2019-10	1,42,52,893.00	1,42,52,893.00
(v) Sales Tax	KVAT Act 2003	2005-2010	46,36,083.00	0.00
(vi) Sales Tax	KVAT Act 2003	2017-2018	3,08,221.00	0.00
Total			A 3,18,72,623.00	2,69,28,319.00
Other money for which the Company is contingently liable				
Bank guarantees			Nil	Nil
Letter of credit			Nil	Nil
Discounted sales invoices			Nil	Nil
			B -	-
Total		A+B	3,18,72,623.00	2,69,28,319.00

II Commitments

(a) Capital commitments

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for

Nil Nil

(b) Other commitments

(i) Corporate guarantee given

Nil Nil

(ii) Export obligations against import licenses

Nil Nil

Total

- -

*The Company is contesting these demands and the management, based on advise of its legal advisors, believes that its position will likely be upheld in the appellate process. No expense has been accrued in the standalone Ind AS financial statements for these demands raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

The Company does not expect any reimbursements in respect of the above contingent liabilities.

In addition, the Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management reasonably does not expect that these legal actions, when ultimately

Notes to the standalone Ind AS Financial Statements contd.

concluded and determined, will have material effect on the Company's results of operations or financial condition.

Future cash outflows in respect of the above matters are determinable only on receipt of judgements/ decisions at various forums/ authorities

(i) An order bearing numbers 428 to 435 dated 31.10.2019 of The KVAT Applete Tribunal, Kozhikode allowed company's appeal to set aside the demand of Rs.46,36,083/- pertaining to years 2005-06 to 2009-10 on the ground of limitation.

(ii) A fresh demand Rs.1,17,413/- raised by State GST Department vide its order dated 28.06.2019 pertaining to the year 2010-11.

(iii) The High Court order dated 17.09.2018 in WP (C)12479/2017 dismissed the appeal filed by the Dept on the ground of limitation for the first three years 2007-08 to 2009-10. The department filed an appeal against the order in the Supreme Court on 29.11.2019. The demand amount is Rs. 1,42,52,893/-

28) Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

Particulars	31.03.2021	31.03.2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
-Principal amount due to micro and small enterprises	10,54,223.02	87,09,954.80
-Interest due on above	0.00	0.00
Total	10,54,223.02	87,09,954.80

The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year

- -

The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006

- -

The amount of interest accrued and remaining unpaid at the end of each accounting year

- -

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006

- -

Note: The information given above is to the extent such parties have been identified by the Company on the basis of information disclosed by the suppliers.

Notes to the standalone Ind AS Financial Statements contd.

29) Segment Reporting

The Company has identified Whole time directors, senior level executive nominees from SDF Industries Limited on the Company's Board and Chief Financial Officer together as the Chief Operating Decision Maker (CODM) as defined under Ind AS 108 "Operating Segments". The CODM evaluates and reviews the Company's performance and allocates the resources based on analysis of various performance indicators. The Company is primarily engaged in the business of manufacture and sale of Indian Made Foreign Liquor (IMFL) and also blending & bottling of IMFL. Since the entire business of the Company is evaluated and reviewed by the CODM as one reportable segment, the management considers this as a single reportable segment.

Hence, there are no additional disclosures required, other than those already provided in the standalone Ind AS financial statements. Information about geographical areas is as below:

	31.03.2021	31.03.2020
Revenue from external customers		
India	4,87,60,816.70	18,66,80,981.84
Outside India	50,42,421.40	70,80,524.70
Total	5,38,03,238.10	19,37,61,506.54
The above information is based on the location of customers.		
Non-current operating assets		
India	5,64,70,894.04	5,86,05,171.09
Outside India		0.00
Total	5,64,70,894.04	5,86,05,171.09

Non-current assets for this purpose consists of property, plant and equipment and intangible assets.

Revenue from customers individually contributing more than 10% of the Company's revenue aggregates to Rs.2,21,97,685 (Previous year: Rs 14,21,11,450)

30) Related Party Disclosures

A Name of related parties and related party relationships

Related parties under Ind AS 24 with whom transactions have taken place during the year:

Key management personnel (KMP)

- K.V. Viswamohan , Chairman
- Vinoo P. Stephen , Whole-time Director & CFO
- Anupama Radhakrishnan , Company Secretary

Enterprises over which investing parties or KMP have significant influence

- Gomovious Impex Pvt. Ltd
 - Wild Tiger Beverages
- Directors of Gomovious Impex (P) Ltd. is the wife and son of KMP K.V.Viswamohan, Chairman;
Proprietor of Wild Tiger Beverages Mr Gautom Mohan Menon is the son of KMP K.V Viswamohan Chairman:

Notes to the standalone Ind AS Financial Statements contd.

Additional related parties as per the Companies Act, 2013 with whom transactions have taken place during the year:

Directors	- K.V. Viswamohan , Chairman
Directors	- Vinoo P. Stephen , Whole-time Director & CFO
Key management personnel (KMP)	-Anupama Radhakrishnan, Company Secretary
Body corporate/Private companies whose Board of directors is accustomed to act in accordance with advise, directions or instructions of a director (included in 'Others' below)	- Gomovious Impex Pvt. Ltd - Wild Tiger Beverages

B Transactions with related parties during the year along with balances as at year end 2021

Name of related party and relationship with company	Balance outstanding		Transactions during the year		Balance outstanding	
	As at 31.03.2020	at 31.03.2021	Debit	Credit	As at 31.03.2021	at 31.03.2021
	Asset	Asset			Asset	/(Liability)
	/(Liability)	/(Liability)			/(Liability)	
1. K.V. Viswamohan, KMP						
Transactions during the year						
Remuneration	-		10,00,000	-	-	
Unsecured loan repaid	-		-	-	-	
Travel Expenses	-		6,41,543	-	-	
Balance outstanding	-				-	
Unsecured loan account	-		-	-	-	
Travelling advance account	-		6,41,543	6,41,543	-	
2. Ramankutty Sunil Nair, KMP						
Transactions during the year						
Remuneration	-		-	-	-	
Travel Expenses	-		-	-	-	
Balance outstanding						
Travelling advance account	(14,872)		23,500	8,628	-	
3. Vinoo P. Stephen, KMP						
Transactions during the year						
Remuneration	-		8,36,376	-	-	
Travel Expenses	-		-	-	-	
Balance outstanding						
4. Ms.Anupama R, KMP						
Remuneration	-		4,84,201	-	-	
Balance outstanding	-		-	-	-	
5. Gomovious Impex Pvt. Ltd - KMP have significant influence						
Transactions during the year						
Share of profit/(loss)	-		(42,44,033)	-	-	
Balance outstanding						
Other Financial liabilities	21,64,941		52,44,033	-	74,08,974	

Notes to the standalone Ind AS Financial Statements contd.

6 Wild Tiger Beverages -- KMP have significant influence**Transactions during the year**

Share of profit/(loss)	-	12,90,556	-	-
Balance outstanding				
Other Financial liabilities	3,30,781	38,79,141	33,85,074	8,24,848

c. Transactions with related parties during the year along with balances as at year end 2020

Name of related party and relationship with company	Balance outstanding		Transactions during the year		Balance outstanding	
	As at 31.03.2019	at 31.03.2020	Debit	Credit	As at 31.03.2020	at 31.03.2020
	Asset				Asset	
	/(Liability)				/(Liability)	

K.V. Viswamohan, KMP**Transactions during the year**

Unsecured loan repaid	-	29,11,474	-	-
Travel Expenses	-	4,84,261	-	-
Balance outstanding	-	-	-	-
Unsecured loan account	(29,11,474)	29,11,474	-	-
Travelling advance account	53,600	5,16,239	5,69,839	-

Ramankutty Sunil Nair, KMP**Transactions during the year**

Remuneration	-	5,98,750	-	-
Travel Expenses	-	1,05,992	-	-
Balance outstanding				
Travelling advance account	(83,000)	1,60,120	91,992	(14,872)

Vinoo P. Stephen, KMP**Transactions during the year**

Remuneration	-	8,82,831	-	-
Travel Expenses	-	1,095	-	-
Balance outstanding				
Travelling advance account		33,658	22,663	10,995

Ms.Anupama R, KMP

Remuneration	-	4,80,934	-	-
Balance outstanding	-	-	-	-

Gomovious Impex Pvt. Ltd - KMP have significant influence**Transactions during the year**

Share of profit/(loss)	-	(2712488.19)	-	-
Balance outstanding				
Other Financial liabilities	(51,97,547)	92,58,775	18,96,287	21,64,941

Notes to the standalone Ind AS Financial Statements contd.

31) Notes on Turnover Tax

The company has a turnover tax liability of Rs.3,75,14,634/- (excluding interest) payable to the Government of Kerala as on 31.03.2020. The Kerala Government vide circular no.2/2020 (File No.CT/2020-C1 dated) 04-04-2020 announced Amnesty Scheme -2020 for settlement of arrears. As per the Scheme, in case of arrears under Kerala General Sales Tax Act (KGST), the amnesty scheme is applicable only for the outstanding dues prior to the period 1st April 2005. For the arrears from 01.04.2005 to 31.03.2020, principal and interest needs to be paid in full; waiver is limited to penalty. The management is of the opinion that provision for interest on turnover tax is not required to be made in the accounts as per the provisions of the scheme announced by Government of Kerala.

32) Financial Instruments (Financial Assets & Liabilities) Fair Value Measurements**Accounting classification and Fair values**

The criteria for recognition of financial instruments is explained in significant accounting policies Note I

Particulars	As at March 31, 2021		
	Amortised Cost	FVTPL	FVTOCI
Financial Assets			
Loans	0.00	0.00	0.00
Trade receivables	1,17,10,351.37	0.00	0.00
cash & cash equivalents	9,63,139.23	0.00	0.00
other financial assets	36,97,702.00	0.00	0.00
Total financial assets	1,63,71,192.60	0.00	0.00
Financial Liabilities			
Borrowings	53,94,914.74	0.00	0.00
Trade Payables	1,51,51,743.07	0.00	0.00
Other Financial Liabilities	47,00,000.00	0.00	0.00
Total financial liabilities	2,52,46,657.81	0.00	0.00

Particulars	As at March 31, 2020		
	Amortised Cost	FVTPL	FVTOCI
Financial Assets			
Loans	0.00	0.00	0.00
Trade receivables	5,15,73,061.82	0.00	0.00
cash & cash equivalents	14,20,590.28	0.00	0.00
other financial assets	74,33,693.00	0.00	0.00
Total financial assets	6,04,27,345.10	0.00	0.00
Financial Liabilities			
Borrowings	40,86,465.41	0.00	0.00
Trade Payables	3,47,44,069.79	0.00	0.00
Other Financial Liabilities	62,00,000.00	0.00	0.00
Total financial liabilities	4,50,30,535.20	0.00	0.00

Notes to the standalone Ind AS Financial Statements contd.

for those financial assets and liabilities, which are not carried at its fair value, disclosure of fair value is not required as the carrying amounts approximates the fair values.

33) Capital Management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. For the purpose of the Company's capital management, capital includes equity capital and all other equity reserves attributable to the equity shareholders.

The Company Risk management committee reviews the capital structure on a quarterly basis. The committee considers the cost of capital and risks associated with the capital. The Company management monitors capital using a gearing ratio, which is net debt divided by total capital. The Group includes within net debt, all non-current and current borrowings reduced by cash and cash equivalents and other bank balances.

Gearing ratio

Particulars	Note	As at	
		31.03.2021	31.03.2020
Non current borrowings	11	5,78,958.00	0.00
Current maturities of non current borrowings		4,56,000.00	0.00
Current borrowings		48,15,956.74	40,86,465.41
Less : Cash and cash equivalents	7	9,63,139.23	14,20,590.28
Net Debt		48,87,775.51	26,65,875.13
Equity share capital	9	11,68,73,000.00	11,68,73,000.00
Other equity	10	(10,02,08,948.43)	(7,86,72,073.42)
Total capital		1,66,64,051.57	3,82,00,926.58
Gearing ratio		3.41	14.33

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 borrowings that define capital structure requirements. The breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

34) Financial Risk Management objectives and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents, bank balances, security deposits.

The company's corporate treasury function provides services to the business, co-ordinates access to domestic and international financial transaction markets, monitors and manages the financial risk relating to the operation of the company through internal risk reports which analysis exposures by degree and magnitude of risks. The

Notes to the standalone Ind AS Financial Statements contd.

Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's management is supported by a risk management committee that advises on financial risks and the appropriate financial risk governance framework for the Company.

The risk management committee provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Financial assets carried at fair value as at March 31, 2020 are -Nil- and financial assets carried at amortised cost as at March 31, 2020 are Rs.6,04,27,345/-. The fair value of these assets is marked to an active market which factors the uncertainties arising out of COVID-19. The financial assets carried at fair value by the company are Nil, accordingly, any material volatility is not expected.

Trade receivables Rs.5,15,73,061/- as at March 31, 2020 forms a significant part of the financial assets carried at amortised cost which is valued considering provision for allowance using expected credit loss method. In addition to the historical pattern of credit loss, we have considered the likelihood of increased credit risk and consequential default considering the emerging situations due to COVID-19. This assessment is not based on any mathematical model but an assessment considering the nature of business verticals and the financial strength of the customers in respect of whom amounts are receivable. The company has specifically evaluated the potential impact with respect to customers in various verticals which could have an immediate impact and the rest which could have an impact with a lag. The company closely monitors its customers who are going through financial stress and assesses actions such as change in payment terms, discounting of receivables with institutions on no-recourse basis, recognition of revenue on collection basis etc., depending on severity of each case. Basis this assessment, the allowance for doubtful trade receivables of Rs.13,10,515/-as at March 31, 2020 is considered adequate.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate because of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, currency risk and other price risk such as commodity risk. Financial instruments affected by market risk include borrowings, derivatives financial instruments and trade payables.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relates primarily to the Company's borrowings with floating interest rates.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency sales activities and trade receivables. The company does not enter into any hedging arrangements to manage its exposure to foreign currency risk.

The year end unhedged foreign currency exposures are given below

Notes to the standalone Ind AS Financial Statements contd.

	As at 31.03.2021		As at 31.03.2020	
	FC	In Rs.	FC	In Rs.
Export Trade receivables (USD)	37,259	26,88,266	47,559	35,05,835
Export Trade receivables(EURO)	3500	3,01,347	0.00	0.00
Export Trade advance (USD)	0.00	0.00	(10,663)	(7,36,882)
	40,759	29,89,613	47,559	35,05,835

(iii) Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase and manufacture of IMFL and therefore require a continuous supply of ENA. The Company's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

b) Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Company's exposure to credit risk arises majorly from trade and other receivables. Other financial assets like security deposits and pre deposits are mostly with government authorities, public bodies and tax authorities and hence, the Company does not expect any credit risk with respect to these financial assets.

Credit risk is managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. With respect to trade receivables, significant portion includes dues from state government corporations, hence probability of default is remote. The Company has constituted senior management team to review trade receivables on periodic basis and to take necessary mitigations, wherever required.

Trade and other receivables

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risks on an ongoing basis throughout each reporting period.

To assess whether there is a significant change increase in credit risk the Company compares the risks of default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition. It considers the reasonable and supportive forward-looking information such as:

- (i) Actual or expected significant adverse changes in business.
- (ii) Actual or expected significant changes in the operating results of the counterparty.
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- (iv) Significant increase in credit risk on other financial instruments of same counterparty

Notes to the standalone Ind AS Financial Statements contd.

Ageing of the trade receivables – Domestic	As at	
	March 31, 2021	March 31, 2020
Not due		0.00
0-30 days	22,15,156.22	1,09,69,772.96
30-60 days	4,38,616.84	1,78,93,348.80
60-90 days	36,047.82	1,32,65,280.35
90-180 days	0.00	16,163.00
> 180 days	87,13,945.65	70,56,367.83
Total	1,14,03,766.53	4,92,00,932.94
Movement in provisions of doubtful debts and advances		
Opening provision	2,44,310.12	2,44,310.12
Add: Additional provision made	0.00	0.00
Less: Provision write off/ reversed	0.00	0.00
Less: Provision utilised against bad debts	0.00	0.00
Closing provisions	2,44,310.12	2,44,310.12
Net Domestic Receivables	1,11,59,456.41	4,89,56,622.82
	A	
	C= A-B	
	B	
	D	
	E	
	F=D-E	
Ageing of the trade receivables – Export	As at	
	March 31, 2021	March 31, 2020
Not due	0.00	0.00
0-30 days	0.00	0.00
30-60 days	0.00	0.00
60-90 days	0.00	0.00
90-180 days	0.00	1,23,406.25
> 180 days	31,45,437.98	35,59,238.05
Total	31,45,437.98	36,82,644.30
Movement in provisions of doubtful debts and advances		
Opening provision	10,66,205.30	10,66,205.30
Add: Additional provision made	15,28,337.72	0.00
Less: Provision write off/ reversed	0.00	0.00
Less: Provision utilised against bad debts	0.00	0.00
Closing provisions	25,94,543.02	10,66,205.30
Net Export Receivables	5,50,984.96	26,16,439.00
Advance Received		
Domestic Debtors	0.00	0.00
Export Debtors	0.00	0.00
	0.00	0.00
Total Trade receivables (Net)	1,17,10,351.37	5,15,73,061.82

Notes to the standalone Ind AS Financial Statements contd.

(C)Liquidity risk

(i) The Company manages liquidity by ensuring control on its working capital which involves adjusting production levels and purchases to market demand and daily sales of production and low receivables. It also ensures adequate credit facilities sanctioned from bank to finance the peak estimated funds requirements. The working capital credit facilities are continuing facilities which are reviewed and renewed every year. The Company also ensures that the long term funds requirements are met through adequate availability of long term capital (Debt* & Equity)

	As at	
	March 31, 2021	March 31, 2020
Total committed working capital limits from Banks	50,00,000.00	50,00,000.00
Utilized working capital limit	48,15,956.74	40,86,465.41
Unutilized working capital limit	1,84,043.26	9,13,534.59

Note: The company has utilised the working capital facility throughout the year.

(ii) Maturities of financial liabilities

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings. The table below summarises the maturity profile of the Company's financial liabilities:

	Maturities			Total
	Upto 1 year	1-2 years	2-3 years	
March 31, 2021				
Non-current borrowings *	0.00	5,78,958.00	0.00	5,78,958.00
Other financial liabilities	0.00	47,00,000.00	0.00	47,00,000.00
Current borrowings *	48,15,957.00	0.00	0.00	48,15,957.00
Trade payables	1,51,51,743.07	0.00	0.00	1,51,51,743.07
Other current liabilities	18,81,334.65	0.00	3,75,14,634.00	3,93,95,968.65
Total	2,18,49,034.46	52,78,958.00	3,75,14,634.00	6,46,42,626.46
March 31, 2020				
Non-current borrowings *	0.00	0.00	0.00	0.00
Other financial liabilities	0.00	62,00,000.00	0.00	62,00,000.00
Current borrowings *	40,86,465	0.00	0.00	40,86,465.00
Trade payables	3,47,44,069.79	0.00	0.00	3,47,44,069.79
Other current liabilities	44,34,327.24	0.00	3,75,14,634.00	4,19,48,961.24
Total	4,32,64,862.44	62,00,000.00	3,75,14,634.00	8,69,79,496.44

Notes to the standalone Ind AS Financial Statements contd.

Particulars	31.03.2021	31.03.2020
35) Details on Raw Materials		
A. Raw Materials Consumed by Manufacturing division		
1. Extra Neutral Alcohol	41,31,643.00	6,48,42,929.00
2. Blending Chemicals	21,843.00	15,07,524.00
3. Natural Extracts	0.00	77,511.00
Total	41,53,485.00	6,64,27,964.00
B. Details of Inventories		
Class of goods Manufactured		
Indian Made Foreign Liquor (IMFL)	0.00	23,31,362.00
	0.00	23,31,362.00
36) CIF Value of Imports		
1. Raw Material	0.00	0.00
2. Capital Goods	0.00	0.00
3. Stores and Spares	0.00	0.00
37) Expenditure Incurred in Foreign Currency	0.00	0.00
38) Earnings in Foreign Currency by Manufacturing division	50,42,421	80,02,135
39) Remittance in foreign currencies on account of dividend (including remittance to NRE accounts)		
(i) No. of Non-Resident shareholders	238	238
(ii) No. of shares held by them	6,00,500	6,00,500
(iii) Dividend remitted in foreign currency	0.00	0.00
40) In the opinion of the directors, loans and advances and other current assets have the value at which they are stated in the balance sheet, if realised in the ordinary course of business		
41) Donations to Political Parties		
Communist Party of India	0.00	0.00
Communist Party of India (Marxist)	71,000.00	4,57,000
Bharatiya Janata Party	0.00	0.00
Indian Congress National Party	10,000.00	1,000
RSS	35,000.00	75,000
INTUC	0.00	30,000
	1,16,000.00	5,63,000
42) Previous year figures		

The figures in brackets, unless otherwise stated represents figures for the previous year. Figures of the previous year have been regrouped/recast wherever necessary to suit the classification/disclosure of the current year. Figures have been rounded off to the nearest rupee.