

**Annual Report  
and  
Audited Accounts**

**FOR THE YEAR ENDED 31ST MARCH 2022**



**SEVEN HILLS BEVERAGES LIMITED**

302, Divine Tej, Thatte Nagar,  
Near Croma Showroom,  
College Road, Nashik - 422005

**BALANCE SHEET AS ON 31 / 03 / 2022**

**PROFIT & LOSS ACCOUNT  
FOR THE YEAR ENDED ON 31 / 03 / 2022**

**Audited by  
M/S KETAN K. KABRA & ASSOCIATES  
Chartered Accountants**



C/O Tirupati Provision  
Near Omkareshwar Temple, Jalgaon - 425002  
Cell - 8087506805  
Email - caketankabra@gmail.com

**KETAN K. KABRA AND ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**C/O. TIRUPATI PROVISION , NEAR OMKARESHWAR TEMPLE ,JALGAON**  
**425002**  
PH NO: 8087506805, E-MAIL: [caketankabra@gmail.com](mailto:caketankabra@gmail.com)

**SEVEN HILLS BEVERAGES LIMITED**  
**CIN:U15500MH2009PLC296411**  
**FOR YEAR ENDED 31MARCH, 2022**

**NOTES TO ACCOUNTS**

**Note 1: GENERAL CORPORATE INFORMATION**

Seven Hills Beverages Limited (SHBL) is engaged in the business of manufacturing packaged drinking water for Bisleri International Pvt. Ltd. The Company operate as "Co-packers" for "Bisleri" wherein manufactures the bottles at the plant in order to avoid any possible contaminations and carry out the filling of purified water as well as final sealing and packaging. The water purification process is carried out in multiple stages to ensure that the water is free from all forms of bacteria and is in accordance with the process and standards of Bisleri International Pvt. Ltd and also BSI Manual namely IS 14543 : 2004 for Packaged Drinking Water. The Company incorporated on December 11, 2009 and have registered office at Nashik.

**Note 2: SIGNIFICANT ACCOUNTING POLICIES:**

**A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles applicable in India under the historical cost convention on the accrual basis. GAAP comprises of mandatory accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Companies Act, 2013.

Accounting policies have been consistently applied except where specifically stated in financial statement and notes to accounts of the non-conformity with the relevant Accounting Standard. The management evaluates all recently issued or revised accounting standards on an ongoing basis. The financial statements are presented in Indian rupees rounded off to the nearest rupee.

The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis. Financial statements are based on historical cost. These costs are not adjusted to reflect the impact of change in value in the purchasing power of money.

**B. USE OF ESTIMATES**

The preparation of the financial statements in conformity with generally accepted accounting principles except where specifically stated in financial statement and notes to accounts of the non-conformity with the relevant Accounting Standard, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue and expense for the year. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of





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financial statements. Actual results could differ from those estimates. Any revision to accounting estimates will be recognized prospectively in the current and future periods.

**C. PRIOR PERIOD ITEMS**

Expenses relating to earlier period are debited to profit and loss account, if any. As per information and explanation and records kept by the company, the amount of such expenses and incomes are not fully quantifiable.

**D. CASH FLOW STATEMENT**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**E. FIXED ASSETS**

**Tangible Assets**

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.

**F. DEPRECIATION, AMORTISATION AND DEPLETION**

**Tangible Assets**

Depreciation on Fixed Assets except Factory Buildings is provided as per the written Down Value Method (WDV) Method. Depreciation on Factory Buildings is provided as per the Straight-Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

In respect of additions or extensions forming an integral part of existing assets and insurance spares, including incremental cost arising on account of translation of foreign currency liabilities for acquisition of Fixed Assets, depreciation is provided as aforesaid over the residual life of the respective assets.





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**G. IMPAIRMENT**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**H. INVESTMENTS**

Current investments are carried at lower of cost and quoted/fair value, computed category-wise. Non-Current investments are stated at cost. Provision for diminution in the value of Non-Current investments is made only if such a decline is other than temporary.

**I. REVENUE RECOGNITION**

Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and it is reasonable to expect ultimate collection.

Dividend income is recognized when the right to receive payment is established.

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head "other income" in the statement of profit and loss.

**J. TAXATION**

**1. Income Tax Provisions -**

Income Tax provision comprises current tax as per the Income Tax Act, 1961.

**2. Deferred tax -**

Deferred tax resulting from timing difference between book profit and tax profit is accounted for on the concept of prudence, at prevailing or substantially enacted rate of tax to the extent timing differences are expected to crystallize in case of deferred tax liabilities with reasonable certainty and in case of deferred tax assets with reasonable certainty that there would be adequate future taxable income against which deferred tax assets can be realized.

In case, Minimum Alternate Tax is higher than Tax as per Normal Provisions, Tax is recognized as Asset on Mercantile basis and MAT Credit is recognized only when future economic benefit arises in the form of the adjustment of the Income-Tax Liability.





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**K. PROVISIONS AND CONTINGENT LIABILITIES**

All known liabilities till finalization of accounts are provided for except as disclosed in notes to accounts are contingent liability. The company has recognized necessary provisions when there are present obligations that arise out of past events prior to the Balance Sheet date entailing future outflow of economic resources and a reliable estimate can be made of the amount of the obligation. Such provisions reflect best estimates based on available information.

However, a disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**L. EARNINGS PER SHARE**

Earnings per share is calculated by dividing the net profit or loss after tax and prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

**M. BORROWING COST**

Borrowing costs directly attributable to acquisition, construction or production of qualifying assets till the month in which the asset is ready to use, are capitalized.

Other borrowing costs are recognized as expenses in the period in which these are incurred.

**N. SEGMENT REPORTING**

The Company is doing business in one segment only and therefore Segment Reporting is not applicable to the Company. The Company caters mainly the needs of the Indian Market hence separate geographical segmental information has not been given.

**O. LEASES**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the statement of Profit and Loss on a straight-line basis.

**P. EMPLOYEE BENEFITS**

**Post-Employment Benefits:**

Defined Contribution Plan: The Company contributes on a defined basis to Employee's Provident Fund and Employees State Insurance Schemes which are administered by the respective government authorities and has no further obligation beyond making its contribution which is expensed off in the





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year to which it pertains.

Defined Benefit Plan: The Company has a defined benefit plan for gratuity covering all of its employees in India. The present value of the obligation under such defined benefit plans is determined based on the independent actuarial valuation.

**Short Term Employment Benefits:**

All the employee benefits payable within twelve months of rendering services are classified as short-term benefits. Such benefit includes salaries, wages, bonus etc. and the same are recognized in the period in which the employee renders the relevant services.





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**NOTES TO ACCOUNTS**

**1. Contingent liability –**

Particulars	For year ending 31.03.2022	For year ending 31.03.2021
Guarantee given on behalf of the company	NIL	NIL
Letter of credit / Bank Guarantee opened in favour of the company	NIL	NIL
Claims against company and not acknowledged by company as debt	NIL	NIL
Commitment – estimated amounts of contract remaining to be executed for capital expenditure (for land and building and plant & machinery)	NIL	NIL

Sr. No.	Name of Statute	Nature of Dues	Amount (Rs. )	Period to which the amount relates	Forum where dispute is pending
1	Not Applicable		NIL		

**Other disclosures –**

**2.1 Expenditure in foreign currency during the financial year on account of:**

Particulars	For year ending 31.03.2022	For year ending 31.03.2021
Royalty/know-how	NIL	NIL
Professional and consultation fees	NIL	NIL
Interest	NIL	NIL
Others (traveling and membership fees)	NIL	NIL

**2.2 Earnings in foreign exchange**

Particulars	For year ending 31.03.2022	For year ending 31.03.2021
Export of goods	NIL	NIL
Royalty/know-how/ Professional fees	NIL	NIL
Interest and dividend/Other Income	NIL	NIL

**3. Directors' remuneration –**

Particulars	For year ending 31.03.2022	For year ending 31.03.2021
Salaries	NIL	NIL
Perquisites – valued as per IT Act	NIL	NIL
<b>Total</b>	NIL	NIL





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**A. Disclosure pursuant to Accounting Standard (AS) 18 Related Party Disclosures:**

As per Accounting Standard 18 on related party disclosure issue by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below:

(i) Key Managerial Personnel

For the year ended March 31,	
2022	2021
Sandeep Palwe	Sandeep Palwe
NayanPalwe	NayanPalwe
Pawan Jitendra Chhatrisha	Pawan Jitendra Chhatrisha
Charushila Vipul Lathi	Charushila Vipul Lathi
Sandeep VasantaoAvhad	Sandeep VasantaoAvhad
Rajkumar Pardeshi	Rajkumar Pardeshi

(ii) Relatives of KMPs

For the year ended March 31,	
2022	2021
	Vipul Dileep Lathi

(iii) Parent/ Associates / Enterprises over which directors and / or their relatives has significant influence

For the year ended March 31,	
2022	2021
Galactico Corporate Services Limited	Galactico Corporate Services Limited
Instant Finserve Private Limited	Instant Finserve Private Limited
Palwe Pest Control Private Limited	Palwe Pest Control Private Limited
Constro Solutions Limited	Constro Solutions Limited
PalweSancheti Warehouse LLP	
Royal Galactico LLP	

(iv) Particulars of Transactions with Related Parties

**Key Management Personnel**

Particulars	For the year ended March 31,	
	2022	2021
<b>Mr. Sandeep Palwe</b>		
1. Advance Against Property		
Opening Outstanding	51,52,066	51,52,066
Advance Against Property	26,00,000	-
Repayment of advance	25,00,000	-
Closing Outstanding	52,52,066	51,52,066





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**Associate Companies / Entities**

Particulars	For the year ended March 31,	
	2022	2021
<b>Palwe Pest Control Private Ltd</b>		
<b>1. Finance – Advance Given</b>		
Opening Outstanding	4,61,344	22,96,086
Advance Given	1,89,05,828	1,13,44,214
Repayment of Advance Given	1,97,96,919	1,31,78,956
Closing Balance	(4,29,747)	4,61,344
<b>Galactico Corporate Services Limited</b>		
<b>1. Finance - Business Transactions</b>		
Opening Outstanding	-	20,00,000
Advance Given	-	20,00,000
Repayment of Advance given	-	40,00,000
Closing Balance	-	-
<b>Instant Finserve Private Limited</b>		
<b>1. Finance - Business Transactions</b>		
Opening Outstanding	21,00,000	15,00,000
Advance given	25,00,000	21,00,000
Repayment of Advance given	46,00,000	15,00,000
Closing Balance	-	21,00,000

**B. Disclosure pursuant to Accounting Standard (AS) 20 Earnings Per Share:**

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
1	Profit/(Loss) after tax attributable to Equity Shareholders (Rs.)	18,53,431	17,30,434
2	Extraordinary Items (Net of tax expense)	-	-
3	Profit/(Loss) after tax but before extraordinary items (net of tax) attributable to Equity Shareholders (Rs.)	18,53,431	17,30,434
4	Weighted average number of Equity shares outstanding during the year (Nos.)	18,53,431	37,30,000
5	Nominal Value of Equity Share (Rs.)	10	10
6	Earnings Per Share before extra-ordinary items net of tax (Rs.)		
	-Basic	0.31	0.46
	-Diluted	0.31	0.46
7	Earnings Per Share after extra ordinary items net of tax (Rs.)		
	-Basic	0.31	0.46
	-Diluted	0.31	0.46





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**C. Disclosure pursuant to Accounting Standard (AS) 22 Taxes on Income:**

The company has recognised Deferred Tax Liability, which results from the timing difference between Book Profit and Tax Profits for the period aggregating Rs.4,22,372/- in Profit and Loss Account for the current year, the details of which are as under:

Particulars	As on 31.03.2022	As on 31.03.2021
In respect of Depreciation	(4,22,372)	15,71,403
<b>Net (Deferred Tax Liability) / Asset</b>	<b>(14,70,679)</b>	<b>(10,48,307)</b>

**D. Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006:**

The company has not maintained the records and details of its suppliers regarding their status as Micro, Small and Medium Enterprises as defined under "Micro, Small and Medium Enterprises Development Act, 2006". Since the details are not available in this regards it is not possible for us to give necessary disclosures required.

**4. Auditors' remuneration includes –**

Particulars	For year ending 31.03.2022	For year ending 31.03.2021
For Statutory Audit	29,500	54,600
Total	29,500	54,600

5. In terms of AS -3 Cash Flow Statement is annexed separately.

6. Previous year's figures have been regrouped to make them comparable with the current period's figures.

**SIGNATORIES TO NOTES TO ACCOUNTS**

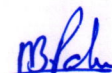
**For Ketan K. Kabra & Associates,**  
Chartered Accountants  
(F.R.N. No. 134758W)

**CA Ketan K. Kabra**  
Proprietor  
Membership No.: 148056  
Firm Reg No.: 134758W  
Place: Jalgaon  
Date: 05.05.2022

UDIN : 22148056AJBGG09118

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

  
**Sandeep Palwe**  
Director  
DIN: 06393282

  
**Nayan Palwe**  
Director  
DIN: 06393325



## **Independent Auditor's Report**

To The Members of  
**Seven Hills Beverages Limited**

### **Opinion**

We have audited the accompanying financial statements of **Seven Hills Beverages Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2022**, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2022, and its profit and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there-under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") concerning the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company by the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records by 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





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appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation, and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit by the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143 (3) of the Act, we report that:

- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for our audit;
- b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;





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- c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. based on written representations received from the directors as of March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as of March 31, 2022, from being appointed as a director in terms of Section 164 (2) of the Act;
- f. Concerning 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.
- g. In our opinion and to the best of our information and according to the explanations given to us, we report as under concerning other matters to be included in the Auditor's Report by Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
  - (i) The Company does not have any pending litigations which would impact its financial position;
  - (ii) The Company did not have any long-term contracts including derivative contracts; as such, the question of commenting on any material foreseeable losses thereon does not arise;
  - (iii) There has not been an occasion in the case of the Company during the period under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.





**Annexure A to the Auditors' Report**

The Annexure referred to in our report to the members of **Seven Hills Beverages Limited** ('the Company') on Financial Statements for the year ended **31st March 2022**. We report that:

- i. (a) In our opinion the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant, and Equipment;
- (b) The company is maintaining proper records showing full particulars of intangible assets;
- (c) This Property, Plant, and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed during such verification;
- (d) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the company;
- (e) The company has not revalued its Property, Plant, and Equipment (including Right of Use assets) or intangible assets or both during the year;
- (f) No proceedings have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;
- ii. (a) In respect of its inventories: As explained to us, the coverage and procedure of physical verification of inventory conducted at reasonable intervals by the management is appropriate and any discrepancy has not been noticed;
- (b) The company has not been sanctioned working capital limits of over five crore rupees, in aggregate, from banks or financial institutions based on the security of current assets during any point time of the year;
- iii. During the year the company has not made investments in, provided any guarantee or security, or granted any loans or advances like loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or any other parties. Accordingly, reporting requirements of this clause is not applicable;





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- iv. According to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made during the period. The Company has not given any guarantee or provided any securities during the period;
- v. According to the information and explanation given to us, the Company has not accepted any deposits from the public and accordingly, clause 3(v) of the Order is not applicable;
- vi. As informed to us, the Central Government has not prescribed maintenance of the cost records under section 148(1) of the Companies Act, 2013;
- vii. (a) According to the information and explanations given to us and the records of the company examined by us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, employee's state insurance, income tax, service tax, sales tax, tax deducted at source, cess and other material statutory dues applicable to it, there are no such outstanding statutory arrears as at 31st March 2022 for a period of more than six months from the date they becomes payable;
- (b) According to the information and explanations given to us and the record of the company examined by us, there were no statutory dues which have not been deposited on account of any dispute pending;
- viii. There are no such transactions that are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);
- ix. (a) The company has not defaulted in repayment of loans or other borrowings or the payment of interest thereon to any lender;
- (b) The company is not a declared willful defaulter by any bank or financial institution or another lender'
- (c) According to information and explanations given to us and on the basis of records produced before us, term loans were applied for the purpose for which the loans were obtained;
- (d) Funds raised on a short-term basis have not been utilized for long term purposes;
- (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures;
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies





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CHARTERED ACCOUNTANTS**

**C/O. TIRUPATI PROVISION , NEAR OMKARESHWAR TEMPLE ,JALGAON 425002**

PH NO: 8087506805, E-MAIL: [caketankabra@gmail.com](mailto:caketankabra@gmail.com)

- x. (a) The Company has not raised any money by way of initial public offer or the further public offer (including debt instruments) during the year. Accordingly, reporting requirements of this clause is not applicable;
- (b) As per explanations given to us; the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year. Accordingly, reporting requirement of this clause is not applicable;
- xi. (a) According to information and explanations given to us, no fraud on or by the company has been noticed or reported during the year;
- (b) There is no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the auditors of the company;
- (c) No whistle-blower complaints during were received during the year by the company;
- xii. In our Opinion and according to the information and explanations given to us, the company is not a Nidhi company and hence no such compliances are required under clause;
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards;
- xiv. As per section 138 of the Act, the company is not mandatorily required to have an Internal Audit System;
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable;
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, reporting requirements of this clause is not applicable;
- xvii. The company has not incurred cash losses in the financial year and the immediately preceding financial year;





**KETAN K. KABRA AND ASSOCIATES  
CHARTERED ACCOUNTANTS**

**C/O. TIRUPATI PROVISION , NEAR OMKARESHWAR TEMPLE ,JALGAON 425002**

PH NO: 8087506805, E-MAIL: [caketankabra@gmail.com](mailto:caketankabra@gmail.com)

- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting requirements of this clause is not applicable;
- xix. In our opinion and according to information and explanations given to us, based on the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, knowledge of the Board of Directors, and management plans, there is no material uncertainty that exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within one year from the balance sheet date;
- xx. As per the provisions of section 135(5) the company is not mandatorily required to constitute a Corporate Social Responsibility Committee and spend funds for the Corporate Social Responsibility (CSR) activities;
- xxi. According to information and explanations given to us, the company is not required to prepare the consolidated financial statements. Accordingly, reporting requirements of this clause is not applicable;

CA Ketan K. Kabra

Proprietor

Membership No: 148056



Place: Jalgaon

Date: 05.05.2022

UDIN : 22148056AJBGG09118



### **Annexure B to Independent Auditors' Report**

Referred to in paragraph 2(f) of the Independent Auditors' Report of even date to the members of Seven Hills Beverages Limited on the financial statement for the year ended 31 March 2022

#### **Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of Act**

1. We have audited the internal financial controls over financial reporting of Seven Hills Beverages Limited ('the Company') as of 31 March 2022 in conjunction with our audit of the financial statement of the Company for the year ended on that date.

#### **Management's responsibility for internal financial controls**

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

#### **Auditors' responsibility**

3. Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit by the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit an internal financial control and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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





**KETAN K. KABRA AND ASSOCIATES  
CHARTERED ACCOUNTANTS**

**C/O. TIRUPATI PROVISION , NEAR OMKARESHWAR TEMPLE , JALGAON 425002**

PH NO: 8087506805, E-MAIL: [caketankabra@gmail.com](mailto:caketankabra@gmail.com)

based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error.

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

**Meaning of internal controls over financial reporting**

6. 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 by 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 by generally accepted accounting principles, and that receipts and expenditures of the company are being made only by authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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**

7. 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.



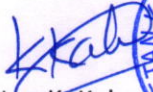


**KETAN K. KABRA AND ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**C/O. TIRUPATI PROVISION , NEAR OMKARESHWAR TEMPLE ,JALGAON 425002**  
PH NO: 8087506805, E-MAIL: [caketankabra@gmail.com](mailto:caketankabra@gmail.com)

**Opinion**

8. In our opinion, 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 of 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ketan K. Kabra & Associates,  
Chartered Accountants  
(FRN: 134758W)

  
CA Ketan K. Kabra  
Proprietor  
Membership No: 148056



Place: Jalgaon  
Date: 05.05.2022  
UDIN : 22148056AJBGG09118



## SEVEN HILLS BEVERAGES LIMITED

## Profit &amp; Loss Statement for the period ended on March 31, 2022

Particulars	Note No	As at 31 March 2022	As at 31 March 2021
		Rs.	Rs.
<b>Incomes:</b>			
Revenue from operations	20	8,74,37,748	4,87,26,411
Other Income	21	3,16,070	16,53,181
<b>Total Income</b>		<b>8,77,53,818</b>	<b>5,03,79,592</b>
<b>Expenses:</b>			
Cost of Materials Consumed	22	6,78,21,348	3,44,80,376
Changes in Inventories of finished goods	23	5,22,950	(12,59,800)
Employee Benefit Expenses	24	45,74,434	31,88,108
Direct Expenses	25	42,16,818	47,76,556
Finance Cost	26	25,38,981	28,00,533
Depreciation and Amortization Expenses	12	44,75,265	42,56,870
Other Administrative Expenses	27	17,50,592	19,77,918
<b>Total Expenses</b>		<b>8,59,00,387</b>	<b>5,02,20,561</b>
Profit before exceptional and extraordinary items and tax		<b>18,53,431</b>	<b>1,59,031</b>
Exceptional Items		-	-
Profit before extraordinary items and tax		<b>18,53,431</b>	<b>1,59,031</b>
Extraordinary Items		-	-
Profit / (Loss) before tax (PBT)		<b>18,53,431</b>	<b>1,59,031</b>
<b>Tax expense:</b>			
(1) Current tax		2,89,135	-
(2) Deferred tax		4,22,372	(15,71,403)
(3) Previous Year tax		1,692	-
Profit(Loss) from the period from continuing operations		<b>11,40,231</b>	<b>17,30,434</b>
Profit/(Loss) from discontinuing operations		-	-
Profit/(Loss) after tax (PAT)		<b>11,40,231</b>	<b>17,30,434</b>
Earning per equity share:			
(1) Basic		0.31	0.46
(2) Diluted		0.31	0.46

Schedules referred to above and notes attached there to form an integral part of Profit & Loss Statement


This is the Profit & Loss Statement referred to in our Report of even date.

For Ketan K Kabra and Associates  
Chartered Accountants



CA. Ketan K Kabra  
Proprietor  
Membership No. : 148056  
Firm Reg. No.: 134758W  
Date : 05.05.2022  
UDIN : 22148056AJBGG09118

For and on Behalf of Board of Directors of  
Seven Hills Beverages Limited

  
Mr. Sandeep Palwe  
Director  
DIN: 06393282

  
Mr. Nayan Palwe  
Director  
DIN: 06393325



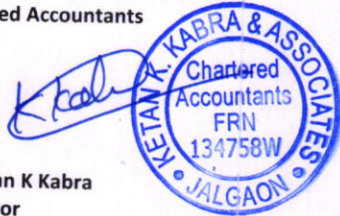
**SEVEN HILLS BEVERAGES LIMITED**  
Balance Sheet as at March 31, 2022

Particulars	Note No	As at 31 March 2022	As at 31 March 2021
		Rs.	Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	3,73,00,000	3,73,00,000
(b) Reserves and Surplus	4	78,08,966	71,30,668
<b>(2) Share application money pending allotment</b>			
<b>(3) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	32,96,844	89,42,828
(b) Deferred Tax Liabilities (Net)	6	14,70,679	10,48,307
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions	7	1,30,226	1,40,070
<b>(4) Current Liabilities</b>			
(a) Short-Term Borrowings	8	2,07,37,785	1,97,58,448
(b) Trade Payables	9	1,86,77,133	1,51,44,304
(c) Other Current Liabilities	10	51,23,763	63,26,786
(d) Short-Term Provisions	11	11,66,563	7,21,019
		<b>9,57,11,958</b>	<b>9,65,12,430</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment and Intangible Assets	12		
(i) Gross Block		9,41,46,690	8,88,62,804
(ii) Depreciation		5,04,18,741	4,54,81,542
(iii) Net Block		4,37,27,949	4,33,81,262
(b) Non-Current Investments	13	1,79,33,222	2,09,51,128
(c) Deferred Tax Assets (Net)		-	-
(d) Long Term Loans and Advances		-	-
(e) Other Non-Current Assets	14	1,70,000	3,40,000
<b>(2) Current Assets</b>			
(a) Current Investments		-	-
(b) Inventories	15	32,42,250	37,65,200
(c) Trade Receivables	16	81,03,167	56,09,056
(d) Cash and Cash Equivalents	17	1,41,218	1,49,593
(e) Short-Term Loans and Advances	18	2,00,33,939	1,86,29,513
(f) Other Current Assets	19	23,60,213	36,86,678
<b>Total</b>		<b>9,57,11,958</b>	<b>9,65,12,430</b>
Significant Accounting Policies	1 & 2	(0)	(0)
Notes to Accounts			

Schedules referred to above and notes attached there to form an integral part of Balance Sheet


This is the Balance Sheet referred to in our Report of even date.

For Ketan K Kabra and Associates  
Chartered Accountants



CA. Ketan K Kabra  
Proprietor  
Membership No. : 148056  
Firm Reg. No.: 134758W  
Place: Jalgaon  
Date : 05.05.2022  
UDIN : 22148056AJBGG09118

For and on Behalf of Board of Directors of  
Seven Hills Beverages Limited

  
Mr. Sandeep Palwe  
Director  
DIN: 06393282

  
Mr. Nayan Palwe  
Director  
DIN: 06393325



SEVEN HILLS BEVERAGES LIMITED  
Cash Flow Statement for the year ended on March 31, 2022

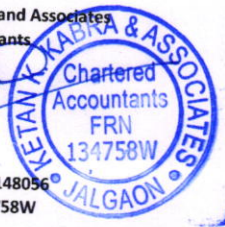
Sr. No.	Particulars	For the Year Ended 31 March 2022		For the Year Ended 31 March 2021	
		Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
	Net Profit Before Tax		18,53,431		1,59,031
	(+/-) Adjustments for:				
	Depreciation	44,75,265		42,56,870	
	Finance Cost	25,38,981		28,00,533	
	Interest Received	(1,970)		(275)	
	<b>Operating Profit before Working Capital Changes</b>		70,12,276		70,57,128
	Adjustments for:		88,65,706		72,16,159
	(Increase) / Decrease in Inventories	5,22,950		(12,59,800)	
	(Increase) / Decrease in Trade Receivables	(24,94,111)		(34,85,738)	
	(Increase) / Decrease in Short Term Loans & Advances	(14,04,426)		(17,82,443)	
	(Increase) / Decrease in Other Current Assets	13,26,465		(13,32,842)	
	Increase / (Decrease) in Trade Payables	35,32,829		(28,34,560)	
	Increase / (Decrease) in Long-Term Provisions	(9,844)		(66,557)	
	Increase / (Decrease) in Short-Term Provisions	4,45,544		2,29,948	
	Increase / (Decrease) in Other Non - Current Asset	1,70,000		3,40,000	
	(Increase) / Decrease in Other Current Liabilities	(12,03,023)		(10,05,964)	
	<b>Cash generated from operations</b>		8,86,383		(1,11,97,956)
	Income Tax Paid / Provisions		97,52,089		(39,81,797)
	<b>Net Cash flow from Operating activities</b>		2,90,827		-
			94,61,262		(39,81,797)
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
	Interest on FDR	1,970		275	
	(Increase) / Decrease in Fixed Assets	(52,83,885)		(19,35,293)	
	(Increase) / Decrease in Non-current Investment	30,17,906		(7,80,680)	
	<b>Net Cash flow from Investing activities</b>		(22,64,009)		(27,15,698)
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
	Finance Cost	(25,38,981)		(28,00,533)	
	Increase / (Decrease) in Long-Term Borrowings	(56,45,984)		37,00,180	
	Increase / (Decrease) in Short-Term Borrowings	9,79,337		46,73,750	
	Securities Premium Received	-		-	
	<b>Net Cash flow from financing activities</b>		(72,05,628)		55,73,397
<b>D</b>	Net increase in cash & Cash Equivalents (A+B+C)		(8,375)		(11,24,098)
<b>E</b>	Cash and Cash equivalents as at 01.04.2021		1,49,592		12,73,689
<b>F</b>	<b>Cash and Cash equivalents as at 31.03.2022</b>		<b>1,41,217</b>		<b>1,49,592</b>

Particulars	As on	
	31-03-22	31-03-21
Cash in Hand	1,25,446	1,39,034
Cash at Bank	15,772	10,558
<b>Cash &amp; Cash equivalents as stated</b>	<b>1,41,218</b>	<b>1,49,592</b>

The accompanying notes are an integral part of the financial statements  
As per our Report of even date.

For Ketan K Kabra and Associates  
Chartered Accountants

CA. Ketan K Kabra  
Proprietor  
Membership No. : 148056  
Firm Reg. No.: 134758W  
Place: Jalgaon  
Date : 05.05.2022  
UDIN : 22148056AJBGG09118



For and on Behalf of Board of Directors of  
Seven Hills Beverages Limited

Mr. Sandeep Palwe  
Director  
DIN: 06393282

Mr. Nayan Palwe  
Director  
DIN: 06393325



SEVEN HILLS BEVERAGES LIMITED  
Notes forming part of the Profit & Loss Statement as at March 31, 2022

Note: 20 Revenue from operations

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
1	Sale of Products	8,30,46,054	4,66,32,793
2	Direct Income	43,91,694	20,93,618
	<b>Total</b>	<b>8,74,37,748</b>	<b>4,87,26,411</b>

Note: 21 Other income

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
1	Bank FDR Interest	1,970	275
2	Subsidy received	-	15,67,000
3	Accrued Interest on MSEDCCL Deposit	-	19,336
4	Other income	46,351	66,570
5	Profit on Sale of Fixed Asset	2,57,905	-
6	Reversal of Gratuity Provision	9,844	-
	<b>Total</b>	<b>3,16,070</b>	<b>16,53,181</b>

Note: 22 Cost of Materials Consumed

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
1	Purchase of Materials	6,78,21,348	3,44,80,376
	<b>Total</b>	<b>6,78,21,348</b>	<b>3,44,80,376</b>

Note: 23 Change in Inventories

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
	Opening Stock	37,65,200	25,05,400
	Less: Closing Stock	32,42,250	37,65,200
	<b>Total</b>	<b>5,22,950</b>	<b>(12,59,800)</b>

Note: 24 Employee Benefit Expenses

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
1	Salaries and Wages	37,64,956	30,63,388
2	Staff Welfare Expenses	1,05,341	51,804
3	Contribution to ESIC	93,630	25,016
4	Contribution to PF	5,77,132	30,625
5	Profession tax	33,375	17,275
	<b>Total</b>	<b>45,74,434</b>	<b>31,88,108</b>

Note: 25 Direct Expenses

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
1	Electricity Expenses	36,68,060	37,67,856
2	Transport and Freights expenses	1,09,439	98,621
3	Loading & Unloading Charges	-	6,14,833
4	Lab Expenses	4,39,319	2,95,246
	<b>Total</b>	<b>42,16,818</b>	<b>47,76,556</b>

Note: 26 Finance Cost

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
1	Bank charges	42,154	93,233
2	Loan Processing and other charges	-	69,620
3	Interest paid on Loans	24,96,827	26,37,680
	<b>Total</b>	<b>25,38,981</b>	<b>28,00,533</b>





SEVEN HILLS BEVERAGES LIMITED  
Notes forming part of the Profit & Loss Statement as at March 31, 2022

Note: 27 Other Administrative Expenses

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
1	Payment to Auditors as		
	a) Auditor	34,450	54,600
	b) For Taxation Matters	-	-
2	License Fees	2,28,382	1,55,195
3	Rates & Taxes	9,874	6,73,422
4	Office Expenses	1,29,028	1,22,678
5	Professional Fees & Charges	5,30,250	92,400
6	Preliminary Expenses	1,70,000	3,40,000
7	Repairs & Maintenance	5,48,206	4,28,815
8	Insurance Expenses	1,00,402	1,10,808
	<b>Total</b>	<b>17,50,592</b>	<b>19,77,918</b>





**SEVEN HILLS BEVERAGES LIMITED**

**Notes Forming Integral Part of the Balance Sheet as at March 31, 2022**

**Note: 3 Share Capital**

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
1	<b>Authorized Capital</b> 62,00,000 (PY : 62,00,000) Equity Shares of Rs.10/- each	6,20,00,000	6,20,00,000
		6,20,00,000	6,20,00,000
2	<b>Issued, Subscribed &amp; Paid Up Capital</b> 37,30,000 (PY : 37,30,000) Equity Shares of Rs.10/- each, fully paid up.	3,73,00,000	3,73,00,000
	<b>Total</b>	<b>3,73,00,000</b>	<b>3,73,00,000</b>

**Footnote:**

(a) The company has only one class of shares referred to as equity shares having a par value of Rs. 10/- each. Each holder of equity shares is entitled to one vote per share and dividend in Indian rupees, if proposed by the Board of Directors, which is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(b) In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held at the time of commencement of winding-up.

(c) The Shareholders have all other rights as available to equity shareholders as per the provisions of The Companies Act, 2013, read together with the Memorandum of Association and Articles of Association of the Company, as applicable.

**(d) The reconciliation of the numbers of shares outstanding and amount of share capital as at year end is set out below:**

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
	Shares at the beginning of the Year	37,30,000	37,30,000
	Shares issued during the year	-	-
	Shares bought back during the year	-	-
	<b>Total shares outstanding at the end of the Year</b>	<b>37,30,000</b>	<b>37,30,000</b>

**(e) Details of Shareholder (s) holding more than 5% shares are as follows:**

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
1	Galactico Corporate Services Limited CY 37,21,500 Equity Shares	99.77%	99.77%

**(f) Details of Shareholding of Promotors of the Company are as follows:**

Sr. No.	Promotor Name	No. of Shares	% of Total Shares	% Change During the Year
1	Galactico Corporate Services Limited CY 37,21,500 Equity Shares	37,21,500	99.77%	0.00%





## SEVEN HILLS BEVERAGES LIMITED

Notes Forming Integral Part of the Balance Sheet as at March 31, 2022

## Note: 4 Reserve and surplus

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
1	<b>General Reserve</b>	<b>(61,05,567)</b>	<b>(72,45,799)</b>
	Balance brought forward from previous year	(72,45,799)	(89,76,233)
	Less: Adjustments	-	-
	Add: Profit for the period	11,40,231	17,30,434
2	<b>Securities Premium</b>	<b>1,12,00,030</b>	<b>1,12,00,030</b>
	Opening Balance	1,12,00,030	1,12,00,030
	Add: Received by Rights Issue	-	-
3	<b>Revaluation Reserve</b>	<b>27,14,503</b>	<b>31,76,436</b>
	Opening Balance	31,76,436	37,37,981
	Add: Transfer to Revaluation Reserve	-	-
	Less: Transfer from Revaluation Reserve	-	-
	Less: Depreciation on revalued assets	4,61,934	5,61,545
	Less: Reversal on Revaluation Reserve	-	-
	<b>Total</b>	<b>78,08,966</b>	<b>71,30,668</b>

Note: 4.3 These Reserves are created on 31.03.2013 by revaluing Factory Building, Plant & Machinery and Land & Site to bring the realistic value of these assets as per Valuation Report.

## Note: 5 Long term Borrowings

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
1	<b>Secured Loans</b>	<b>24,51,884</b>	<b>72,37,179</b>
	Solar Loan (Refer Note 5.1)	54,980	30,09,908
	Term Loan - 1 (Refer Note 5.2)	21,75,471	36,57,532
	Vehicle Loan (Refer Note 5.3)	2,21,433	5,69,739
1	<b>Unsecured Loans</b>	<b>8,44,960</b>	<b>17,05,649</b>
	Term Loan - 2 (Refer Note 5.4)	8,44,960	17,05,649
	<b>Total</b>	<b>32,96,844</b>	<b>89,42,828</b>

## Note 5.1:

Company has availed a term loan for Solar from HDFC Bank amounting to Rs. 1,20,00,000. The loan carries an interest rate of 8.1% per annum and repayable in 60 equal installment. Primary security given is at Industrial Property /GAT No 206, Pimpalner "Seven Hills Beverage Pvt Ltd".

## Note 5.2:

Company has availed a term loan from HDFC Bank amounting to Rs. 45,80,000. The loan carries an interest rate of 8.25% per annum and repayable in 48 equal installment.

## Note 5.3:

Company has availed a Vehicle loan from Kotak Mahindra Bank amounting to Rs. 10,08,638. The loan carries an interest rate of 11.75% per annum and repayable in 36 equal installment. The Vehicle purchased is hypothecated against the said loan.

## Note 5.4:

Company has availed a Unsecured loan from ASHV Finance Ltd. amounting to Rs. 25,00,000. The loan carries an interest rate of 20.00% per annum and repayable in 36 equal monthly installments.

## Note: 6 Deferred Tax Liabilities (Net)

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
	Opening Balance	10,48,307	26,19,710
	Add: Deferred Tax Liabilities arising on account of temporary differences	4,22,372	(15,71,403)
	Closing Balance	14,70,679	10,48,307
	<b>Total</b>	<b>14,70,679</b>	<b>10,48,307</b>





SEVEN HILLS BEVERAGES LIMITED  
Notes Forming Integral Part of the Balance Sheet as at March 31, 2022  
Note: 7 Long term Provisions

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
1	Non-funded : Provision for Gratuity	1,30,226	1,40,070
	<b>Total</b>	<b>1,30,226</b>	<b>1,40,070</b>

Note: 8 Short Term Borrowings

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
1	<b>From Banking and Financial Institution</b> Cash Credit (Refer Note 8.1)	<b>1,51,04,360</b> 1,51,04,360	<b>1,51,07,788</b> 1,51,07,788
2	<b>Current Maturities of Long Term Borrowings</b> Vehicle Loan Solar Loan Term Loan - 1 Term Loan - 2 (Unsecured Loan)	<b>56,33,424</b> 3,48,306 29,54,929 14,82,061 8,48,128	<b>46,50,660</b> 3,12,306 27,20,351 9,22,468 6,95,535
	<b>Total</b>	<b>2,07,37,785</b>	<b>1,97,58,448</b>

Note 8.1:

The Company has availed a Cash Credit facility with limit of Rs. 1,50,00,000/-. The same is secured by Hypothecation of Stock of Raw Materials, WIP, Finished Goods and Packing Material etc. and entire the Book Debts of the Company. The rate of interest on the same ranged from 8.4% to 8.8% p.a.

Note: 9 Trade Payables

Sr. No.	Particulars	Trade Payables as on 31 March 2022 outstanding for following period					As at 31 March 2021
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	
1	Dues to Micro, Small and Medium Enterprises						
2	Others	1,31,43,950	4,41,179	2,19,276	48,72,728	1,86,77,133	1,51,44,304
3	Disputed Dues to Micro, Small and Medium Enterprises	-	-	-	-	-	-
4	Disputed Dues to Others	-	-	-	-	-	-
	<b>Total</b>	<b>1,31,43,950</b>	<b>4,41,179</b>	<b>2,19,276</b>	<b>48,72,728</b>	<b>1,86,77,133</b>	<b>1,51,44,304</b>

Note 9.1:

(a) Trade payables include Rs. Nil (As at 31st March, 2022: Rs. Nil) due to micro, small and medium enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).

(b) The Company is in the process of compiling relevant information from its suppliers about their coverage under the Micro, Small and Medium Enterprises Development Act, 2006. As the Company has not received any intimation from its suppliers as on date regarding their status under the above said Act and hence disclosures if any relating to amounts unpaid as at year end together with the interest paid /payable as required under the said Act have not been given.

Note: 10 Other Current Liabilities

Sr. No.	Particulars	Total	As at 31 March 2021
1	Other Payables	47,29,747	58,00,000
2	<b>Statutory Dues</b> Goods and Services Tax TDS/TCS Others	3,94,016 - -	5,04,138 22,648 -
	<b>Total</b>	<b>51,23,763</b>	<b>63,26,786</b>





## SEVEN HILLS BEVERAGES LIMITED

Notes Forming Integral Part of the Balance Sheet as at March 31, 2022

Note: 11 Short Term Provisions

Sr. No.	Particulars	Total	As at 31 March 2021
1	Provision for Income Tax	2,89,135	-
	Less: Income Tax Receivable	1,02,721	-
	Provision for Income Tax	1,86,414	-
2	<b>Provision For Employees Benefit</b>		
	Salaries and Wages	4,64,580	1,38,140
	Professional Tax	-	1,08,900
	Provident Fund	27,779	1,11,812
	ESIC	-	41,597
3	Audit Fees	29,500	25,000
4	Expenses Payable	4,58,290	2,95,570
	<b>Total</b>	<b>11,66,563</b>	<b>7,21,019</b>





SEVEN HILLS BEVERAGES LIMITED  
Notes Forming Integral Part of the Balance Sheet as at March 31, 2022

Note 12 : Property, Plant and Equipment and Intangible Assets

Sr. No.	Particulars	Gross Block				Depreciation				Net Block		
		Value at the beginning	Additions during the year	Deductions during the year	Value at the end	Value at the beginning	Charge for the year	Transfer to Reserves	Depreciation write back	Value at the end	WDV as on 31.03.21	WDV as on 31.03.20
I	<b>Tangible Assets</b>											
1	Factory Building	2,14,17,969	-		2,14,17,969	33,40,581	7,25,014	44,450		41,10,044	1,73,07,925	1,80,77,388
2	Factory Land	80,05,898			80,05,898	-	-			-	80,05,898	80,05,898
3	Plant and Machinery	4,49,94,491	64,26,978	12,42,095	5,01,79,377	3,49,16,119	22,13,737	4,17,484		3,75,47,340	1,26,32,037	1,00,78,372
4	Plant and Machinery - Power Generation	1,01,70,000			1,01,70,000	48,27,518	9,66,989			57,94,507	43,75,493	53,42,482
5	Computers & softwares	44,008			44,008	33,284	-			33,284	10,724	10,724
6	Furniture and fixtures	9,07,295	99,000		10,06,295	6,00,934	82,560			6,83,494	3,22,801	3,06,361
7	Vehicles	33,23,143			33,23,143	17,63,107	4,86,965			22,50,072	10,73,071	15,60,036
	<b>TOTAL</b>	<b>8,88,62,804</b>	<b>65,25,978</b>	<b>12,42,095</b>	<b>9,41,46,690</b>	<b>4,54,81,542</b>	<b>44,75,265</b>	<b>4,61,934</b>	<b>-</b>	<b>5,04,18,741</b>	<b>4,37,27,949</b>	<b>4,33,81,262</b>
II	<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-	-
	<b>SUB TOTAL (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
III	<b>Capital work in progress</b>	-	-	-	-	-	-	-	-	-	-	-
	<b>SUB TOTAL (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
IV	<b>Intangible Assets Under Development</b>	-	-	-	-	-	-	-	-	-	-	-
	<b>SUB TOTAL (D)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>TOTAL (A) + (B)</b>	<b>8,88,62,804</b>	<b>65,25,978</b>	<b>12,42,095</b>	<b>9,41,46,690</b>	<b>4,54,81,542</b>	<b>44,75,265</b>	<b>4,61,934</b>	<b>-</b>	<b>5,04,18,741</b>	<b>4,37,27,949</b>	<b>4,33,81,262</b>





SEVEN HILLS BEVERAGES LIMITED  
Notes Forming Integral Part of the Balance Sheet as at March 31, 2022

Note: 13 Non Current Investment

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
	Investments (at Cost)		
	<b>Trade</b>		
1	Investment in Palwe Pest Control Private Limited - 1,03,000 (PY: 20,000) shares of Rs. 10/- each fully paid up	1,75,80,000	1,75,80,000
2	Corpus Fund	7,50,000	7,50,000
3	Investment in Regulated Chits Fund	(3,96,778.0)	26,21,128
	<b>Total</b>	<b>1,79,33,222</b>	<b>2,09,51,128</b>

Note: 14 Other Non Current Asset

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
1	Preliminary Expenses	1,70,000	3,40,000
	<b>Total</b>	<b>1,70,000</b>	<b>3,40,000</b>

Note: 15 Inventories

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
1	Closing Stock	32,42,250	37,65,200
	<b>Total</b>	<b>32,42,250</b>	<b>37,65,200</b>

Note: 16 Trade Receivables

Sr. No.	Particulars	Trade Receivables as on 31.03.2022 outstanding for following period						As at 31 March 2021
		Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	
(a)	<b>Undisputed Trade Receivables</b>							
	Secured, Considered Good	-	-	-	-	-	-	-
	Unsecured, Considered Good	80,96,180	-	6,987	-	-	81,03,167	56,09,056
	Doubtful	-	-	-	-	-	-	-
(b)	<b>Disputed Trade Receivables</b>							
	Secured, Considered Good	-	-	-	-	-	-	-
	Unsecured, Considered Good	-	-	-	-	-	-	-
	Doubtful	-	-	-	-	-	-	-
	Less: Provision for doubtful receivable	80,96,180	-	6,987	-	-	81,03,167	56,09,056
		80,96,180	-	6,987	-	-	81,03,167	56,09,056
	<b>Total</b>	<b>80,96,180</b>	<b>-</b>	<b>6,987</b>	<b>-</b>	<b>-</b>	<b>81,03,167</b>	<b>56,09,056</b>

Note: 17 Cash & Cash Equivalent

Sr. No.	Particulars	Total	As at 31 March 2021
1	Cash on Hand	1,25,446	1,39,034
	<b>Sub Total (A)</b>	<b>1,25,446</b>	<b>1,39,034</b>
2	<b>Balance With Banks</b>		
	In current account	15,772	10,558
	In Fixed Deposits	-	-
	<b>Sub Total (B)</b>	<b>15,772</b>	<b>10,558</b>
	<b>Total</b>	<b>1,41,218</b>	<b>1,49,592</b>





SEVEN HILLS BEVERAGES LIMITED  
Notes Forming Integral Part of the Balance Sheet as at March 31, 2022

Note: 18 Short Term Loans & Advances

Sr. No.	Particulars	Total	As at 31 March 2021
	(Unsecured, Considered good, unless specified otherwise)		
1	<b>Deposits</b>	<b>4,68,073</b>	<b>4,66,103</b>
	Electricity Deposit	4,15,828	4,15,828
	VAT Deposit	25,000	25,000
	FDR Deposit	27,245	25,275
2	<b>Loans &amp; Advances</b>	<b>1,95,65,866</b>	<b>1,81,63,410</b>
	- Advances to Others	1,43,13,800	1,04,50,000
	- Advances to Related Parties	-	25,61,344
	- Advances for Property to Related Parties	52,52,066	51,52,066
	<b>Total</b>	<b>2,00,33,939</b>	<b>1,86,29,513</b>

Note: 19 Other Current Assets

Sr. No.	Particulars	Total	As at 31 March 2021
	<b>Balance with Government Authorities</b>		
1	Minimum Alternate Tax (MAT)	20,21,467	20,24,470
2	Income Tax Refund/TDS Receivable	1,28,500	14,760
	Less: Provision for Income Tax	1,02,721	-
		25,779	14,760
	<b>Others</b>		
1	Advance to Suppliers	2,44,659	14,16,750
2	Prepaid Insurance	68,308	2,30,698
	<b>Total</b>	<b>23,60,213</b>	<b>36,86,678</b>





**Seven Hills Beverages Limited**

## Related Party Transactions

As per Accounting Standard 18 on related party disclosure issue by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below:

## (i) Key Managerial Personnel

For the year ended March 31, 2022	For the year ended March 31, 2021
Sandeep Palwe	Sandeep Palwe
Nayan Palwe	Nayan Palwe
Pawan Jitendra Chhatrishia	Pawan Jitendra Chhatrishia
Charushila Vipul Lathi	Charushila Vipul Lathi
Sandeep Vasantao Avhad	Sandeep Vasantao Avhad
Rajkumar Pardeshi	Rajkumar Pardeshi

## (ii) Relatives of KMPs

For the year ended March 31, 2022	For the year ended March 31, 2021
	Vipul Dileep Lathi

## (iii) Parent/ Associates / Enterprises over which directors and / or their relatives has significant influence

For the year ended March 31, 2022	For the year ended March 31, 2021
Galactico Corporate Services Limited	Galactico Corporate Services Limited
Instant Finserve Private Limited	Instant Finserve Private Limited
Palwe Pest Control Private Limited	Palwe Pest Control Private Limited
Constro Solutions Limited	Constro Solutions Limited
Palwe Sancheti Warehouse LLP	
Royal Galactico LLP	

## (iv) Particulars of Transactions with Related Parties

## Key Management Personnel

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	<b>Mr. Sandeep Palwe</b>	
<b>1. Advance for Property</b>		
Opening Outstanding	51,52,066	51,52,066
Advance for property	26,00,000	-
Repayment of advance	25,00,000	-
Closing Outstanding	52,52,066	51,52,066





## Associate Companies / Entities

Particulars	For the year ended March 31,	For the year ended March 31,
	2022	2021
<b>Palwe Pest Control Private Ltd</b>		
<b>1. Finance - Advance given</b>		
Opening Outstanding	4,61,344	22,96,086
Advance given	1,89,05,828	1,13,44,214
Repayment of Advance given	1,97,96,919	1,31,78,956
Closing Outstanding	(4,29,747)	4,61,344
<b>Galactico Corporate Services Limited</b>		
<b>1. Finance - Business Transactions</b>		

