



# NORTHERN SPIRITS LIMITED

ANNUAL REPORT - F.Y. 2023-24

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# Corporate Information...

<b><u>Board of Directors</u></b> Mr. Ankush Bakshi – Managing Director Mr. Anuj Bakshi – Executive Director Mrs. Roshni Bakshi – Executive Director Mrs. Kanika Bakshi – Executive Director Mrs. Malti Jaiswal - Independent Director Mr. Jagjit Singh Kochar - Independent Director Mr. Sathvik Jain - Independent Director Mr. Arihant Jain - Independent Director (Appointed w.e.f. 27.06.2023)	<b><u>Audit Committee</u></b> Mr. Sathvik Jain - Chairperson Mrs. Malti Jaiswal Mr. Ankush Bakshi
<b><u>Chief Financial Officer</u></b> Mr. Anuj Bakshi	<b><u>Nomination and Remuneration Committee</u></b> Mr. Jagjit Singh Kochar – Chairperson Mr. Sathvik Jain Mrs. Malti Jaiswal
<b><u>Company Secretary</u></b> Pankaj Khanna (Appointed w.e.f. 10.08.2023)	<b><u>Stakeholders Relationship Committee</u></b> Mrs. Malti Jaiswal - Chairperson Mr. Sathvik Jain Mr. Jagjit Singh Kochar
<b><u>Statutory Auditors</u></b> JKSS & Associates (Formerly J.K. Sarawgi & Company) Chartered Accountants EN 77, 5th Floor, Sector V, Salt Lake Kolkata – 700091	<b><u>Corporate Social Responsibility Committee</u></b> Mr. Sathvik Jain - Chairperson Mrs. Roshni Bakshi Mrs. Kanika Bakshi
<b><u>Bankers</u></b> Canara Bank	<b><u>Registrar &amp; Share Transfer Agent</u></b> Maheshwari Datamatics Pvt Ltd 23, R.N Mukherjee Road, 5th Floor Kolkata- 700 001 West Bengal Tel.: (033) 2248 2248, Fax: (033) 2248 2248 Email id: <a href="mailto:accounts@mdpl.in">accounts@mdpl.in</a> / <a href="mailto:mdpldc@yahoo.com">mdpldc@yahoo.com</a> Website: <a href="http://www.mdplin.in">www.mdplin.in</a>
	<b><u>Registered Office</u></b> 5A, Woodburn Park Road, Woodburn Central, Unit No 603, 6th Floor, Kolkata – 700020 Tel: 033-35446094; E-mail: <a href="mailto:info@northernspirit.in">info@northernspirit.in</a> Website: <a href="http://www.northernspirits.co.in">www.northernspirits.co.in</a>

## **Message from the Managing Director...**

*My Dear Shareholders,  
I am pleased to share with you the Annual Report of the Company for the financial year 2023-24. In comparison to the last financial year your Company has made considerable growth in terms of profitability and turnover.*



*Gross revenues for this financial year stood at Rs. 1,23,530.58 Lakhs as against Rs. 90,566.11 Lakhs in the previous year. After providing for depreciation and taxation the net profit of the Company for the year under review was placed at Rs. 1,657.28 Lakhs as compared to the net profit of Rs. 1,113.37 Lakhs incurred during the previous year registering a steady growth of 48.85%. The Earnings Per Share (EPS) stood at Rs. 10.32 (face value of Rs. 10/- each) for the financial year ended 31st March, 2024 as against 6.94 (face value of Rs. 10/- each) in the previous year. Your Company's prime focus has always been on operational efficiency and market diversification. Apart from this we have focused on premiumization by introducing the luxury and premium category brands into the market as there has been an increasing shift towards premiumization by the*

***Indian consumers. Indian consumers are embracing premium products and services across various categories which is an encouraging sign for the future of the industry and aligns perfectly with our strategic focus.***

***Your Company has also set its foot on setting up own retail outlets to reach the consumers directly. A retail outlet in the name of “Emporio” has been set up during the financial year 2023-24 in Kolkata while another one in Delhi is already operational. We are planning to set up more retail chains in other parts of the Country to boost our growth.***

***Your Company also focuses on secure IT operations to address the ever increasing risks of cyber security risks which may arise from IT lapses, malware and ransomware attacks. Regular checks and upgrades are made your Company.***

***Despite a resilient economy caused by the Russia – Ukraine War, the Red Sea debacle and widening inflation impacting cost of living and a slowdown in China caused by strong Zero Covid policy adopted by the Chinese Government your Company has showcased a robust performance during the year under review. Inspite of facing operating challenges, I am happy to state about the resilience of Northern Spirits Limited to navigate this well and come even stronger. We continuously focus in quality supply of liquor products thereby moving forward in our journey of being the most inspirational franchise in the market.***

***Further, I would like to inform you that your Company at present is a SME Listed Company with BSE Limited (BSE). For encouraging retail investor participation and attracting more investors to invest their capital in the Company we decided to migrate to the Main Board of BSE. I am pleased to announce that Company has already received the in-principle approval from BSE in August 2024 and very soon the shares of the Company shall be listed on the Main Board of BSE.***

***Despite facing short-term challenges like inflationary pressures and subdued demand, our journey so far has been indelible and momentous and for the financial 2024-25 we are optimistic about the mid-to-long-term growth prospects, driven by favourable macros like India's robust economic growth and the premiumization trend.***

***I would like to conclude by thanking all our employees, customers, partners, and other stakeholders that continue to support the Company's endeavors. Northern Spirits Limited also acknowledges the support extended by various government agencies. I would also like to express appreciation to our liquor/wines fraternity for their continued support, faith and trust in us.***

***Yours sincerely,***

***Ankush Bakshi***

***Managing Director***

# Company Overview...

We started our journey in the year 1975 with Unity Traders which was formed by our father Mr. Kulbir Bakshi, from Amritsar in Punjab and spreading to Mumbai.

Built on instinct and an entrepreneurial mindset, Mr. Anuj and Ankush Bakshi, sons of Mr. Kulbir Bakshi started East India Operations in the name of United Wines with Kolkata as the base to cater to one of the most difficult market in India – Bengal. Maintaining an average growth rate of 25% YoY, United Wines was established as a crucial player in Bengal and some long lasting business relations were formed, which inspired us to start the operations of Northern Spirits Limited (NSL).

NSL embarked on its journey in the year 2012 to make a mark in the liquor business. Initially, it was incorporated as a private limited company on September 13, 2012.



Subsequently the Company was converted into a Public Limited Company and was listed on April 04, 2019 in the SME platform with BSE Limited. NSL operates as an alcohol beverage company and it imports and distributes wide range of alcoholic beverages and caters to customers all over in India.

Today we are one of the largest alcohol distributors in the Country and are also the only distribution with a presence in North India along with East and North East India.

Constantly evolving thanks to a dynamic management policy driven by brand acquisitions or disposals, NSL's portfolio allows it to always be in line with new trends while investing in the most promising segments and brands.





To ensure an optimal allocation of resources for key brands across all our markets, the Group uses its brand planning tool – the House of Brands – which encompasses five categories of brands: Strategic International Brands, Specialty Brands, Strategic Local Brands, Wines and Prestige Brands.

Northern Spirits' reach is also expanding to the North Bengal markets that include areas like Jalpaiguri, Siliguri, Darjeeling, and Dooars which shall prove to be a strategic move. These regions, known for their significant tourist influx, especially Darjeeling and Dooars, offer a prime opportunity for the premium portfolio.

With the growing demand for quality beverages among tourists and locals alike, Northern Spirits can capitalize on this expansion to boost brand visibility and sales in a region that blends natural beauty with a diverse consumer base. This move could further strengthen their market position, particularly in the premium segment.

NSL has a unique portfolio of premium brands encompassing every major category of wine and spirits. As one of the most comprehensive portfolios in the market, it provides the Group with a unique competitive advantage.





The Promoters of NSL have a commendable experience in a highly competitive industry and a highly motivated and professional employee strength who have been the pioneers in taking NSL to the position that it commands now.

The Company has been operating in the domestic market and has a wide range of supplies from international market through its import operations. The Company's operations are likely to increase the reach of supplies in the present locations and are growing wider with an established business model to operate and explore foreign market. The Company is determined to reach its goals by hiring more employees and staff in different sectors of the business and are engaged in active recruitment in different locations within the Country.

**NSL envisages becoming PAN India leaders in alcohol distribution, making the most of opportunities emerging in new markets**

### **Our Mission**

**We are dedicated to revolutionizing the distribution landscape by offering our channels partners the most efficient and transparent route-to-market solutions. Our aim is to empower our partners with seamless access to our extensive network and resources, ensuring mutual growth and success in every endeavor.**

### **Our Vision**

**We aspire to become the premier destination for alcohol distribution in India, renowned for our innovative approach and creative solutions. We are committed to leveraging regional and national opportunities, utilizing cutting-edge strategies to attain a competitive edge in the market.**

## Our Retail Outlets...

Northern Spirits Limited has forayed into its First Retail format at Garden Galleria Mall, Noida – “The Liquor Exchange”. We believe in giving the customers a walk in experience in this 2000 sq. ft. format displaying some of the most coveted brands of the world.

\*\*\*\*\*

The second ultra-luxury Retail venture named “Emporio” is located in Forum Mall at Kolkata with an exclusive collection of premium spirits, catering to the discerning tastes of our esteemed clientele.



# Premium category Brands that we distribute...

## Indri Single Malt

### **Introduction**

Indri Single Malt is an exceptional Indian whisky that has quickly gained recognition for its quality and distinct character. Named after the village of Indri in Haryana, where it is produced, this whisky represents a significant achievement in India's growing whisky industry.

### **Production Process**

Indri Single Malt is crafted at the Piccadilly Distilleries, which is known for its meticulous production process. The whisky is made using six-row barley, a grain variety grown in the northern plains of India. The distillation process is carried out in traditional copper pot stills, which lend the whisky its rich and complex flavour profile. What sets Indri Single Malt apart is its maturation process, where it is aged in a combination of three different cask types: ex-bourbon, ex-wine, and sherry casks. This triple cask maturation process adds layers of flavour and depth to the whisky, making it a truly unique offering.

### **Tasting Notes**

Indri Single Malt offers a rich and complex nose, with notes of dried fruit, vanilla, and a hint of spice. On the palate, it presents a well-balanced mix of sweet and spicy flavours, with hints of oak, caramel, and a subtle smokiness. The finish is long and satisfying, with lingering notes of spice and fruit that invite another sip.

### **Market Position**

As a premium Indian single malt, Indri has positioned itself well both in the domestic and international markets. It caters to the growing demand for high-quality Indian whiskies, appealing to both connoisseurs and those new to the world of single malts. Its success is a testament to India's increasing prowess in the global whisky market, where brands like Indri are challenging traditional whisky-producing nations with their quality and innovation.

### **Recognition**

Since its launch, Indri Single Malt has received positive reviews and accolades from whisky enthusiasts and critics alike. Its unique flavour profile and high production standards have earned



it a place among the top Indian single malts, with many considering it a must-try for anyone interested in exploring the diversity of Indian whisky.

Indri Single Malt is more than just a whisky; it is a reflection of the skill, tradition, and innovation that are driving the Indian whisky industry forward. Whether enjoyed neat, with a splash of water, or in a carefully crafted cocktail, Indri Single Malt is sure to impress with its depth and character.

## **Chamikara Rum: A Legacy of Excellence**

### **Introduction**

Chamikara Rum is more than just a spirit; it's a symbol of tradition, quality, and craftsmanship. This exquisite rum, known for its rich flavor and smooth finish, has earned a reputation as a premium choice among rum connoisseurs.

### **History and Origin**

Chamikara Rum traces its roots to the Caribbean, a region known for producing some of the world's finest rums. The name "Chamikara" is inspired by the region's vibrant culture and the natural beauty that surrounds the distilleries. It is a name that evokes a sense of mystery and allure, much like the rum itself.

### **Crafting Process**

The process of creating Chamikara Rum begins with the careful selection of sugarcane, the primary ingredient in rum. The sugarcane is harvested at the peak of its maturity to ensure the highest quality.

Once harvested, the sugarcane juice is extracted and fermented to create a rich molasses, which is then distilled in copper pot stills. This traditional method of distillation allows for the retention of the natural flavours and aromas of the sugarcane, resulting in a rum that is both complex and balanced.

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After distillation, the rum is aged in oak barrels, where it acquires its distinctive character. The aging process imparts deep, amber hues and enhances the rum's flavors, giving it notes of vanilla, caramel, and spice. The barrels used for aging are carefully selected to ensure that they complement the rum's natural flavors, rather than overpowering them.



## Flavor Profile

Chamikara Rum is renowned for its rich and sophisticated flavor profile. On the nose, it offers a bouquet of sweet, fruity aromas, with hints of banana, dried fruits, and a touch of oak. The palate is equally complex, with layers of vanilla, toffee, and a hint of spice, balanced by a subtle sweetness that lingers on the tongue. The finish is long and smooth, leaving a warm, satisfying sensation.

## Versatility

One of the hallmarks of Chamikara Rum is its versatility. It can be enjoyed neat, over ice, or as the base for a variety of cocktails. Whether you're sipping it slowly to savor its intricate flavors or mixing it into a refreshing mojito, Chamikara Rum delivers an exceptional experience every time.

## Awards and Recognition

Chamikara Rum has received numerous accolades from spirits competitions around the world. It is praised for its quality, consistency, and distinctive character, making it a favorite among both casual drinkers and seasoned rum enthusiasts. Its awards stand as a testament to the dedication and craftsmanship that go into every bottle.

## Conclusion

Chamikara Rum is more than just a drink; it's a celebration of the art of rum-making. With its rich history, meticulous crafting process, and unparalleled flavor, Chamikara Rum is a spirit that deserves a place in every collection. Whether you're a seasoned rum aficionado or a newcomer to the world of premium spirits, Chamikara Rum offers an experience that is both timeless and unforgettable.

## Espolòn Tequila

### Introduction

Espolòn Tequila is a premium tequila brand that originates from the highlands of Jalisco, Mexico, a region renowned for producing high-quality agave. The brand was founded in 1998 by master distiller Cirilo Oropeza, who aimed to craft a tequila that embodies the spirit and rich cultural heritage of Mexico. Espolòn quickly gained a reputation for its smoothness, complexity, and authenticity, making it a favorite among both casual drinkers and tequila connoisseurs.

### Varieties

**1. Espolòn Blanco:** This is a clear tequila, unaged, and bottled right after distillation. It boasts a fresh, fruity flavor with notes of citrus, pineapple, and pepper, making it perfect for cocktails like margaritas.



**2. Espolòn Reposado:** Aged for a minimum of six months in American oak barrels, the Reposado has a deeper, more complex flavor profile. It offers hints of caramel, vanilla, and roasted agave, with a slightly spicy finish.

**3. \*Espolòn Añejo:** Aged for at least a year, this variant has a richer, more mature flavor. It's characterized by deep notes of vanilla, chocolate, and dried fruit, with a smooth, lingering finish, ideal for sipping neat or on the rocks.

**4. Espolòn Cristalino:** This variant is a unique blend of Añejo that has been filtered to remove the color while maintaining the rich flavors of the aged tequila. It offers a smooth, silky texture with notes of oak, vanilla, and light spice.

### **Brand Aesthetics**

Espolòn is also known for its distinctive bottle design, featuring artwork that pays homage to the Mexican tradition of Día de los Muertos (Day of the Dead). The label art, which depicts scenes of skeletons engaged in various activities, is a celebration of life and Mexican culture, adding a visually striking element to the brand.

### **Tasting Notes**

**Nose:** Espolòn tequilas often have a vibrant and aromatic nose with notes of fresh agave, citrus, and herbs.

**Palate:** The taste profile varies by type, but generally, Espolòn tequilas are known for their balance, with flavors ranging from sweet fruit and vanilla to peppery spice and earthy agave.

**Finish:** The finish is typically smooth and warm, with lingering hints of spice, oak, or caramel, depending on the variety.

### **Awards**

Espolòn Tequila has won numerous awards over the years, including gold medals at prestigious spirits competitions like the San Francisco World Spirits Competition, which speaks to its quality and craftsmanship.

### **Pairing and Usage**

Espolòn Tequila is versatile, making it suitable for a wide range of cocktails, from classic margaritas to innovative new drinks. Its depth of flavor also makes it a great pairing for traditional Mexican dishes, such as tacos, ceviche, or grilled meats.

### **Price Range:**

Espolòn Tequila is generally priced in the mid-range for premium tequilas, offering excellent value for its quality. Prices may vary depending on the specific variety and location, but it's widely regarded as an affordable option for those looking to enjoy a high-quality tequila.

## **Clarendelle Bordeaux Blanc - Inspired by Haut-Brion**

### **Introduction**

Clarendelle Bordeaux Blanc is a refined white wine that draws inspiration from one of the most prestigious estates in the Bordeaux region, Château Haut-Brion. This wine embodies the elegance,

balance, and complexity associated with the wines of this renowned estate, yet it remains accessible to a wider audience.

## Origins and Philosophy

Clarendelle wines are produced under the guidance of the esteemed Domaine Clarence Dillon, which also owns Château Haut-Brion. The philosophy behind Clarendelle is to create high-quality Bordeaux wines that reflect the tradition and expertise of the region, while offering a more approachable price point. The Bordeaux Blanc, in particular, captures the essence of the region's white wines, echoing the style of Haut-Brion's celebrated whites.

## Grape Varieties

The Clarendelle Bordeaux Blanc is typically a blend of classic Bordeaux white grape varieties, including Sauvignon Blanc, Sémillon, and Muscadelle. This combination is carefully chosen to achieve a harmonious balance between freshness, aromatic complexity, and richness.

- **Sauvignon Blanc:** Provides crisp acidity, citrus, and floral notes.
- **Sémillon:** Adds body, texture, and flavors of ripe stone fruits.
- **Muscadelle:** Contributes a hint of floral perfume and a touch of softness.

## Tasting Notes

Clarendelle Bordeaux Blanc offers a vibrant bouquet of citrus fruits, white flowers, and subtle mineral undertones. On the palate, it is fresh and lively, with flavors of lemon zest, green apple, and a hint of pear. The wine's texture is smooth, with a good balance of acidity and a lingering, elegant finish.

## Vinification and Aging

The wine is vinified with great care to preserve the delicate aromas and flavors of the grape varieties. After fermentation, it may undergo a period of aging in stainless steel tanks or oak barrels, depending on the vintage, to develop further complexity and roundness.



The influence of Haut-Brion is evident in the meticulous attention to detail and the pursuit of perfection at every stage of production.

## Food Pairing

Clarendelle Bordeaux Blanc is a versatile wine that pairs beautifully with a variety of dishes. It is an excellent match for seafood, such as oysters, grilled fish, or lobster. It also complements white

meats, salads, and creamy cheeses, making it a wonderful choice for both casual and formal dining.

### **Conclusion**

Clarendelle Bordeaux Blanc is a testament to the legacy of Château Haut-Brion, offering wine lovers the opportunity to experience a taste of Bordeaux's finest traditions at an accessible price. It is a wine that combines the sophistication and depth of a great Bordeaux Blanc with the approachability and charm that makes it suitable for any occasion. Whether enjoyed young or after a few years of aging, Clarendelle Bordeaux Blanc promises a delightful and memorable experience.



# Our Customer Base...

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**QUEST**



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**&  
Many  
more.....**

**NORTHERN SPIRITS LIMITED**

CIN: L15500WB2012PLC185821

Reg. Off: 5A, Woodburn Park Road, Woodburn Central, Unit 603,

6th Floor, Kolkata-700020, Phone: 033-35446094

Email: info@northernspirit.in, Website: [www.northernspirits.co.in](http://www.northernspirits.co.in)**NOTICE OF 12<sup>TH</sup> ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT THE TWELFTH ANNUAL GENERAL MEETING OF NORTHERN SPIRITS LIMITED (CIN – L15500WB2012PLC185821) WILL BE HELD ON SATURDAY, 28<sup>TH</sup> SEPTEMBER, 2024 AT 11:30 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT 5A, WOODBURN PARK ROAD, WOODBURN CENTRAL, UNIT NO 603, 6<sup>TH</sup> FLOOR, KOLKATA - 700020 TO TRANSACT THE FOLLOWING BUSINESSES:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended March 31, 2024 and the Balance Sheet as at that date together with the Reports of the Directors and the Auditors thereon.
2. To declare a Final Dividend on Equity Shares at the rate of Re. 0.25 per equity share (2.5%) for the financial year 2023-24.
3. To appoint Director in place of Mr. Anuj Bakshi (DIN: 02500120), who retires by rotation at this Annual General Meeting in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

By Order of the Board of Directors  
**NORTHERN SPIRITS LIMITED**

**Place:** Kolkata  
**Date:** 1<sup>st</sup> August, 2024

s/d-  
**Pankaj Khanna**  
**(Company Secretary)**  
**M. No. A27867**

**NOTES:**

1. **A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on a poll instead of him/her and the proxy need not be a member of the company. the instrument appointing the proxy, in order to be effective, should be deposited, duly completed and signed, at the registered office of the Company not less than forty-eight hours before the commencement of the meeting. A proxy form is attached herewith.  
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10 percent of the total share capital of the Company carrying voting rights. A proxy so appointed shall not act as a proxy for any other person or shareholder.**
2. The proxy holder shall prove his/her identity at the time of attending the meeting.
3. When a member appoints a proxy and both the member and proxy attends the meeting, the proxy stands automatically revoked.
4. Corporate members intending to attend the meeting are requested to send to the Company a certified copy of the Board Resolution, pursuant to section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the meeting.
5. Proxies shall be made available for inspection during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting.
6. 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 during the AGM.
7. Voting rights of the Members shall be in proportion to their shares in the paid- up equity share capital of the Company as on the cut-off date i.e. Saturday, 21<sup>st</sup> September, 2024. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
8. Members are requested to bring their Attendance Slip.

**Dispatch of Annual Report through E-mail**

9. In accordance with the MCA Circulars and the said SEBI Circular dated May 12, 2020, the Notice along with the Annual Report of the Company for the financial year ended March 31, 2024, will be sent only through e-mail, to those Members whose e-mail addresses are registered with the Company or the Registrar and Share Transfer Agent (the "RTA"), i.e., M/s. Maheshwari Datamatics Pvt Ltd or the Depository Participant(s). The Notice and the Annual Report for the financial year ended March 31, 2024 shall be available on the websites of the Company viz., [www.northernspirits.co.in](http://www.northernspirits.co.in) and of the Stock Exchanges where Equity Shares of the Company are listed. The Notice shall also be available on the e-Voting website of the agency engaged for providing e-Voting facility, i.e., National Securities Depository Limited (NSDL), viz., [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
10. The Register of Members and share transfer books of the company shall remain closed from **Sunday, 22<sup>nd</sup> September, 2024 to Saturday, 28<sup>th</sup> September, 2024 (both days inclusive)** for the purpose of Annual General Meeting.
11. Members holding shares in Demat mode may kindly note that any request for change of address or change of E-mail ID or change in bank particulars/mandates or registration of nomination are to be instructed to their Depository Participant only, as the Company or its Registrar & Share Transfer Agent cannot act on any such request received directly from the Members holding shares in Demat mode. However, members holding shares in physical

mode are requested to notify the Registrar & Share Transfer Agent of the Company of any change in their address and e-mail id as soon as possible.

12. Members are requested to contact the Company's Registrar & Share Transfer Agent M/s Maheshwari Datamatics Pvt Ltd, (the Company's Registrar and Share Transfer Agents) having their registered office situated at 23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700001, West Bengal (INDIA) ; Tel.: (033) 2248 4787/ 2243 5209; Email id: mdplc@yahoo.com ; Website: www.mdpl.in for reply to their queries / redressal of complaints, if any, or contact Mr. Pankaj Khanna, Company Secretary of the Company at its Registered Office. (Phone No.: 033-35446094; e-mail: info@northernspirit.in; website: www.northernspirits.co.in).
13. Members who hold shares in dematerialized form are requested to furnish their Client ID and DP ID Nos for easy identification of attendance at the meeting.
14. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic forms are therefore, requested, to submit their PAN to their depository Participants with whom they are maintaining their demat accounts.
15. To support the "Green Initiative" Members who have not yet registered their email addresses are requested to register the same with their DP's in case the shares are held by them in electronic form and with M/s Maheshwari Datamatics Private Limited in case the shares are held by them in physical form. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the Annual General Meeting along with the Annual Report for the year 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories.

#### **Dividend**

16. Members may note that the Board of Directors, at its meeting held on May 29, 2024 have recommended a final dividend @ 2.5% (Re. 0.25 per Share). The final dividend, if approved by members in the ensuing AGM will be paid electronically through various online transfer modes to the members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants/dividend drafts/cheques will be sent out to their registered addresses if the postal services are available.  
To avoid delay in receiving the dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company's Registrar and Transfer Agent (RTA) (where shares are held in physical mode) to receive the dividend directly into their bank account on payout date.

#### **TDS on Dividend**

17. In accordance with the provision of Income Tax Act, 1961, as amended by the Finance Act, 2020, dividend paid or distributed by a Company on or after April 01, 2020, shall be taxable at the hands of shareholders. The Company is required to deduct TDS from dividend paid to the shareholders at the applicable tax rates, if approved at the Annual General Meeting (AGM) of the Company. The rate of TDS would depend upon the category and residential status of the members.
18. All documents referred to in the notice and the annexure to the notice shall be open for inspection at the registered office of the company during office hours on all working days, except Saturdays, between 11.00 A.M to 1.00 P.M. up to the date of the 12<sup>th</sup> Annual General meeting of the company.

#### **VOTING THROUGH ELECTRONIC MEANS**

19. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13,

2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means in respect of all the businesses to be transacted at the aforesaid meeting. The facility of casting votes by a member using remote e-Voting system from a place other than the venue of the AGM will be provided by NSDL.

20. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.northernspirits.co.in](http://www.northernspirits.co.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
21. The facility of voting through Poll/Ballot Paper shall be made available at the AGM and the members attending the meeting who have not cast their votes by remote e-voting shall be able to exercise their right to vote at the Meeting through Poll/Ballot Paper. The facility of voting by electronic voting system shall not be made available at the AGM of the company.
22. The E-voting period commences on **Wednesday, 25<sup>th</sup> September, 2024 from 9.00 a.m. to Friday, 27<sup>th</sup> September, 2024 till 5.00 p.m.** During this period Shareholders of the company holding shares either in physical form or in dematerialized form, as on the **cut-off date i.e. Saturday, 21<sup>st</sup> September, 2024**, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter and the facility will be blocked forthwith.
23. The voting rights of members shall be in proportion to their shares of the total paid up equity share capital of the company as on the **cut-off date i.e. 21<sup>st</sup> September, 2024**.
24. The members who have cast their votes by remote e-voting prior to the AGM may also attend the AGM, but shall not be entitled to cast their vote again or change it subsequently.
25. Only those members, whose names are recorded in the Register of Members maintained by the Depositories as on the cut-off date shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through Poll/Ballot paper.
26. Mr. Anurag Fatehpuria, Practicing Company Secretary (Membership No: 34471 and COP No: 12855) has been appointed as a Scrutinizer to scrutinize the e-voting process and voting at the AGM in a fair and a transparent manner. The scrutinizer will submit, 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, if any, to the chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
27. The scrutinizer shall after the conclusion of the voting at the meeting, will first count the votes cast at the meeting, and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses who are not in the employment of the company.
28. The results declared, along with the Scrutinizers Report shall be placed on the Company's website [www.northernspirits.co.in](http://www.northernspirits.co.in) and on the website of NSDL after the declaration of the results by the Chairman or a person authorized by him in writing. The Results shall also be immediately forwarded to the stock Exchanges where the shares of the company are listed.

29. The route map showing directions to reach the venue of the Meeting, is annexed.

30. **Procedure and instructions to members for remote e-Voting are as under -**

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

**A) Login method for remote e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience</li> </ol>

	<p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their 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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System My Easi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>3. If the user is not registered for Easi / Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress and also be able to directly access the systems of all e-voting service providers.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<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. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</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. NSDL and CDSL.**

Login Type	Helpdesk Details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43</p>



**B). Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number,

- your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.

### Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

#### How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of Company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [af2011@rediffmail.com](mailto:af2011@rediffmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Senior Manager - NSDL at [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) or [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

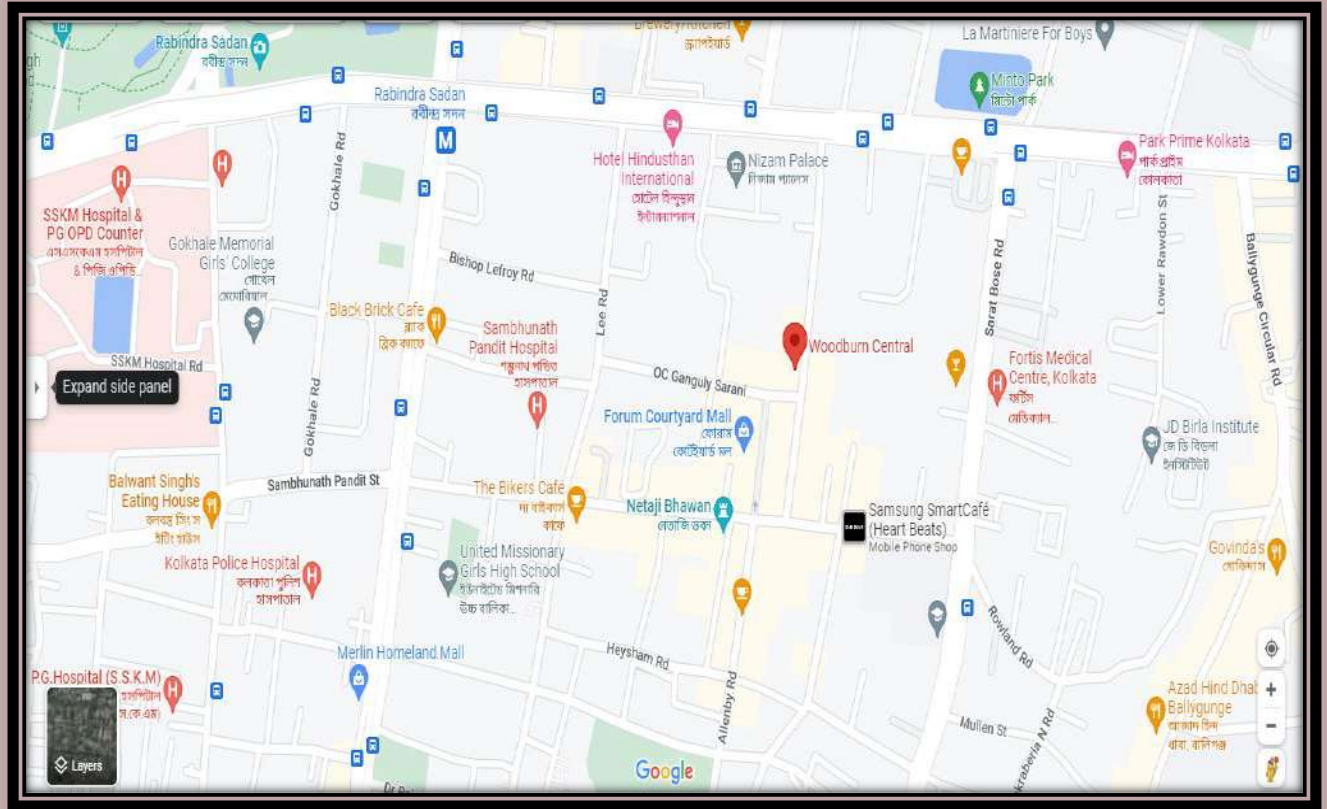
By Order of the Board of Directors  
**NORTHERN SPIRITS LIMITED**

s/d-  
**Pankaj Khanna**  
**(Company Secretary)**  
**M. No. A27867**

**Place:** Kolkata  
**Date:** 1<sup>st</sup> August, 2024

**ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING**

**Location Address:** 5A, Woodburn Park Road, Woodburn Central, Unit-603, 6th Floor, Kolkata- 700020, West Bengal (INDIA).



**NORTHERN SPIRITS LIMITED**

**CIN: L15500WB2012PLC185821**

Reg. Off: 5A, Woodburn Park Road, Woodburn Central, Unit 603,  
6th Floor, Kolkata-700020, Phone: 033-35446094

Email: info@northernspirit.in, Website: [www.northernspirits.co.in](http://www.northernspirits.co.in)

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**ATTENDANCE SLIP**

(To be presented at the Entrance)

I hereby record my presence at the 12th Annual General Meeting of M/s. Northern Spirits Limited being held on Saturday, 28<sup>th</sup> September, 2024 at 11:30 A.M (IST) at the Registered Office of the Company at 5A, Woodburn Park Road, Woodburn Central, Unit-603, 6th Floor, Kolkata-700020, West Bengal (India).

**Name of Shareholder:**

**Address:**

**Mobile:**

**Email ID:**

**DP ID - Client ID:**

**Number of Shares Held:**

**Name of Proxy or Authorized Representative, if any:**

.....  
**Signature of Shareholder/Proxy/ Authorized Representative**

**Note:**

The member/proxy must bring this Attendance Slip at the meeting, duly completed and signed and hand over the same at the venue.

**NORTHERN SPIRITS LIMITED**

**CIN: L15500WB2012PLC185821**

Reg. Off: 5A, Woodburn Park Road, Woodburn Central, Unit 603,  
6th Floor, Kolkata-700020, Phone: 033-35446094

Email: info@northernspirit.in, Website: [www.northernspirits.co.in](http://www.northernspirits.co.in)

**FORM NO MGT 11**

(Proxy Form)

{Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014}

<b>Name of the Member</b>	
<b>Registered address</b>	
<b>E-mail Id</b>	
<b>Folio No</b>	
<b>DP ID- Client ID</b>	

I/We, being the member of \_\_\_\_\_ Shares of above-mentioned company hereby appoints:

1.	Name:	Address:
	E-mail Id:	Signature:

**Or failing him / her**

2.	Name:	Address:
	E-mail Id:	Signature:

**Or failing him / her**

3.	Name:	Address:
	E-mail Id:	Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Saturday, 28<sup>th</sup> September, 2024 at 11.30 A.M. at the Registered Office of the Company at 5A, Woodburn park Road, Woodburn Central, Unit No-603, 6th Floor, Kolkata – 700020, and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I/We wish my/our above Proxy to vote in the manner as indicated in the box below:-

Item No.	Resolutions	For	Against
<b>ORDINARY BUSINESS</b>			
01	To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended March 31, 2024 and the Balance Sheet as at that date together with the Reports of the Directors and the Auditors thereon.		
02	To declare a Final Dividend on Equity Shares at the rate of Re. 0.25 per equity share (2.5%) for the financial year 2023-24.		
03	To appoint Director in place of Mr. Anuj Bakshi (DIN: 02500120), who retires by rotation at this Annual General Meeting in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.		

Signed this ..... day of ..... 2024.

Affix Revenue Stamp
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 Signature of Shareholder

-----  
 Signature of Proxy holder(s):

**Notes:**

1. This form should be signed across the stamp as per specimen signature registered with the Company.
2. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
3. A proxy need not be a member of the Company.
4. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
5. \*\*This is only optional. Please put a 'x' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
6. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
7. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



## DIRECTORS' REPORT

### Dear Members,

Your Directors are pleased to present the 12<sup>th</sup> Annual Report of Northern Spirits Limited (referred to as NSL or Company) on the business and operations together with the Audited Financial Statements for the year ended 31st March, 2024.

### SUMMARY OF FINANCIAL RESULTS

The summarized financial performance of the Company for the year under review as compared with previous year's figures are given hereunder:

PARTICULARS	(Rs. in Lakhs)	
	F.Y. 2023-24	F.Y. 2022-23
Net Sales / Income from Business Operations	1,23,530.58	90,534.10
Other Income	73.42	32.01
Total Income	1,23,604.00	90,566.11
Total Expenditure	1,21,374.47	89,074.40
Profit/(Loss) Before Tax	2,229.53	1,491.71
Less: Tax Expenses	378.34	378.34
Profit/(Loss) After Tax	1,657.28	1,113.37
Basic & Diluted Earnings per Equity Share	10.32	6.94

### OPERATIONAL REVIEW

Gross revenues for this financial year stood at Rs. 1,23,530.58 Lakhs as against Rs. 90,566.11 Lakhs in the previous year. After providing for depreciation and taxation the net profit of the Company for the year under review was placed at Rs. 1,657.28 Lakhs as compared to the net profit of Rs. 1,113.37 Lakhs incurred during the previous year registering a steady growth of 48.85%. The Earnings Per Share (EPS) stood at Rs. 10.32 (face value of Rs. 10/- each) for the financial year ended 31<sup>st</sup> March, 2024 as against 6.94 (face value of Rs. 10/- each) in the previous year. Company has produced a satisfactory performance both in terms of profitability and turnover inspite of the challenges faced during the year. Company's prime focus has been on operational efficiency and market diversification.

### DIVIDEND

The Board of Directors has recommended a final dividend of 2.5 % i.e. Re. 0.25 per equity share of Rs. 10/- each fully paid-up on the Equity Share Capital of the Company for the financial year ended 31<sup>st</sup> March, 2024. The payment of dividend is subject to the approval of the members at the forthcoming Annual General Meeting (AGM) and shall be subject to deduction of income tax at source.

The dividend recommended is in accordance with the Company's Dividend Distribution Policy. The Dividend Distribution Policy of the Company is annexed herewith as **Annexure – A** and also available on the Company's website at [www.northernspirits.co.in](http://www.northernspirits.co.in)

### SHARE CAPITAL

The paid-up equity capital as on March 31, 2024 was Rs. 16,05,12,000. No Bonus Shares were issued neither Company bought back any of its securities during the year under review. The Company has not issued any shares with differential voting rights nor granted stock options nor sweat equity shares. As on March 31, 2024, none of the Directors of the Company hold instruments convertible into equity shares of



the Company. The Company has paid Listing Fees for the financial year 2024-25 to BSE Limited, where its equity shares are listed.

#### **DEPOSITS**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Therefore, it is not required to furnish information in respect of outstanding deposits under non- banking, non-financial Companies (Reserve Bank) Directions, 1966 and Companies (Accounts) Rules, 2014.

#### **DEBENTURES**

During the financial year under review, the Company has not issued or allotted any Debentures and does not have any outstanding Debentures

#### **TRANSFER TO RESERVES**

During the financial year under review, there was no amount transferred to the reserves of the Company.

#### **SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

The Company has no Subsidiary/Joint Venture/Associate Company during the year under review. Hence, details for the same are not required to be mentioned.

#### **DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES AND EQUITY SHARES WITH DIFFERENTIAL RIGHTS**

The Company has not issued any Sweat Equity Shares or Equity Shares with Differential Rights during the financial year.

#### **EXTRACTS OF ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92(3) read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in prescribed Form – MGT 9 is furnished in **Annexure – B** and is attached to this Report.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its Responsibility Statement:-

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and 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 directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating efficiently.  
Internal financial control means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW**

The Company held Twelve (12) Board Meetings during the financial year under review. Detailed information is given in the Corporate Governance Report.





## BOARD EVALUATION

During the financial year, formal annual evaluation of the Board, its committees and individual Directors was carried out pursuant to the Board Performance Evaluation Policy of the Company and in accordance with the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure) Regulations, 2015.

The Board of Directors has evaluated the performance of Independent Directors and expressed their satisfaction with the evaluation process.

The criteria for the performance evaluation of the Board of Directors includes aspects such as its composition and structure, and the effectiveness of its processes, information flow and functioning. The criteria for the performance evaluation of individual Directors includes aspects, such as the Director's contribution to the Board of Directors and Committee meetings, including preparation on the issues to be discussed as well as meaningful and constructive contribution and inputs during meetings. In addition, the Chairperson is evaluated on the key aspects of his role.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings etc. The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc.

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors.

## BOARD COMMITTEES

The Company has the following Committees of the Board:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee

Composition of the above mentioned Committees, their respective roles and responsibilities are provided in the Corporate Governance Report which forms part of the Annual Report.

## DECLARATION FROM INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

## SEPARATE MEETING OF INDEPENDENT DIRECTORS

In terms of requirement of Schedule IV of the Companies Act, 2013, Independent Directors had a separate meeting on March 31, 2024 without the attendance of Non-Independent Directors and Members of management. All the Independent Directors were present at the said meeting. The activities prescribed in paragraph VII of Schedule IV to the Act were carried out at the said meeting.

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

The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the investments made by Company are given in the notes to the financial statements.



### PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the financial year under review.

However, the Board has adopted this Policy in terms of Regulation 23 of the SEBI (Listing Obligations and Disclosure Regulations) to ensure that all Related Party Transactions shall be subject to this policy and approval or ratification in accordance with Applicable Law. This Policy contains the policies and procedures governing the review, determination of materiality, approval and reporting of such Related Party Transactions. The Policy on Related Party Transactions is uploaded in the Company's website [www.northernspirits.co.in](http://www.northernspirits.co.in)

### DETAILS OF RECOMMENDATIONS OF AUDIT COMMITTEE WHICH WERE NOT ACCEPTED BY THE BOARD ALONG WITH REASONS

The same is not applicable as the Audit Committee's recommendations were accepted and implemented by the Board.

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

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Company. There was no foreign exchange inflow or outflow during the year under review.

### CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Board has constituted a Corporate Social Responsibility ("CSR") Committee in terms of the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 on May 25, 2022. The CSR Policy and the Annual Report on CSR have been annexed to the Directors Report as **Annexure – C** and **Annexure – D** respectively.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board comprises of eight Directors of which four are Independent. Pursuant to provisions of Section 152(6) of the Companies Act, 2013 and Articles of Association of the Company **Mr. Anuj Bakshi (DIN: 02500120)** will retire by rotation at the ensuing AGM of the Company and being eligible, offers himself for re-appointment.

Mr. Arihant Jain (DIN: 05359143) has been appointed as an Independent Director of the Company on 27<sup>th</sup> June, 2023. His appointment has been approved by the members at the 11<sup>th</sup> AGM of the Company held on 22<sup>nd</sup> September, 2023.

In terms of the provisions of Section 149, 152 of the Companies Act, 2013 which came into effect from 1<sup>st</sup> April, 2014, Schedule IV and other applicable provisions, if any, read with Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors can hold office for a term of up to five (5) consecutive years on the Board of Directors of the Company and are not liable to retire by rotation. All Independent Directors of the Company have submitted a declaration that each of them meets the criteria of Independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as Independent Director during the year.

The following are the Key Managerial Personnel of the Company:

Sr. No.	Name	DIN	Designation
1.	Ankush Bakshi	02547254	Managing Director
2.	Anuj Bakshi	02500120	Executive Director & Chief Financial Officer
3.	Pankaj Khanna*	-	Company Secretary

\* Mr. Pankaj Khanna was appointed as a Company Secretary and Compliance Officer of the Company on 10.08.2023



None of the Directors of your Company is disqualified under the provisions of Section 164(2)(a) & (b) of the Companies Act, 2013 and a certificate dated 2<sup>nd</sup> July, 2024 received from Mrs. Puja Pujari, Company Secretary in Practice certifying that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of the Company by SEBI/Ministry of Corporate Affairs or any such statutory authority is annexed to the Corporate Governance Report.

#### **COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, 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 - E** and is attached to this report.

#### **PARTICULARS OF MANAGERIAL REMUNERATION POLICY**

Pursuant Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, detailed statement is attached as **Annexure - F**.

There is no employee whose remuneration exceeds the limits prescribed under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### **REMUNERATION OF DIRECTORS**

The details regarding remuneration to Directors are shown separately in MGT-9 attached as **Annexure - B** which forms part of the Directors Report.

#### **STATUTORY AUDITORS**

Pursuant to Section 139 and 142 of the Companies Act, 2013 and Rules made thereunder, M/s JKSS & Associates (Formerly J.K. Sarawgi & Company), Chartered Accountants (ICAI Firm Registration No. 006836C) were re-appointed as Statutory Auditors for a second term of 5 consecutive years from the conclusion of 11<sup>th</sup> Annual General Meeting until the conclusion of the 16<sup>th</sup> Annual General Meeting.

The member of the Company has approved the re-appointment M/s JKSS & Associates (Formerly J.K. Sarawgi & Company), Chartered Accountants as the Statutory Auditors of the Company at the 11<sup>th</sup> AGM held on 22<sup>nd</sup> September, 2023.

#### **DISCLOSURE OF COMPOSITION VIGIL MECHANISM POLICY**

In compliance with Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015, Company has established a strong vigil mechanism and adopted a Whistle Blower/Vigil Mechanism Policy. This policy oversees through the committee, the genuine concerns expressed by the employees and other Directors. The policy enables employees to report concerns related to fraud, malpractice, or any activity contrary to the Company's interests or societal welfare. The policy ensures protection for employees who report unacceptable or unethical practices, fraud, or legal violations, shielding them from retaliation.

All cases reported as part of whistle-blower mechanism are taken to their logical conclusion within a reasonable timeframe. Details of complaints, received and the actions taken, if any, are reviewed by the Audit Committee. The functioning of the Vigil Mechanism is reviewed by the Audit Committee from time to time. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co-employees and the Company.

The policy on vigil mechanism is attached with this report as **Annexure - G** and is also available on the website of the company at [www.northernspirits.co.in](http://www.northernspirits.co.in)

#### **STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

Management and Business Risk Evaluation is an ongoing process within the Organization. The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis. At present the Company has not identified any element of risk which may threaten the business or existence of the Company.



The key business risks, which in the opinion of the Board may threaten the existence of the Company, along with mitigation strategies adopted by the Company are enumerated herein below:

<b>Sr. No.</b>	<b>Type of Risk</b>	<b>Nature of Risk</b>	<b>Risk Mitigation Measures</b>
1.	Competition Risk	The market liquor industry is rapidly evolving and is highly competitive and the Company expects that competition will continue to intensify due to new and varied product launches.	The Company has a robust distribution market. The brands have a very strong loyalty and steps have been taken to maintain the supply of the high contribution brands in the most profitable markets.
2.	Regulatory Risk	The liquor industry is a high-risk industry, primarily on account of the high taxes and innumerable regulations governing it. As a result, liquor companies suffer from low pricing flexibility and have underutilized capacities, which, in turn, lead to low margins.	Company ensures compliance with the applicable rules and regulations in all the States where it is present. It also ensures that strong backup methods are in place to counter any adverse or abnormal situation that might affect the industry.
3.	Cyber Security Risk	This risk can also be called data security and information breach. It causes financial loss, operational disruption as well as reputational damage to the Company.	Company has a centralized inventory established for all IT managed applications and infrastructure servers and also for managing all critical information assets. Company regularly conducts use of machine learning and threat intelligence to detect and block sophisticated threats. All servers, network devices are patched on regular basis. It also conducts mandatory global e-learning and regular phishing exercises for all employees to educate them about Cyber Security Risk.

### **SECRETARIAL AUDIT REPORT**

Mrs. Puja Pujari, Practicing Company Secretary, having office at 2, Nawab Lane, Kolkata - 700001 has been appointed as Secretarial Auditors of the Company for financial year ended 31<sup>st</sup> March, 2024. The Secretarial Audit Report received from the Secretarial Auditor is annexed to this report marked as **Annexure – H** and forms part of this report.

### **COST AUDIT**

As per directives of the Central Government and in pursuance to the provisions of Section 148 of the Companies Act, 2013 read with rules framed there under, the Company is not required to carry out an audit of cost accounts.



## INTERNAL AUDIT

Pursuant to the provisions of Section 138(1) of the Companies Act, 2013 Company has appointed M/s Swapn & Associates, Chartered Accountants as the Internal Auditors of the Company to conduct the internal audit of the Company. The Audit Committee reviews the observations made by the Internal Auditors in their report on quarterly basis and makes necessary recommendations to the management.

## EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

The Statutory Auditors of the Company in their Independent Audit Report for the financial year ended 31<sup>st</sup> March, 2024 has made an audit qualification stating that the Company has not enabled the audit trail feature of its accounting software for certain period during the year under review.

Further, the Secretarial Audit Report for the year ended 31<sup>st</sup> March, 2024 contains no qualifications, reservations or adverse remarks.

However, the Secretarial Auditor has reported that during the year under review a search operation was conducted by the Income Tax Department at the office and warehouses of the Company together with residential houses of the promoters of the Company. Few documents and records of the Company were seized by the department during the search procedure. The Company has extended its full co-operation during the entire search procedure. The assessment proceedings are under process and no material issues have been found that may affect going concern status of the Company.

## FRAUD REPORTING

There have been no frauds reported by the Auditors of the Company to the Audit Committee or the Board of Directors under sub-section (12) of section 143 of the Companies Act, 2013 during the financial year.

## DISCLOSURE ON COMPLIANCE WITH SECRETARIAL STANDARDS

Your Directors confirm that Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

## CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "**Code of Conduct for Board of Directors & Senior Management Personnel**". The Code has been posted on the Company's website at [www.northernspirits.co.in](http://www.northernspirits.co.in)

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

## PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information



in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. The Code has been posted on the Company's website at [www.northernspirits.co.in](http://www.northernspirits.co.in)

All Board of Directors and the designated employees have confirmed compliance with the Code.

#### **MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates on the date of this report.

However, during the year Company has made an application to BSE Limited for migrating the equity shares of the Company from SME Board to Main Board of the Exchange. This decision of migration was adopted by the Company for encouraging retail investor participation and attracting more investors to invest their capital in the Company.

#### **INTERNAL COMPLAINT REGARDING SEXUAL HARRASSMENT**

Your Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees.

There were no cases of sexual harassment of woman at work place (Prevention, Prohibition and Redressal) Act, 2013. Also, there are no instances of child labour/ forced labour/ involuntary labour and discriminatory employment during the year.

#### **DETAILS OF COMPOSITION OF COMMITTEES**

##### **(i) Audit Committee**

The Audit Committee of the Company as on the date of this report is constituted of following Directors:

<b>Names</b>	<b>Designation</b>	<b>Category</b>
Mr. Sathvik Jain	Chairperson	Independent
Mrs. Malti Jaiswal	Member	Independent
Mr. Ankush Bakshi	Member	Independent

##### **(ii) Nomination and Remuneration Committee**

The Nomination and Remuneration Committee of the Company as on the date of this report is constituted of following Directors:

<b>Names</b>	<b>Designation</b>	<b>Category</b>
Mr. Jagjit Singh Kochar	Chairperson	Independent
Mrs. Malti Jaiswal	Member	Independent
Mr. Sathvik Jain	Member	Independent

##### **(iii) Stakeholders Relationship Committee**

The Stakeholders Relationship Committee of the Company as on the date of this report is constituted of following Directors:

<b>Names</b>	<b>Designation</b>	<b>Category</b>
Mrs. Malti Jaiswal	Chairperson	Independent
Mr. Jagjit Singh Kochar	Member	Independent
Mr. Sathvik Jain	Member	Independent

##### **(iv) Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee of the Company as on the date of this report is constituted of following Directors:



Names	Designation	Category
Mr. Sathvik Jain	Chairperson	Independent
Mrs. Kanika Bakshi	Member	Executive
Mrs. Roshni Bakshi	Member	Executive

#### APPLICATION MADE OR PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

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

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

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

#### CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of the business of the Company.

#### LISTING OF SHARES

The Equity Shares of the Company are listed on the SME platform of BSE Limited, Mumbai. The Listing Fee has been paid to the Stock Exchanges for the FY 2024-25. The ISIN No. of the Company is INE01BL01012.

#### TRANSFER OF SHARES COMPULSORILY IN DEMAT MODE

SEBI had vide Notification Nos. SEBI/LAD-NRO/GN/2018/24 dated 8th June 2018 and SEBI/LAD-NRO/GN/2018/49 dated 30th November 2018 read with BSE circular no. LIST/COMP/15/2018-19 dated 5th July 2018 and NSE circular no. NSE/CML/2018/26 dated 9th July 2018 directed that transfer of securities would be carried out in dematerialised form only with effect from 1st April 2019, except in case of transmission or transposition of securities. **Securities of the listed companies can be transferred (except in case of transmission or transposition) only in the dematerialized form.** In view of the above and to avail the benefits of dematerialisation, Members are requested to consider dematerialising shares held by them in physical form.

In case any of the Shareholders have any queries or need any assistance in this regard, please contact;

<p><b>NORTHERN SPIRITS LIMITED</b>  <b>Registered Office Address:</b>            5A, Woodburn Park Road,            Woodburn Central, Unit-603, 6th Floor,            Kolkata- 700020, West Bengal            Tel: 033-35446094            E-mail: info@northernspirit.in            Website: www.northernspirits.co.in</p>	<p><b><u>Registrar &amp; Share Transfer Agent</u></b>  <b>Maheshwari Datamatics Pvt Ltd</b>  <b>23, R.N Mukherjee Road, 5th Floor</b>  <b>Kolkata- 700 001 West Bengal</b>            Tel.: (033) 2248 2248,            Fax: (033) 2248 2248            Email id: accounts@mdpl.in/mdpldc@yahoo.com            Website: www.mdplin.in</p>
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#### CORPORATE GOVERNANCE

The Company is committed to maintain transparency in its operations & hence it complies with the Corporate Governance requirements.

The Corporate Governance Report as per Schedule V(C) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and requisite Certificate of Compliance from Statutory Auditor regarding compliance of conditions of Corporate Governance are annexed and forms part of the Annual Report.

**MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report of the Company comprising of management perception, risks and concerns, internal control systems are annexed and forms part of the Annual Report and is annexed to the report as **Annexure – I**.

**ACKNOWLEDGEMENTS**

Your Directors wish to acknowledge and place on record their sincere appreciation for the assistance and cooperation received from all the members, regulatory authorities, customers, financial institutions, bankers, lenders, vendors and other business associates.

Your Directors also recognize and appreciate the commendable effort, teamwork and committed services rendered by the employees at all levels for the growth of the Company.

Your Directors also wish to place on record their deep sense of acknowledgement to the esteemed shareholders for their continued support and encouragement for the Company.

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

**Place:** Kolkata  
**Date:** 29<sup>th</sup> May, 2024

**s/d-**  
**Ankush Bakshi**  
**Managing Director**  
**DIN: 02547254**





## Annexure – A to the Directors Report

### **DIVIDEND DISTRIBUTION POLICY**

#### **STATUTORY MANDATE**

The Board of Directors (The 'Board') of Northern Spirits Limited ("the Company") has adopted the following Policy for Distribution of Dividend to the Shareholders of the Company.

#### **BACKGROUND**

The Company is basically involved in the business of trading and distribution of wines, alcohol, and spirits.

A large proportion of the financing of the Company is through equity capital. With a low level of borrowing in proportion to equity capital, the outlay on dividend forms a substantial part of the cost of capital. It is the Company's endeavour to maintain and pay dividend keeping market expectations in mind. The dividend paid as a proportion of earnings has been maintained accordingly.

The prevailing Governmental and geopolitical environment directly impacts profit in the industry in which the company is operating. Infrastructural development, both domestic and foreign, depends on factors that are beyond the control of the Company.

#### **POLICY**

This Policy for Distribution of Dividend to Shareholders of the Company is framed in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations").

#### **DIVIDEND**

The Board will finalise the dividend to be declared by the Company based on the above stated background while also considering the following:

Dividend will be declared once a year based on the profits as per the Audited Financial Statements for the year. The Board may declare an interim dividend after satisfying themselves about the distributable profit.

Normally, the Dividend will be declared out of the current year's profit of the Company, subject to the following:

- i. Company's need of Capital Expenditures/Investment;
- ii. Cash Flow position.

Given that profits can be volatile, the Board will Endeavour to achieve stability, to the extent feasible, in the quantum of Dividend paid to Shareholders.

Should the current year's profit be inadequate, the Board may, after considering the Carried Forward Balance in the Profit & Loss Account of the Company, declare dividend or declare dividend out of Reserves, as is permitted under the law.

As such, the Company may declare the Dividend out of:

1. Current year's profit –



- a) after providing for depreciation in accordance with Sub-section (2) of Section 123 of the Companies Act, 2013 ("Act") and
  - b) after transfer of such percentage of its profits for that Financial Year to reserves as may be required under the law and as the Board of Directors may deem fit; OR
2. Carried Forward Balance in the Profit & Loss Account; OR
  3. Free Reserve as may be permitted under law; OR
  4. A combination of (1), (2) and (3) above.

**FACTORS TO BE CONSIDERED FOR DECLARATION OF DIVIDEND**

1. Capital Expenditure /Investment requirement of the Company for:
  - a) New projects;
  - b) Ongoing projects including expansion, renovation or modernisation etc.
  - c) Acquisition of major fixed assets including land and buildings;
  - d) Acquisition of any business entity etc.
2. Payment of any major liability;
3. Any other requirements for fund conservation;
4. Agreement with lending institutions.

**REVISION IN THE POLICY**

The Board of Directors will review the policy from time to time or when changes may be required.

**GENERAL**

All the words and expressions used in this Policy, unless defined hereinafter, shall have the meaning respectively assigned to them under the Listing Regulations and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued thereunder, as amended from time to time.



## Annexure – B to the Directors Report

### FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

**As on financial year ended 31.03.2024**

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014]

#### I. REGISTRATION & OTHER DETAILS

1.	<b>CIN</b>	L15500WB2012PLC185821
2.	<b>Registration Date</b>	13.09.2012
3.	<b>Name of the Company</b>	Northern Spirits Limited
4.	<b>Category/Sub-category of the Company</b>	Company limited by shares
5.	<b>Address of the Registered office and contact details</b>	5A, Woodburn Park Road, Woodburn Central, Unit 603, 6th Floor, Kolkata-700020, West Bengal Tel: 033-35446094 E-mail: info@northernspirit.in Website: www.northernspirits.co.in
6.	<b>Whether listed company</b>	Listed
7.	<b>Name, Address &amp; contact details of the Registrar &amp; Transfer Agent, if any.</b>	Maheshwari Datamatics Pvt Ltd 23, R.N Mukherjee Road, 5th Floor Kolkata- 700 001 West Bengal Tel.: (033) 2248 2248, Fax: (033) 2248 2248 Email id: accounts@mdpl.in/ mdpldc@yahoo.com Website: www.mdplin.in

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Trading and Distribution	4630	100.00

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
NOT APPLICABLE			

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

**(A) Category-wise Share Holding**

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2023]				No of Shares held at the end of the year [As on 31/Mar/2024]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	10749000	0	10749000	66.9670	10749000	0	10749000	66.9670	0.0000
b) Central Govt.	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) State Govt(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Bodies Corp.	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Banks/FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Society/Trust	0	0	0	0.0000	0	0	0	0.0000	0.0000
<b>Sub-total (A)(1)</b>	10749000	0	10749000	66.9670	10749000	0	10749000	66.9670	0.0000
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Other - Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Bodies Corp.	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Banks/FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Any other	0	0	0	0.0000	0	0	0	0.0000	0.0000
<b>Sub-total (A)(2)</b>	0	0	0	0.0000	0	0	0	0.0000	0.0000
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	10749000	0	10749000	66.9670	10749000	0	10749000	66.9670	0.0000
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Banks/FI									
c) Central Govt.	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) State Govt(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
g) FIs	0	0	0	0.0000	0	0	0	0.0000	0.0000
h) Foreign Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
i) Others (specify)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Alternate									



Investment Funds									
Foreign Portfolio Investor Category I	0	0	0	0.0000	0	0	0	0.0000	0.0000
Foreign Portfolio Investor Category II	0	0	0	0.0000	0	0	0	0.0000	0.0000
Provident Funds / Pension Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
Asset Reconstruction Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
Other Financial Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sovereign Wealth Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
NBFCs registered with RBI	0	0	0	0.0000	0	0	0	0.0000	0.0000
Foreign Direct Investment	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sovereign Wealth Funds - Foreign	0	0	0	0.0000	0	0	0	0.0000	0.0000
Foreign Bank	0	0	0	0.0000	0	0	0	0.0000	0.0000
Foreign Bodies-D R	0	0	0	0.0000	0	0	0	0.0000	0.0000
Other Foreign Portfolio Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
Shareholding by Companies or Bodies Corporate where Central/State Government is a promoter	0	0	0	0.0000	0	0	0	0.0000	0.0000
<b>Sub-total(B)(1):-</b>	0	0	0	0.0000	0	0	0	0.0000	0.0000
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	149000	0	149000	0.9283	224000	0	224000	1.3955	0.4672
ii) Overseas	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	771498	0	771498	4.8065	1150200	0	1150200	7.1658	2.3593
ii) Individual shareholders holding nominal	2615000	0	2615000	16.2916	2667500	0	2667500	16.6187	0.3271



share capital in excess of Rs. 1 lakh									
c) Others (Specify)									
Non Resident Indians	1680000	0	1680000	10.4665	1085500	0	1085500	6.7627	(3.7038)
Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
Custodian of Enemy Property	0	0	0	0.0000	0	0	0	0.0000	0.0000
Foreign Nationals	0	0	0	0.0000	0	0	0	0.0000	0.0000
Clearing Members	17702	0	17702	0.1103	2000	0	2000	0.0125	(0.0978)
Trusts	0	0	0	0.0000	0	0	0	0.0000	0.0000
Foreign Portfolio Investor (Individual)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Associate Companies / Subsidiaries	0	0	0	0.0000	0	0	0	0.0000	0.0000
Employee Trusts	0	0	0	0.0000	0	0	0	0.0000	0.0000
Resident Individual (HUF)	69000	0	69000	0.4299	173000	0	173000	1.0778	0.6479
Domestic Corporate Unclaimed Shares Account	0	0	0	0.0000	0	0	0	0.0000	0.0000
Investor Education and Protection Fund Authority	0	0	0	0.0000	0	0	0	0.0000	0.0000
Directors and their relatives	0	0	0	0.0000	0	0	0	0.0000	0.0000
Key Managerial Personnel	0	0	0	0.0000	0	0	0	0.0000	0.0000
Relatives of Promoters	0	0	0	0.0000	0	0	0	0.0000	0.0000
Trusts where any person belonging to Promoter and Promoter Group category is trustee, beneficiary or author of the trust	0	0	0	0.0000	0	0	0	0.0000	0.0000
Foreign Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
<b>Sub-total(B)(2):-</b>	5302200	0	5302200	33.0331	5302200	0	5302200	33.0331	0.0000
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	5302200	0	5302200	33.0331	5302200	0	5302200	33.0331	0.0000
C.1. Shares held by Custodian for GDRs & ADRs	0	0	0	0.0000	0	0	0	0.0000	0.0000



C.2. Employee Benefit Trust/Employee Welfare Trust under SEBI	0	0	0	0.0000	0	0	0	0.0000	0.0000
<b>Grand Total (A+B+C)</b>	<b>16051200</b>	<b>0</b>	<b>16051200</b>	<b>100.0000</b>	<b>16051200</b>	<b>0</b>	<b>16051200</b>	<b>100.0000</b>	<b>0.0000</b>

**(B) Shareholding of Promoter-**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Ankush Bakshi	5809600	36.194	50.050	5809600	36.194	50.050	0.000
2.	Anuj Bakshi	4809600	29.964	39.664	4809600	29.964	39.664	0.000
3.	Kulbir Bakshi	70000	0.436	0.000	70000	0.436	0.000	0.000
4.	Amita Bakshi	39800	0.248	0.000	39800	0.248	0.000	0.000
5.	Kanika Bakshi	10000	0.062	0.000	10000	0.062	0.000	0.000
6.	Roshni Bakshi	10000	0.062	0.000	10000	0.062	0.000	0.000

**(C) Change in Promoters' Shareholding**

Sr. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>KULBIR BAKSHI</b>				
	a) At the Beginning of the Year	70000	0.436		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			70000	0.436
2	<b>ANKUSH BAKSHI</b>				
	a) At the Beginning of the Year	5809600	36.194		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			5809600	36.194
3	<b>ANUJ BAKSHI</b>				
	a) At the Beginning of the Year	4809600	29.964		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			



	c) At the End of the Year			4809600	29.964
<b>4</b>	<b>ROSHNI BAKSHI</b>				
	a) At the Beginning of the Year	10000	0.062		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			10000	0.062
<b>5</b>	<b>AMITA BAKSHI</b>				
	a) At the Beginning of the Year	39800	0.248		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			39800	0.248
<b>6</b>	<b>KANIKA BAKSHI</b>				
	a) At the Beginning of the Year	10000	0.062		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			10000	0.062

**(D) Shareholding Pattern of top ten Shareholders:**

**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Name	Shareholding at the beginning [01/Apr/23]/end of the year [31/Mar/24]		Cumulative Shareholding during the year [01/Apr/23 to 31/Mar/24]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	<b>SAURABH NARESH SHAH*</b>				
	a) At the Beginning of the Year	51000	0.3177		
	b) Changes during the year				
	31/09/2023 - Transfer	3000	0.0187	54000	0.3364
	31/03/2024 - Transfer	8500	0.0530	62500	0.3984
	c) At the End of the Year			62500	0.3984
<b>2.</b>	<b>ALPESH NARPATCHAND JAIN#</b>				
	a) At the Beginning of the Year	564000	3.5138		
	b) Changes during the year				
	30/09/2023 - Transfer	(564000)	(3.5138)	0	0.0000
	c) At the End of the Year			0	0.0000
<b>3.</b>	<b>DIMPLE JAIN *</b>				
	a) At the Beginning of the Year	0	0.0000		
	b) Changes during the year				
	30/09/2022 - Transfer	564000	3.5138	564000	3.5138
	c) At the End of the Year			564000	3.5138





<b>4.</b>	<b>SHARAD AGARWAL</b>				
	a) At the Beginning of the Year	100000	0.6230		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			100000	0.6230
<b>5.</b>	<b>NIHIR CHANDRAKANT SHAH</b>				
	a) At the Beginning of the Year	60000	0.3738		
	b) Changes during the year				
	30/09/2023 - Transfer	25000	0.1558	85000	0.5296
	31/03/2024 - Transfer	65000	0.4050	150000	0.9345
	c) At the End of the Year			150000	0.9345
<b>6.</b>	<b>BHAVNA HITESH PATEL</b>				
	a) At the Beginning of the Year	400000	2.4920		
	b) Changes during the year				
	30/06/2023 - Transfer	(13000)	(0.0810)	387000	2.4110
	30/09/2023 - Transfer	(29500)	(0.1838)	357500	2.2272
	31/12/2023 - Transfer	(21000)	(0.1308)	336500	2.0964
	31/03/2024 - Transfer	(193500)	(1.2055)	143000	0.8909
	c) At the End of the Year			143000	0.8909
<b>7.</b>	<b>HITESH MOHAN PATEL</b>				
	a) At the Beginning of the Year	1154000	7.1895		
	b) Changes during the year				
	30/06/2023 - Transfer	(82000)	(0.5109)	1072000	6.6786
	30/09/2023 - Transfer	(54500)	(0.3395)	1017500	6.3391
	31/12/2023 - Transfer	(2000)	(0.0125)	1015500	6.3266
	31/03/2024 - Transfer	(474000)	(2.9531)	541500	3.3736
	c) At the End of the Year			541500	3.3736
<b>8.</b>	<b>VIPUL M PATEL</b>				
	a) At the Beginning of the Year	61000	0.3800		
	b) Changes during the year				
	30/06/2023 - Transfer	(8500)	(0.0530)	52500	0.3271
	30/09/2023 - Transfer	36000	0.2243	88500	0.5514
	31/12/2023 - Transfer	2000	0.0125	90500	0.5638
	31/03/2024 - Transfer	(28500)	(0.1776)	62000	0.3863
	c) At the End of the Year			62000	0.3863
<b>9.</b>	<b>VENKATESH BHASKAR SHENOY *</b>				
	a) At the Beginning of the Year	0	0.0000		
	b) Changes during the year				



	31/03/2024 - Transfer	75000	0.4673	75000	0.4673
	c) At the End of the Year			75000	0.4673
<b>10.</b>	<b>VIR BHUVAN KHIMJI</b>				
	a) At the Beginning of the Year	155000	0.9657		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			155000	0.9657
<b>11.</b>	<b>PRAKASH BANDU SHINDE#</b>				
	a) At the Beginning of the Year	88000	0.5482		
	b) Changes during the year				
	30/06/2023 - Transfer	(9000)	(0.0561)	79000	0.4922
	30/09/2023 - Transfer	56500	0.3520	135500	0.8442
	31/12/2023 - Transfer	1500	0.0093	137000	0.8535
	31/03/2024 - Transfer	(137000)	(0.8535)	0	0.0000
	c) At the End of the Year			0	0.0000
<b>12.</b>	<b>ARJUN BANDU SHINDE</b>				
	a) At the Beginning of the Year	0	0.0000		
	b) Changes during the year				
	30/06/2023 - Transfer	65000	0.4050	65000	0.4050
	30/09/2023 - Transfer	(64500)	(0.4018)	500	0.0031
	31/03/2024 - Transfer	(500)	(0.0031)	0	0.0000
	c) At the End of the Year			0	0.0000
<b>13.</b>	<b>YASHVI HITESH PATEL</b>				
	a) At the Beginning of the Year	23000	0.1433		
	b) Changes during the year				
	30/06/2023 - Transfer	(23000)	(0.1433)	0	0.0000
	30/09/2023 - Transfer	114000	0.7102	114000	0.7102
	31/12/2023 - Transfer	(31500)	(0.1962)	82500	0.5140
	31/03/2024 - Transfer	(82000)	(0.5109)	500	0.0031
	c) At the End of the Year			500	0.0031
<b>14.</b>	<b>SUMEET SINGH SAHNI</b>				
	a) At the Beginning of the Year	567000	3.5324		
	b) Changes during the year				
	31/03/2024 - Transfer	(25000)	(0.1558)	542000	3.3767
	c) At the End of the Year			542000	3.3767
<b>15.</b>	<b>SABAH SAHNI *</b>				
	a) At the Beginning of the Year	540000	3.3642		



	b) Changes during the year				
	31/12/2023 - Transfer	(25500)	(0.1589)	514500	3.2054
	c) At the End of the Year			514500	3.2054

\* Not in the list of Top 10 shareholders as on 01/04/2023. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2024.

# Ceased to be in the list of Top 10 shareholders as on 31/03/2024. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2023.

**(D) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>ANKUSH BAKSHI</b>				
	a) At the Beginning of the Year	5809600	36.194		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			5809600	36.194
2.	<b>ANUJ BAKSHI</b>				
	a) At the Beginning of the Year	4809600	29.964		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			4809600	29.964
3.	<b>ROSHNI BAKSHI</b>				
	a) At the Beginning of the Year	10000	0.062		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			10000	0.062
4.	<b>KANIKA BAKSHI</b>				
	a) At the Beginning of the Year	10000	0.062		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			10000	0.062
5.	<b>PANKAJ KHANNA*</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0.000

\* Mr. Pankaj Khanna was appointed as a Company Secretary and Compliance Officer of the Company on August 10, 2023.



**V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment:**

Particulars	Secured Loan excluding deposit	Unsecured Loan	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	89,07,76,710	6,00,00,000	-	95,07,76,710
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
<b>Total (1+2+3)</b>	<b>89,07,76,710</b>	<b>6,00,00,000</b>	<b>-</b>	<b>95,07,76,710</b>
Change in Indebtedness during the Financial Year				
• Addition	1251,45,15,95 1	-	-	1251,45,15,95 1
• Reduction	1208,77,53,21 4	-	-	1208,77,53,21 4
Net Change	42,67,62,737	-	-	42,67,62,737
Indebtedness at the end of the financial year				
(i) Principal Amount	131,75,39,447	6,00,00,000	-	137,75,39,447
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
<b>Total (1+2+3)</b>	<b>131,75,39,447</b>	<b>6,00,00,000</b>	<b>-</b>	<b>137,75,39,447</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount (Rs. In Lakhs)
		Ankush Bakshi	Anuj Bakshi	Roshni Bakshi	Kanika Bakshi	
<b>1.</b>	<b>Gross Salary</b>					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	30.00	30.00	4.80	4.80	69.60
	(b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	NIL	NIL	NIL	NIL	NIL
<b>2.</b>	Commission	NIL	NIL	NIL	NIL	NIL
<b>3.</b>	Others– Remuneration benefits	NIL	NIL	NIL	NIL	NIL



	<b>Total (A)</b>	<b>30.00</b>	<b>30.00</b>	<b>4.80</b>	<b>4.80</b>	<b>69.60</b>
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**B. Remuneration to Other Directors (All being Independent)**

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount (Rs. in Lakhs)
		Jagjit Singh Kochar	Sathvik Jain	Arihant Jain	Malti Jaiswal	
1	Fees for attending Board/ Committee Meetings	0.60	0.60	0.30	0.35	1.85
2	Commission	NIL	NIL	NIL	NIL	NIL
3	Others	NIL	NIL	NIL	NIL	NIL

**C. Remuneration to Key Managerial Personnel**

Sr. No.	Particulars of Remuneration	Particulars of Remuneration		Total Amount (Rs. in Lakhs)
		Gross Salary		
		(a) Salary as per provisions contained in section 17(1) of Income Tax Act, 1961	Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	
	<b>Name of Key Managerial Personnel</b>			
1.	Anuj Bakshi*	-	-	-
3.	Mr. Pankaj Khanna#	1.78	NIL	1.78
	<b>Total</b>	<b>1.78</b>	<b>NIL</b>	<b>1.78</b>

\* Mr. Anuj Bakshi, Executive Director of the Company has been appointed as the Chief Financial Officer of the Company w.e.f. May 05, 2022. Mr. Anuj Bakshi has not drawn any salary separately as a Chief Financial Officer of the Company.

# Mr. Pankaj Khanna was appointed as a Company Secretary and Compliance Officer of the Company on August 10, 2023.

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. Company</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. Directors</b>					



Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. Other Officers in Default</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL



## Annexure – C to the Directors Report

### CORPORATE SOCIAL RESPONSIBILITY POLICY [PURSUANT TO SECTION 135 OF THE COMPANIES ACT, 2013]

#### **Introduction**

The concept of Corporate Social Responsibility (CSR) has been developing since early 1970's in India. Philanthropy and CSR is not a novel concept for Indian Companies. Even before the introduction of any statutory guidelines, some of the Companies were discharging their Corporate Social Responsibilities by engaging themselves in socio economic and other philanthropic activities like promoting education, contributing to the social benefits in the situations of natural calamities and health of the common people by organizing health camps. With the passage of the Companies Act 2013, the mandate for corporate service responsibility has been formally introduced to the dash Board of the Indian Companies. The CSR mandate is an attempt to supplement the Govt. efforts of equitably delivering the benefits of the growth and to engage the corporate world with the Country's development agenda.

Though there is no specific commonly applicable definition of CSR, it is the "continuous commitment by the business to behave ethically and contribute to economic development while improving the quality of life of work force and their families as well as local community and society". It is the responsibility of the corporate entity toward the society in consideration of the support given and sacrifice made by the society. Corporate Social Responsibility (CSR) is the concept where by organizations serve the interest of the society by taking the responsibility for the impact of their activities on customers, employees, shareholders, communities, environment in all aspects of their operation.

As per the Companies Act 2013 and rules made under clause 135 the CSR " means and includes but is not limited to (i) Projects and program relating to activities specified in schedule VII (subject to amendments) to the Act or (ii) projects and programs relating to activities under taken by Board of Directors of the Company in pursuance of recommendations of the CSR Committee of the Board as per the declared CSR policy of the Company subject to the condition that such policy will cover subjects enumerated in schedule VII of the Act".

Our Companies Corporate Social Responsibility (CSR) policy is broadly based on the principles of National voluntary guidelines on social, environmental and economic responsibilities of business released by the Ministry of Corporate Affairs, SEBI guidelines on Business Responsibility Reporting, Companies Act 2013 and ethos of our Sponsor, Canara Bank.

#### **Objectives of the Corporate Social Responsibility (CSR) Policy**

- To promote socio economic development in rural areas, improve education, eradicate extreme hunger and poverty, promote gender equality and empowering women, reducing child mortality and improving maternal health, health care and sanitization, ensuring environmental sustainability, employment enhancing vocational skills, social business projects, promoting and protecting natural heritage and culture and such other matters of common good.
- Contribution to the prime Ministers National relief fund or any other fund set up by Central Govt. or State Govt. for social economic development, relief and rehabilitation of persons effected by natural calamities, funds for the welfare of schedule Caste and Schedule Tribes and other backward classes, minority and women.



- Promotion and financing any other activities to be advised by the Govt. or approved by the Board from time to time.
- Promote eligible Trusts and Societies and/or encourage eligible trusts and societies or other implementing agencies, registered under section 8 of the Companies Act, who are engaged in promoting the above objectives solely with our company or jointly with any other companies.

**The responsibility of the Board in implementation of CSR rules:**

- The Board shall constitute a Corporate Social Responsibility Committee of the Board for the purpose of preparing a detailed plan of the CSR activities including decisions regarding the expenditure, types of the activities to be under taken, agencies like Trust/s, Societies, individuals etc. to implement such CSR activities, roles and responsibilities of such Trusts, Societies, individuals etc., monitoring and reporting mechanism.
- The Board of the Company shall after taking into account the recommendations made by the CSR Committee, approve the CSR policy for the Company and disclose contents of such policy in its report and also place it on the Company's website. The Board shall ensure that the activities as are included in CSR policy of the Company are undertaken by the Company, ensure that the Company spends in financial year, at least 2% of the average net profits (before tax) made during the preceding 3 financial years. If the Company fails to spend such amount, the Board shall in its report specify the reasons for not spending the amount. Company shall give the preference to the local areas.
- The Directors of the Company are responsible for Disclosure of information in the Directors' report under Section 134(3)(O) of the Act, specifying reasons for not spending the required amount for CSR activities. Failure to disclose such information on CSR policy in the Directors' Report as required under Section 134(3)(O), the Company is liable to pay a fine of Rs.50000 and every officer responsible for such default is liable for imprisonment for a term which may extend to three years or fine of not less than Rs.50000 and up to a limit of Rs.5 lacs or both.

**Functions and Responsibilities of the CSR Committee:**

- The CSR Committee of the Board shall formulate and recommend a CSR policy to the Board, indicating the activities to be under taken under CSR policy which is in tune with the Schedule VII of the Companies Act and any modifications made by the Govt. from time to time. The Committee shall also review the CSR policy from time to time / once in a year or such other periodical intervals as may be required. The Company shall study the CSR policies of other peer group housing finance companies/ CISR and take necessary guidance for the CSR activities, mode of spending CSR funds for eligible activities at periodical intervals and recommend to the CSR Committee, any modifications in the policy, objectives and allocation/ spending of CSR funds.
- The CSR Committee shall estimate, compute the amount of expenditure to be incurred on CSR activities on an annual basis or project to project basis. All the expenditure to be incurred towards CSR activities shall be reviewed by the Board, subject to such monitory ceilings as may be prescribed by the Company's Act. Unutilized CSR budget of a particular year to be permitted for carryover to the next financial year as per the provisions of the Act.
- The CSR Committee of the Board to monitor the progress in implementation of CSR projects and programs and report to the Board at half yearly intervals for review.
- The CSR Committee shall approve the activities and budget for CSR expenditure from time to time and review such expenditure at half yearly intervals. The Company may also examine contributing a portion of the eligible amount to Prime Ministers National Relief Fund and such other activities and get the benefit of Tax concession and complying with the Statutory requirements.

**The CSR Activities and strategy:**





The CSR policy should exclude the normal business activities of the Company. As per the CSR policy the activities included by the Company are to be related to the activities included in schedule VII and other amendments made thereof from time to time of the Companies Act, 2013. The CSR activities may be either independent projects and programs or activities, either new or ongoing, but will not include the activities that are undertaken in pursuance to the normal course of the business. Similarly, contribution of any amount directly or indirectly made to any political party shall not be considered as CSR activity. While, taking up any CSR activities and for spending the amount year marked for CSR activities, preference shall be given to local areas and areas in and around where the branches operate.

The gist of the activities for which the Company will spend the targeted amount which specified in the objectives of the CSR policy, the Company may cover all or any of the following activities under the CSR undertaken in India. In other words expenditure incurred in CSR projects or programs or activities undertaken outside India are not eligible to be covered under CSR expenditure. The CSR policy of the company shall include the following activities:

- Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.
- Scholarship to the students, trainees etc., introduction of earn while you learn scheme to the poor students.
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward group.
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, water and air.
- Protection of national heritage, art and culture including restoration of building and sites of historical importance and works of arts and handicrafts.
- Measure for benefits of armed forces veterans war widows and their dependents.
- Training to promote rural sports, nationally recognised sports, Paralympics sports and Olympic sports.
- Contribution to the Prime Ministers National Relief Fund or other fund set up by the Central Govt. for socio economic development and relief and welfare of the SC, ST and other backward classes, minorities and women.
- Contributes or funds provided to technology incubators located within academics institutions which are approved by the Central Govt.
- Rural Development and other community Projects of common interests.
- Welfare majors for differently abled, old, homeless and the destitute.
- Disaster management and activities including those related to amelioration and mitigation.

The strategy for implementation of the CSR activities will be reviewed from time to time, The Board may decide to undertake the CSR activities approved by the CSR committee through a registered trust or a Society or a Company, established by the Company itself or its holding Company or any other Associate Company under Section 8 of the Companies Act.



The Company may also entrust such CSR activities to any other Company, Society or Trust with established track record of 3 years in undertaking similar programs or projects. The modalities of utilisation of funds on such projects and programs and monitoring and reporting the mechanism will be introduced by the Company.

The Company may also collaborate with other Companies, Trust, Societies for undertaking projects or programs or CSR activities in such a manner that the CSR Committees of the respective Companies are in a position to report separately on such projects or programs in accordance with the mechanism approved by the CSR Committee.

Subject to the approval of CSR Committee of the Board, Company may also build the CSR capacities of the employees of the Company or other implementing Agencies through institutions with the established track records of at least 3 financial years, but such expenditure shall not exceed 5% of the total CSR expenditure of the Company in one financial year.

**The CSR expenditure:**

There is no maximum ceiling for CSR expenditure by the Company. However, as per clause 135 of the Companies Act, the Company shall spend a minimum of 2% of average net profit of the preceding 3 years for CSR activities. The net profit means, the profit of the Company as per financial statements prepared in accordance with the applicable provision Act but shall not include any profit arising from any overseas branch or branches, dividends received from any other Companies in India. The surplus, if any, arising out of CSR projects or programs or activities shall not form part of the business profits of the Company.

The expenditure for various projects, programs and activities are to be decided at the initial stage by the Company and such projects, programs and activities are to be approved by the CSR Committee of the Board. Once these projects, programs are approved by the CSR Committee, expenses for such activities may be permitted by the Company. A separate Bank account shall be maintained for monitoring the expenses for CSR activities and all the operations in the said Bank account shall be authorised by the Officials nominated by the Managing Director. The expenditure incurred for CSR activities by the Company are subject to audit by the Internal Auditors of the Company. Such audit shall be carried out at half yearly or such other intervals as may be advised by the CSR Committee of the Board.

At the end of each financial year, the Company shall prepare an annual report on CSR containing the particulars as furnished separately.

**Monitoring the CSR activities:**

Various CSR activities, projects and programs are to be monitored by the Company and progress is to be reported to be CSR committee of the Board at periodical intervals once in a half year or such other shorter intervals as may be required by the CSR Committee of the Board.



## Annexure – D to the Directors Report

### ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024

#### 1. Brief outline on CSR Policy of the Company:

The Company has currently identified the following Priority Projects to be undertaken by the CSR Committee:

1. Promoting education including special education especially among children, women, elderly and the differently abled and livelihood enhancement projects in backward areas;
2. Promoting health care including preventive health care and sanitation and making available safe drinking water;

The Company has framed its CSR policy in compliance with the provisions of the Companies Act, 2013 and the policy is duly approved by the Board of Directors.

#### 2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1.	Mr. Sathvik Jain	Chairman	2	2
2.	Mrs. Kanika Bakshi	Member	2	2
3.	Mrs. Roshni Bakshi	Member	2	2

3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	<a href="https://northernspirits.co.in/wp-content/uploads/2023/03/CSR-Policy-NSL.pdf">https://northernspirits.co.in/wp-content/uploads/2023/03/CSR-Policy-NSL.pdf</a>
4.	in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).	Not Applicable
5.	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	NIL

Sr. No.	Financial Year	Amount available for set-off from proceeding financial year	Amount required to be set-off for the financial year, if any
NIL			
6.	Average net profit of the company as per section 135(5)		Rs. 903.93 Lakhs
7.	(a) Two percent of average net profit of the company as per section 135(5)		Rs. 18.08 Lakhs



(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	NIL
(c) Amount required to be set off for the financial year, if any	-
(d) Total CSR obligation for the financial year (7a+7b-7c).	Rs. 18.08 Lakhs

**8. (a) CSR amount spent or unspent for the financial year:**

Total amount spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second provision to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
Rs. 33.50 Lakhs	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year: Nil

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

(Rs. in Lakhs)

Sr. No.	Name of the Project	Item from the List of activities in Schedule VII of the Act	Local Area (Yes/No)	Location of the Project		Amount spent for the Project	Mode of Implementation-Direct (Yes/No)	Mode of Implementation Through Agency	
				State	District			Name	CSR Regn. Number
1.	Promoting Social Welfare	Promoting Social Welfare	Yes	Rajasthan	Jaipur	33.50	No. Paid by Company to RN Nowal Foundation	RN Nowal Foundation, North Avenue Block, Vishwakarma Industries Area S.O. Jaipur, Rajasthan 302013	CSR00042647

(d) Amount spent in Administrative Overheads:

Nil

(e) Amount spent on Impact Assessment, if applicable:

N.A.

(f) Total amount spent for the Financial Year

Rs. 33.50 Lakhs

(g) Excess amount for set off, if any

Sr. No.	Particulars	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 18.08 Lakhs
(ii)	Total amount spent for the Financial Year	Rs. 33.50 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 15.42 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil



(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Rs. 15.42 Lakhs
-----	---	-----------------

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil  
(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not Applicable
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Nil



## Annexure – E to the Directors Report

### **NOMINATION & REMUNERATION POLICY**

#### **INTRODUCTION**

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Listing Agreement, as amended from time to time. This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

#### **CONSTITUTION OF THE COMMITTEE**

The Board of Directors of the Company (Board) constituted the committee to be known as the Nomination and Remuneration Committee consisting of three non-executive directors out of which two shall be the Independent Directors. The Chairman of the Committee shall be an Independent Director.

#### **OBJECTIVE AND PURPOSE OF THE POLICY**

The objective of the policy is to ensure that -

- a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

#### **ROLE OF THE COMMITTEE**

The role of the NRC will be the following: -

- a) To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- b) To formulate criteria for evaluation of Independent Directors and the Board.
- c) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- d) To carry out evaluation of Director's performance.
- e) To recommend to the Board the appointment and removal of Directors and Senior Management.
- f) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- g) To devise a policy on Board diversity, composition, size.
- h) To devise a policy on Board diversity, composition, size.
- i) To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.
- j) To perform such other functions as may be necessary or appropriate for the performance of its duties.

#### **APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT**

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his/her appointment, as per Company's Policy.



A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the position.

The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders bypassing a special resolution.

### **TERM/TENURE**

#### **Managing Director/Whole Time Director**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term.

#### **Independent Director**

An Independent Director shall hold office for a term upto five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

#### **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**

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

#### **Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.



## **POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL**

### **Remuneration to Managing Director/Whole Time Director:**

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 or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regards to remuneration to Managing Director/Whole-time Directors.

### **Remuneration to Non-Executive/Independent Director:**

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.

All the remuneration of the Non-Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share-based payment schemes of the Company.

Any remuneration paid to Non-Executive/Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

- i. The Services are rendered by such Director in his capacity as the professional; and
- ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/Purchase Schemes, shall determine the stock options and other share-based payments to be made to Directors (other than Independent 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 any, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/Purchase Schemes, shall determine the stock options and other share-based payments to be made to Key Managerial Personnel and Senior Management.





## **Board's Report...**

The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.

The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

### **IMPLEMENTATION**

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.

The Committee may delegate any of its powers to one or more of its members.



## Annexure – E to the Directors Report

### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- a) Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;

Name	Designation	Ratio to Median Remuneration
Mr. Ankush Bakshi	Managing Director	-
Mr. Anuj Bakshi	Executive Director	-
Mrs. Roshni Bakshi	Executive Director	-
Mrs. Kanika Bakshi	Executive Director	-
Mr. Jagjit Singh Kochar	Independent Director	N.A.#
Mr. Sathvik Jain	Independent Director	N.A.#
Mr. Arihant Jain*	Independent Director	N.A.#
Mrs. Malti Jaiswal	Independent Director	N.A.#

# Except sitting fees, no remuneration is paid to the Non-Executive Independent Directors.

\* Mr. Arihant Jain has been appointed as an Independent Director of the Company w.e.f. 27<sup>th</sup> June, 2023

- b) Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Name	Designation	% Increase
Mr. Ankush Bakshi	Managing Director	25.00
Mr. Anuj Bakshi	Executive Director	25.00
Mrs. Roshni Bakshi	Executive Director	0.00
Mrs. Kanika Bakshi	Executive Director	0.00
Mr. Jagjit Singh Kochar	Independent Director	N.A.#
Mr. Sathvik Jain	Independent Director	N.A.#
Mr. Arihant Jain*	Independent Director	N.A.#
Mrs. Malti Jaiswal	Independent Director	N.A.#
Mr. Anuj Bakshi	Chief Financial Officer	-
Mr. Pankaj Khanna**	Company Secretary	-

# Except sitting fees, no remuneration is paid to the Non-Executive Independent Directors.

\* Mr. Arihant Jain was appointed as an Independent Director of the Company w.e.f. 27<sup>th</sup> June, 2023.

\*\* Mr. Pankaj Khanna was appointed as a Company Secretary and Compliance Officer of the Company on 10<sup>th</sup> August, 2023.

- c) percentage increase in the median remuneration of employees in the financial year: Nil
- d) number of permanent employees on the rolls of company; 66



- e) Explanation on the relationship between average increase in remuneration and company performance: The profit before tax for the financial year ended March 31, 2023 increased by 33.09% and the profit after tax for the financial year ended March 31, 2024 increased by 32.81%.
- f) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company; Remuneration of Key Managerial Personnel have not increased.
- g) Average percentile increased already made in the salaries of employees other than the managerial personnel in the last- financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Not Applicable

- h) comparison of remuneration of each of the Key Managerial Personnel against the performance of the company;

Name	Designation	% Increase	Comparison
Mr. Ankush Bakshi	Managing Director	25.00	NA
Mr. Anuj Bakshi	Executive Director	25.00	
Mrs. Roshni Bakshi	Executive Director	Nil	
Mrs. Kanika Bakshi	Executive Director	Nil	
Mr. Anuj Bakshi	Executive Director & CFO	NA	
Mr. Pankaj Khanna*	Company Secretary	NA	

\* Mr. Pankaj Khanna was appointed as a Company Secretary and Compliance Officer of the Company on 10<sup>th</sup> August, 2023.

- i) the key parameters for any variable component of remuneration availed by the directors; Company's financial results, the performance of the business unit, individual performance, skills and competence, fulfilment of various improvement targets or the attainment of certain financial objectives.
- j) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; NIL
- k) We hereby affirm that the remuneration paid to the managerial and non-managerial personnel is as per the Remuneration Policy of the Company.

The Remuneration policy of the Company comprising the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company including criteria for determining qualifications, positive attributes, independence of a Director and other related matters has been provided in the Report.



## Annexure – G to the Directors Report

### WHISTLE BLOWER POLICY

Our Whistle Blower Policy encourages disclosure in good faith of any wrongful conduct on a matter of general concern and protects the whistle blower from any adverse personnel action.

#### SCOPE OF THE POLICY

The policy covers malpractices and events which have taken place/suspected to have taken place, is being taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company's rules and policies, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and to report the same in accordance with the policy.

#### COVERAGE

The following activities, events may be brought to the notice of the designated officer:

- i. Violation of Code of Conduct of the Company.
- ii. Unethical, immoral, biased conduct or behavior.
- iii. Abuse of the power or the authority given.
- iv. Breach of contract
- v. Tampering or manipulating any record and data of the Company.
- vi. Any activity, malpractice or wrongdoing which may be harmful for the persons working in or for the Company or for the Company's image.
- vii. Financial irregularities and any type of fraud.
- viii. Misappropriation of the Company's funds.
- ix. Any activity which is criminal and illegal in nature.
- x. Negligence, lapse causing harm to environment or health, safety of the employees of the Company or public.
- xi. Concealment of above activities.
- xii. Such other issues as may be prescribed by the Audit Committee.

#### PROCEDURE TO BE FOLLOWED UNDER THIS MECHANISM

**Disclosure:** Any person may disclose, preferably in writing the following:

- i. Brief details of the malpractice found or discovered,
- ii. Name of the alleged wrongdoer,
- iii. Evidence, if any, to support the allegation,
- iv. Remedial actions required to be taken,
- v. Any other relevant details.

The disclosure may be made within 30 days of being aware of the event to the designated officer of the Company. The time limit of 30 days may be extended at the discretion of the designated officer, after considering the circumstances. The person making the said disclosure may disclose his / her identity to the designated officer. The identity of the person reporting the malpractice will be kept confidential if the same is provided with a condition to keep it anonymous.

**Note:** In exceptional cases, the person making the disclosure can have direct access to the Chairperson of the Audit Committee of the Company.



### **REPORTING CHANNEL**

- All complaints/ disclosures will be received and recorded by the Ombudsperson. The contact details of the Ombudsperson are enclosed herewith as 'ANNEXURE I'.
- Whistle Blower must put his/her name to allegations. Concerns expressed anonymously will not be investigated.
- If initial enquiries by the Ombudsperson indicate that the concern has no basis, or it is not a matter to be investigated pursued under this Policy, it may be dismissed at this stage and the decision is documented.
- Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Ombudsperson alone, or by a Whistle Officer/Committee nominated by the Ombudsperson for this purpose. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. A written report of the findings would be made.
- In exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation and the decision, she/he can make a direct appeal to the Chairman of the Audit Committee.
- All Protected Disclosures concerning financial/accounting matters should be addressed to the Chairman of the Audit Committee of the Company for investigation.
- If a protected disclosure is received by any executive of the Company other than Chairman of Audit Committee or the Ethics Counsellor, the same should be forwarded to the Company's Ethics Counsellor or the Chairman of the Audit Committee for further appropriate action. Protected Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised. Appropriate care must be taken to keep the identity of the Whistleblower confidential.
- Protected Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.
- The Whistleblower may disclose his/her identity in the covering letter forwarding such Protected Disclosure Anonymous disclosures will also be entertained.

### **AMENDMENT**

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever.



**ANNEXURE – I**

**OMBUDSPERSON**

**Chairperson of the Audit Committee  
Mr. Sathvik Jain, Non-Executive, Independent Director  
Email Id: sathvikjain06@gmail.com**

**Or**

**A letter addressed to Audit Committee marked as “Private & Confidential” and delivered to  
'Chairman of the Audit Committee'**

**NORTHERN SPIRITS LIMITED  
Address: 5A, Woodburn Park Road, Woodburn Central Unit 603,  
6th Floor Kolkata -700020, West Bengal, India.  
Email: info@northernspirit.in  
Website: northernspirtis.co.in  
Contact: 033-35446094**



## Annexure – H to the Directors Report

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2024

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

To

The Members

**NORTHERN SPIRITS LIMITED**

5A, Woodburn Park Road, Woodburn Central

Unit No 603, 6<sup>th</sup> Floor

Kolkata – 700020.

1. I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Northern Spirits Limited [CIN: L15500WB2012PLC185821] (hereinafter called the company). Secretarial Audit was conducted based on records made available to me, in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion/understanding thereon.
2. Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and made available to me and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I, on strength of those records, and information so provided, hereby report that in my opinion and understandings, the Company has, during the audit period covering the financial year ended on March 31, 2024, appears to have complied with the statutory provisions listed hereunder and also in my limited review, that the Company has proper and required Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minutes' book, forms and returns filed and other records maintained by the Company and made available to me, for the financial year ended on March 31, 2024 according to the applicable provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Applicable provisions of Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder. - Not applicable since the company does not have any overseas transactions during the year.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT'): -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;



- c. The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2009; – Not Applicable as the Company did not issue any security during the financial year under review.
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014; - Not Applicable as the Company does not have Employee Stock Option Scheme for its employees;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; – Not applicable as the Company has not issued any debt securities during the financial year under review;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued.
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; – Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review; and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not Applicable as the Company has not done any buyback of its securities during the financial year under review.
  - i. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 as amended till date.
- vi. Other Laws specifically applicable to the Company as under:

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii. The Listing Regulations/Agreements entered into by the Company with BSE Limited pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

I 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. Mr. Arihant Jain was appointed as a Non-Executive Independent Director on the board of the Company w.e.f 27<sup>th</sup> June, 2023.

The Company has appointed Mr. Pankaj Khanna, a member of the Institute of Company Secretaries of India, as a Wholetime Company Secretary and Compliance Officer of the Company w.e.f 10<sup>th</sup> August, 2023.

I further report that,

During the period under review, the Income Tax Department (“IT Department”) officials have conducted a search proceeding at the office and warehouses of the Company together with the residential houses of the promoters of the Company. Department has also seized a few documents and records of the Company for further processing in the above search. The





## Board's Report...

assessment procedure is under process. No material issues have been found that may affect going concern status of the Company.

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.

There were no dissenting views on any decisions of the Board, as recorded in the Minutes of Board meetings.

I further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), I am of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and

As informed, the Company has responded to notices for demands, claims, penalties etc. levied by various statutory/regulatory authorities and initiated actions for corrective measures, wherever necessary.

There are no other specific events/actions in pursuance of the above referred laws, rules, regulations guidelines etc., having a major bearing on the Company's Affairs.

I further report that during the audit period there were no instances of:

- i. Public/Right/Preferential issue of shares / debentures/sweat equity;
- ii. Redemption / buy-back of securities;
- iii. Foreign technical collaborations.

I further report that my Audit is subjected only to verifying adequacy of systems and procedures that are in place for ensuring proper compliance by the Company and I am not responsible for any lapses in those compliances on the part of the Company.

**Place:** Kolkata  
**Date:** 2<sup>nd</sup> July, 2024

Miss Puja Pujari  
**Practicing Company Secretary**  
**Membership No. F13102**  
**COP No. 20171**  
**P.R CERTIFICATE NO: 3636/2023**  
**UDIN: F013102F000652708**

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



## Annexure A

To  
The Members,  
**NORTHERN SPIRITS LIMITED**  
5A, Woodburn Park Road, Woodburn Central  
Unit No 603, 6<sup>th</sup> Floor  
Kolkata – 700020.

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provides a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. I further report that, based on the information provided by the Company, its officers, and authorised representatives during the conduct of the audit and also on the review of quarterly compliance report issued by the respective departmental heads/ Company Secretary/Managing Director & CEO, and taken on record by the Board of the Company, in my opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like Labour Laws & Environment Laws.
8. I further report that the Compliance by the Company of applicable Financial Laws like Direct & Indirect Tax Laws has not been reviewed in this audit since the same has been subject to review by the statutory financial auditor and other designated professionals.

**Place:** Kolkata  
**Date:** 2<sup>nd</sup> July, 2024

Miss. Puja Pujari  
Company Secretary  
**Membership No.** F13102  
**COP No.** 20171  
**P.R CERTIFICATE NO:** 3636/2023  
**UDIN:** F013102F000652708



## Annexure – I to the Directors Report

### MANAGEMENT DISCUSSION AND ANALYSIS

#### ECONOMY OVERVIEW AND DEVELOPMENT

The global economy paints a sobering picture with multiple crises, jeopardizing progress towards the Sustainable Development Goals (SDGs). Although global economic growth outperformed expectations in 2023 with several large economies showing remarkable resilience, simmering geopolitical tensions and the growing intensity and frequency of extreme weather events have increased underlying risks and vulnerabilities. Furthermore, tight financial conditions also pose increasing risks to global trade and industrial production.

The financial year had to overcome powerful challenges such as Russia's invasion of Ukraine, Red Sea debacle, widening inflation impacting cost of living and a slowdown in China caused by strong Zero Covid policy adopted by the Chinese government. Despite these gloomy predictions, the global economy remains remarkably resilient, with steady growth and inflation slowing almost as quickly as it rose.

According to the Economic Outlook's projection global GDP is likely to remain steady at 3.1% in 2024, the same as the 3.1% in 2023, followed by a slight pick-up to 3.2% in 2025.

GDP growth in the United States is projected to be 2.6% in 2024, before slowing to 1.8% in 2025 as the economy adapts to high borrowing costs and moderating domestic demand. In the euro area, which stagnated in the fourth quarter of 2023, a recovery in real household incomes, tight labour markets and reductions in policy interest rates will help generate a gradual rebound. Euro area GDP growth is projected at 0.7% in 2024 and 1.5% in 2025.

Growth in Japan is likely to recover steadily, with domestic demand underpinned by stronger real wage growth, continued accommodative monetary policy and temporary tax cuts. GDP is projected to expand by 0.5% in 2024 and 1.1% in 2025.

China is expected to slow moderately, with GDP growth of 4.9% in 2024 and 4.5% in 2025, as the economy is supported by fiscal stimulus and exports.

Inflation may stay higher for longer, resulting in slower-than-expected reductions in policy interest rates and leading to further financial vulnerabilities. Growth could disappoint in China, due to the persistent weakness in property markets or smaller-than-anticipated fiscal support over the next two years. High geopolitical tensions remain a significant near-term risk to activity and inflation, particularly if the evolving conflict in the Middle East and attacks in the Red Sea were to widen or escalate.

Monetary policy needs to remain prudent, to ensure that inflationary pressures are durably contained. Governments face rising fiscal challenges given high debt levels and sizeable additional spending pressures from population ageing, and climate adaptation and mitigation. Future debt burdens are likely to rise significantly if no action is taken, highlighting the need for stronger near-term efforts to contain spending growth, improve public spending efficiency, reallocate spending to areas that better support opportunities and growth, and optimise tax revenues.



### World GDP growth projections for 2024 and 2025 (in %)

Country	2024	2025
United States	2.6	1.8
United Kingdom	0.4	1.0
Japan	0.5	1.1
Russia	2.6	1.0
China	4.9	4.5
India	6.6	6.8
Germany	0.2	1.1
France	0.7	1.3
Italy	0.7	1.2
South Africa	1.0	1.4
Saudi Arabia	-0.2	4.1

(Source: IMF World, Economic Outlook April 2024)

### INDIAN ECONOMY

Despite challenges posed by adverse weather conditions and a weakening international outlook, the Indian economy demonstrated resilience, maintaining healthy macroeconomic fundamentals. The Indian economy continues to exhibit strong economic performance with broad based growth across sectors. The Country has recovered swiftly from the pandemic, with its real GDP in FY24 being 20 per cent higher than the pre-COVID, FY20 levels.

The Reserve Bank of India, in its latest Monetary Policy Committee meeting, noted the strong growth momentum in the economy and projected real GDP growth for 2024-25 at 7%, driven by a pickup in rural demand and sustained momentum in the manufacturing sector.

Key drivers of this growth momentum include capital expenditure on infrastructure development, rise in private corporate investment, strong service sector performance, and improved consumer confidence. This growth momentum is expected to continue in FY 2025, supported by improved goods exports, increased manufacturing productivity and higher agricultural output.

Moreover, the Interim Budget 2024-25 lays the foundation for achieving the vision of a developed and self-reliant India by 2047. It outlines a comprehensive economic management strategy, including infrastructure development, digital public infrastructure, taxation reforms and proactive inflation management.

Despite volatility in the global macroeconomic environment, the outlook for the Indian economy remains positive. Sustained political stability, enhanced government focus on public capital expenditure, increasing private capital expenditure, growing credit demand, moderating inflation, low corporate debt levels, and deleveraged balance sheets, are all expected to contribute to the economic growth.

### INDIAN SPIRITS INDUSTRY

India holds the position of the third-largest market for alcoholic beverages globally. In 2023, the size of the alcoholic beverage market was about USD 55 billion in India. The market size of the alcohol industry is likely to increase at a CAGR of 7% to USD 73 billion in 2027.



The alcoholic beverage sector has a high-growth potential given the favourable demographics and increasing social acceptance. The alcoholic beverages industry in India has experienced remarkable growth in recent years. This growth can be attributed to several factors, such as rapid urbanisation, evolving consumer preferences, a youthful demography, a burgeoning middle-class population with greater purchasing power and the growing preference for premium alcoholic beverages among consumers. Against a backdrop of a 1% volume growth for global total beverage alcohol in 2022, spirits volumes in India increased by 12%, with beer up 38% and wine up by 19%.

India's excise policy has evolved and so has its retail offer, providing the perfect environment for ongoing premiumization. Haryana has a number of well-lit, attractively fitted and conveniently located outlets, some of them open 24/7 and staffed by well-informed, young employees. Attractive outlets bring more consumers and deliver more revenues, both to the licence-holders and the State.

The states of Karnataka, Maharashtra, West Bengal, Odisha, Telangana, Delhi, Haryana, Punjab, etc. are among the largest consumers of alcohol in India. As far as a financial year is concerned, 2022-23 recorded Rs 22,000 crore liquor sales in Bengal and 2021-2022 Rs 18,000 crore. The last fiscal was the first time that liquor sales crossed the Rs 20,000-crore mark in Bengal.

Currently, the Indian Spirits industry consists of two distinctive markets differentiated based on the target audience, product characteristics and distribution network:

1. Indian Made Foreign Liquor (IMFL) or Premium Segment
2. Indian Made Indian Liquor (IMIL) or Value & Value Plus Segment

IMFL is dominated by brown spirits including whisky, rum, and brandy with a small share of white spirits including vodka and gin. This is unlike world markets where white spirits are dominant. Though white spirits in India have shown higher growth for the period between FY 2023 to FY 2028 with CAGR of 19% in volume terms whereas CAGR growth for the same period for the dominant brown spirits in volume terms was 10.2%. IMFL market in India is a concentrated market with top three players controlling close to half of the overall market by volume in FY 2023.

IMIL is made from rectified spirits with alcohol percentage of 30% to 37%. Rectified spirits have lower level of purity as compared to extra neutral alcohol (ENA) used in IMFL. However, recently country liquor companies have started using ENA as raw material. Country liquor market was estimated at 350 million cases in FY 2023. However, the market is projected to reach 445 million cases by FY 2028.

Indian beer market is traditionally a strong beer market with close to 85% of market with strong beers. United Breweries along with AB InBev and Carlsberg hold 80% of the market share. Premium range of beers in both strong and light beer categories are driving growth in beer market in India. The industry has evolved from manufacturing standard beers such as strong and lager beer to flavoured and variety beers in line with trends in other developed countries. Strong lager beers, with alcohol content between 6% and 8%, dominate the market accounting for over 80% of the total beer consumed in India.

The alcohol industry has quickly recovered after lockdown, which is a sign of its robust and sizable consumer base. Numerous home-grown brands have carved out a place for themselves in the segment as alcoholic beverage companies have made their way into the domestic market. They are maximising the potential of digital media, which is assisting the segment's expansion in numerous ways. In contrary to the past, alcohol brands can now advertise their goods through digital platforms, social media, concerts, events, and a variety of other venues.



Imported wines have also played an important role in development of the wine segment in India. However, unlike other Asian countries including Japan and South Korea, growth of import in wines has been limited and market has been captured by domestic players where they have large variety from still to sparkling.

The Indian regulatory framework is also playing an important role in providing a level playing field for domestic alco-beverage players. Foreign liquor when imported in India is charged a custom duty as per Customs Act 1962. Customs tariff of 150% is applicable on finished product like scotch whisky etc. bottled in country of origin or bulk scotch whisky imported for bottling in India as well as intermediate products like undenatured ethyl alcohol of alcoholic strength by volume of 80% volume or higher which is used for blending with production in India.

Regulated distribution is one of the tools used by state governments to control the sale of alco-beverages. As each state has its own model of distribution, there are multiple modes being used in the country including complete control of distribution network with state run wholesaling and retailing to control over either wholesaling or retailing and in some cases both. However, in some states, distribution is not carried out directly by the state where both wholesaling and retailing are in the hands of private players. States also control distribution by not allowing to open new outlets in their areas. Any movement of alco-beverages outside the manufacturing units is authorized by government officials.

Currently, this industry supports approximately 20 million jobs, and with its growing landscape, further employment opportunities are likely to be created. The alcohol industry is a significant sector of the Indian economy. It not only provides the states with up to 2 lakh crores in revenue, but it also directly supports nearly 40 lakh farmers.

Greater social acceptance for drinking amongst women as well as in Tier II and Tier III towns is expected to open newer profitable consumer segments. Rapid increase in urban population, a sizable middle-class population with rising disposable income, and a growing economy are driving consumption of alcohol in India. These factors will also result in consumers choosing to upgrade to more quality offerings.

India is the largest whisky market in the world by volume. Whisky consumption in FY 2021 was 183 million cases which is estimated to have recovered to close to 243 million cases in FY 2023 making it one of the strongest categories that led to the recovery of the alco-beverage market in India after the impact from COVID-19. Brandy and Rum are other important categories after Whisky in the dark spirit's market.

Rise in disposable income is leading to consumers upgrading their preferences, resulting in up-trading in from country liquor to IMFL whisky and up-trading within categories of IMFL whisky including popular, prestige, premium, and luxury segments. Rapid urbanisation is also leading to spur in aspirational values of customers. The emergence of new consumers expecting more sophisticated experiences is driving the demand for premium quality whisky with up-trading in each segment.

## OUTLOOK

According to a report by the International Spirits & Wines Association of India (ISWAI), India's alcoholic beverage market is set to boom, reaching USD 64 billion in just five years, solidifying its position as a top five global contributor. The industry, currently valued at USD 52.4 billion (2% of GDP), encompasses both branded and country liquor.

The domestic alcoholic beverages industry is expecting a surge in sales driven by in-home parties and festive celebrations. Industry experts are optimistic about 7-8 per cent growth for the collective liquor



industry. Premiumization trends continue to stay strong as Indian consumers are appreciating quality over quantity, as can be seen in an increasing desire for refined experiences and finest offerings. In last few years, there has been a shift in lifestyle with consumers choosing to live a healthier life. This trend has become stronger post COVID-19 pandemic. Customers are ready to pay a premium to move to a higher quality product in each segment. This is going to help up-trading within each segment as well as up-trading from one segment to the other as higher priced products are perceived as healthier.

Technology boom and prevalence of western culture of social drinking is driving premiumization in whisky category. Consumption of alcohol is socially more acceptable among millennials and there is a shift in the way people socialise from late night parties to pubs and lounges and informal food-related occasions at-home.

Retailing of alco-beverages including whisky is going through transition in India. Multiple states through their excise policies have allowed for a better retail experience including larger stores, stores at high retail destinations, evolved merchandising, and product tastings. This is leading to a positive effect and up-trading of brands by the customer.

Considering India's large number of young people, the industry has numerous opportunities. Young adults are likely to drive much of the expected and projected future demand as they approach the legal drinking age and become more affluent. To capture as much of the younger generation as possible, brand owners are focusing on online marketing and storefronts. The spirits industry is all set for its growth phase, in order to sustain growth, it needs an enabling ecosystem.

However, on the cost and profitability side, inflationary pressure is expected to remain. There are mixed signals regarding the ethanol blending programme, which affects the cost of Extra Neutral Alcohol (ENA), the primary ingredient for alcoholic beverages. Glass prices remain high, which affects the vast majority of alcoholic beverages. Fuel prices are uncertain. The industry is in touch with state governments for compensatory price increases to mitigate the adverse impact on margins, and while some relief is expected, the extent of that is not known at this stage.

Free Trade agreements which under discussion will play a pivotal role on the future of the industry. If India is able to negotiate the removal of non-tariff barriers imposed by countries like the UK and EU on the majority of Indian products, then a surge in liquor export from India can be seen in the future.

## RISKS AND CONCERNS

Risk is an integral and unavoidable component of business. Given the challenging and dynamic environment of operations, your company is committed to manage risk for accomplishment of its goals. Though risks cannot be eliminated, an effective risk management program ensures that risks are reduced, avoided, mitigated or shared. Following are the identified key business risks of the Company:

**Regulatory risk:** Your Company operates in a sector which is highly exposed to the risk of changing regulations.

**Mitigation measure:** Your Company closely monitors the regulatory environment and prepares for any foreseeable changes. In addition, its team of expert and experienced professionals ensures prompt and appropriate measures to meet the changes in regulatory framework. At all times, the Company ensures strict adherence to laws and policies.



**Inflation risk:** Your Company like other companies is part of Indian economy and is facing risk of inflation and high fluctuation in commodity prices.

**Mitigation measure:** The Company's long-standing relationship with most suppliers ensures steady availability of products at competitive prices.

**Economic risk:** The performance of the Company is dependent on robust consumption, led by rising income levels. This in turn is dependent on robust economic growth, cost of input and on the basis of disposable income.

**Mitigation measure:** The Company is focused on driving agility and responsiveness across the value chain.

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

**Mitigation measure:** The Company has implemented comprehensive HR initiatives to foster a progressive culture and an engaged workforce, prioritising employee well-being, diversity, and career progression.

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

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

## FINANCIAL PERFORMANCE AND ACCOUNTING TREATMENT

Gross revenues for this financial year stood at Rs. 1,23,530.58 Lakhs as against Rs. 90,566.11 Lakhs in the previous year. After providing for depreciation and taxation the net profit of the Company for the year under review was placed at Rs. 1,657.28 Lakhs as compared to the net profit of Rs. 1,113.37 Lakhs incurred during the previous year registering a steady growth of 48.85%. The Earnings Per Share (EPS) stood at Rs. 10.32 (face value of Rs. 10/- each) for the financial year ended 31<sup>st</sup> March, 2024 as against 6.94 (face value of Rs. 10/- each) in the previous year. Company has produced a satisfactory performance both in terms of profitability and turnover inspite of the challenges faced during the year. Company's prime focus has been on operational efficiency and market diversification.

## HUMAN RESOURCE DEVELOPMENT

The Company's relation with the employees and investors continues to be cordial which are the most valuable resources of our organization.

Company is committed to sustainable work practices and a transparent work culture which helps in attracting and retaining the talented people in the industry. The Company continues to focus on employee core connect, engagement, learning and development to build a workplace that is safe engaging and productive. Employees are presented with various learning opportunities to enhance career growth. Over the years your company has been able to build a team of qualified, dedicated & motivated professionals. The working atmosphere provided to the employees is aimed at creating a sense of ownership which helps them to shoulder greater responsibilities.





## Board's Report...

The Company firmly believes that its human resources are the key enablers for the growth of the Company and, therefore, an important asset. Taking this into account, the Company continues to invest in developing its human capital and establishing its brand in the market to attract and retain the best talent.

Employee relations during the period under review continued to be healthy, cordial and harmonious at all levels and the Company is committed to maintaining good relations with the employees.

### ADEQUACY OF INTERNAL CONTROL SYSTEM

Company maintains an adequate system of internal controls commensurate with the nature, size, and complexity of the business operations. The Company has ensured that stringent and comprehensive controls are put in place to ensure effective and productive use of resources, safeguarding of the Company's assets and interests, all transactions are approved, registered, properly reported and checks and balances guarantee reliability and consistency of accounting data.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal financial control systems in the Company, its compliance with operating systems, accounting procedures and policies at all levels of the Company.

The internal control system facilitates optimum utilisation of available resources to ensure the protection of interest of all the stakeholders. Significant audit observations and the corrective actions thereon are presented to the Audit Committee of the Board. The control framework is established and maintained by the Company. The observations by the auditors is perused by the Management, the Audit Committee as well as the Board for proper implementation. The Company's internal financial controls have been found to be adequate and effective.

### CAUTIONERY STATEMENT

The statements in the above analysis, describing the Company's projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable securities laws and regulations. The actual results may differ from those expressed or implied. Important factors that could make a difference to the Company's operations include changes in government regulations, tax regimes, economic developments within the country and abroad, and other related factors.

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

**Place:** Kolkata  
**Date:** 29<sup>th</sup> May, 2024

**s/d-**  
**Ankush Bakshi**  
**Managing Director**  
**DIN: 02547254**



## CORPORATE GOVERNANCE REPORT

The Corporate Governance Report has been prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Rules, 2015 ("Listing Regulations") as amended, for the year ended March 31, 2024.

### 1. COMPANY S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company is committed to good corporate governance which enjoys the highest standard of ethical and responsible conduct of business to create value for all stake holders. The philosophy of your Company is to enhance the long-term economic value of the Company, its stakeholders and the society at large by adopting better corporate practices which not only ensures that the Company operates within the regulatory framework but also strive to achieve more transparency in management and institutional soundness. The Company's philosophy on Corporate Governance is based on the following principles:

- Lay solid foundations for management.
- Promote ethical and responsible decision-making.
- Structure the Board to add value.
- Encourage enhanced performance.
- Safeguard integrity in financial reporting.
- Respect the right of the shareholders.
- Recognise the legitimate interest of shareholders.
- Remunerate fairly and responsibly.
- Recognise and manage business risks.
- Make timely and balanced disclosures.
- Legal and statutory compliances in its true spirit

The Board of Directors fully supports corporate governance practices and actively participates in overseeing risks and strategic management. Company has well established systems, policies and practices to ensure transparency, integrity, professionalism and accountability at the highest level in its operations through application of best management practices, compliance of laws in letter and spirit, adherence to the ethical standards for effective management and discharge of its social responsibilities for sustainable development.

### 2. BOARD OF DIRECTORS

#### 2.1 Composition

The Board of Directors of the Company consists of an optimal mix of Executive and Non-Executive Directors. The Board of Directors of your Company as on March 31, 2024 consists of Eight (8) members comprising of one Chairman who is an Executive Director, three Executive Directors one of whom is a Managing Director and four Non-Executive Independent Directors. All Non-Executive Independent Directors bring a wide range of expertise and experience to the Board. However, Company being a SME Company is not required to constitute the Board in conformity with the requirements set forth by Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the Listing Regulations") and the Companies Act, 2013 ("the Act"). There is no Nominee Director in the Company.

The composition of the Board as on March 31, 2024 is as follows:

- Executive Director – 4
- Non-Executive Independent Directors – 4



Names of the Director		% to the total number of Directors
<b>I</b>	<b>Independent Director</b>	50 %
	Mr. Sathvik Jain	
	Mr. Jagjit Singh Kochar	
	Mrs. Malti Jaiswal	
	Mr. Arihant Jain*	
<b>II</b>	<b>Non-Executive Non-Independent Director</b>	0.00%
	Nil	
<b>III</b>	<b>Executive Director</b>	50 %
	Mr. Ankush Bakshi	
	Mr. Anuj Bakshi	
	Mrs. Roshni Bakshi	
	Mrs. Kanika Bakshi	

\* Mr. Arihant Jain has been appointed as an Independent Director of the Company w.e.f. 27<sup>th</sup> June, 2023.

The composition of the Board reflects the judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company. The Board periodically evaluates the need for change in its size and composition to ensure that it remains aligned with statutory and business requirements.

None of the Directors hold office in more than ten Public Companies. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies. All Directors are also in compliance with the limit on Independent Directorships of listed companies as prescribed under Regulation 17A of the Listing Regulations. The Board confirms that the Independent Directors fulfil the conditions specified in these regulations and that they are Independent of the management.

In terms of the provisions of Schedule V of the Listing Regulations, detail of skills/expertise/competency of the Directors with reference to business and industry of the Company are given as under:

Name of Director	Expertise in specific functional area
Ankush Bakshi (DIN: 02547254)	Mr. Ankush Bakshi is aged about 44 years and possesses a post graduate degree. Mr. Bakshi has 22 years of rich experience in liquor business with hands on experience in trading of beverages & other related products. Mr. Bakshi introduced imported brands of liquor and beverages into the Indian market and is responsible for expanding the brands into the domestic market. Under his dynamic leadership Company has successfully completed and achieved numerous targets and plans and has achieved higher levels of growth.
Anuj Bakshi (DIN: 02500120)	Mr. Anuj Bakshi, aged about 45 years, is the Promoter Director as well as Chief Financial Officer of the Company. Mr. Bakshi is a B. Com (Hons) graduate and is on the Board of the Company since its incorporation. In his career that spans close to 22 years, Mr. Anuj Bakshi has been instrumental in the growth of the organization.



	His dynamic leadership & passion for the business has been acknowledged by the other members of the Board.
Roshni Bakshi (DIN: 08090225)	Mrs. Roshni Bakshi, aged 41 years is the Promoter Director of the Company and is on the Board since March 21, 2018. She has done her schooling from Mayo College Girls School (Ajmer) and joined Sophia Polytechnic (Mumbai) for Hotel Administration and Food Technology. She has specialized in Baking and Pastry from California Culinary Academy (San Francisco). Her expertise and knowledge in the field of administrative operations have yielded fruitful results for the Company.
Kanika Bakshi (DIN: 08090236)	Mrs. Kanika Bakshi aged 39 years is the Promoter Director of the Company. She holds a bachelor's degree in Arts from University of Delhi. She is associated with the Company from March 21, 2018. Her vast knowledge and expertise in the field of HR and administrative operations has been commendable.
Sathvik Jain (DIN: 07732825)	Mr. Sathvik Jain aged about 35 years is a Commerce graduate and possess vast knowledge and expertise in the field of management and administration. His administrative skills and creative ideas has been very valuable to the Company and undoubtedly prove to be an advantage to the organization.
Jagjit Singh Kochar (DIN: 06552295)	Mr. Jagjit Singh Kochar is aged about 65 years has vast knowledge and expertise in the field of management and administration. He holds a bachelor degree from Guru Nanak Dev University. He has completed his schooling from Amritsar. His administrative skills has been very valuable for the Company to attain higher levels of growth.
Malti Jaiswal (DIN: 08852633)	Ms. Malti Jaiswal aged 37 years is the Non- Executive and Independent Director of the Company. She is an Associate Company Secretary having Membership No. A53918, with an experience of around 11 years in Company Law, Accounting and Taxation. Her knowledge and expertise will undoubtedly prove to be an advantage to the organization.
Arihant Jain* (DIN: 05359143)	Mr. Arihant Jain, aged about 35 years has more than 6 years of rich and varied expertise in finance, accounts and law. He possesses vast experience in the field of finance, accounts and corporate law matters. His continuing guidance has been be very valuable to the Company and has undoubtedly proved to be an advantage to the organization.

\* Mr. Arihant Jain has been appointed as an Independent Director of the Company w.e.f. 27<sup>th</sup> June, 2023.



## 2.2 Appointment of Directors

Directors in the Company are appointed or re-appointed with the approval of the shareholders in general meetings. The Company has issued letter of appointment to all the Independent Directors and terms and conditions of their appointment are disclosed on the website of the Company i.e. [www.northernspirits.co.in](http://www.northernspirits.co.in)

## 2.3 Major functions of the Board

The Company has clearly defined the roles, functions, responsibility, and accountability of the Board of Directors. In addition to its primary role of monitoring corporate performance, the major functions of the Board comprise:

- Approving corporate philosophy;
- Reviewing and approving strategic and business plan;
- Reviewing and approving financial plans and budgets;
- Monitoring corporate performance against such strategic and business plans;
- review and monitor the performance of the management in terms of agreed goals and objectives
- Ensuring ethical behavior and compliance with laws and regulations;
- Reviewing and approving borrowing limits.
- Ensuring that integrity of financial information is maintained and that the financial controls and systems of risk management are robust

## 2.4 Board Meetings

During the financial year 2023-24, Twelve (12) Board Meetings were held on the following dates:-  
1<sup>st</sup> May, 2023; 16<sup>th</sup> May, 2023; 30<sup>th</sup> May, 2023; 27<sup>th</sup> June, 2023; 2<sup>nd</sup> August, 2023; 10<sup>th</sup> August, 2023; 21<sup>st</sup> August, 2023; 20<sup>th</sup> September, 2023; 30<sup>th</sup> September, 2023; 9<sup>th</sup> November, 2023; 28<sup>th</sup> February, 2024; 31<sup>st</sup> March, 2024

## 2.5 Changes during the Year

During the financial year 2023-24, there has been few changes in the Board of Directors and Key Managerial Personnel of the Company.

- Mr. Arihant Jain has been appointed as an Independent Director of the Company on 27<sup>th</sup> June, 2023.
- Mr. Pankaj Khanna has been appointed as a Company Secretary and Compliance Officer of the Company on 10<sup>th</sup> August, 2023.

## 2.6 Re-appointment of Directors Proposed at upcoming AGM

In terms Section 152(6) of the Companies Act, 2013, Mr. Anuj Bakshi (DIN: 02500120), Executive Director of the Company is liable to retire by rotation and is eligible for re-appointment at the forthcoming Annual General Meeting.

## 2.7 Information supplied to the Board

The Board has complete access to all information with the Company. The information is provided to the Board on regular basis and the agenda papers for the meetings are circulated in advance of each meeting. The information supplied to the Board includes the following, extent to the applicability during the year as per the Regulations.

- Annual Operating Plans and Budgets and any updates.
- Capital budgets and any updates.
- Quarterly, Half Yearly and Yearly Results of the Company.
- Minutes of the Meetings of Audit Committee and other Committees of the Board.
- The information on recruitment of Senior Officers just below the Board level.



The Board periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Company along with the declaration made by all the respective departmental heads and by the Chairman and Managing Director regarding compliance with all applicable laws.

### 2.8 Chart/matrix setting out the skills/expertise/competence of the Board of Directors

Pursuant to Schedule V, Part C of SEBI LODR Regulations 2015 read with Amendments thereof, below are the list of core skills/expertise/competencies identified by the Board of Directors for the year under review as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board:

Sr. No.	Category	Core skills/expertise/competencies identified by the Board of Directors	Available with the Board
1.	Understanding of Business/Industry	Experience and knowledge of Liquor Distribution.	Yes
2.	Financial	Ability to analyse and understand the key financial statements, assess financial viability of the projects and efficient use of resources.	Yes
3.	Critical and innovative Thoughts	The ability to critically analyse the information and develop innovative approaches and solutions.	Yes
4.	Mergers and Acquisitions	A history of leading growth through acquisitions and other business combinations, analyze the fit of a target with the Company's strategy and culture, accurately value transactions, and evaluate operational integration plans.	Yes
5.	Strategy and strategic Planning	Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies.	Yes
6.	Board Service and Governance	Service on a public company board to develop insights about maintaining board and management accountability, protecting shareholders interests and observing appropriate governance practices.	Yes
7.	Risk and compliance Oversight	Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliance, and monitor risk and compliance management frameworks.	Yes

### 2.9 Separate Meeting of Independent Directors and Performance Evaluation

During the financial year 2023-24, 1 (One) separate meeting of Independent Directors was held on 31<sup>st</sup> March, 2024, whereby, all the Independent Directors were present and without the presence of the Non-Independent Directors and the members of the management of the Company.

This meeting was conducted in a manner so as to enable the Independent Directors to discuss and review the performance of Non-Independent Directors and the Board as a whole, performance of the Chairman of the Company after taking into account the views of Executive Directors and Non-Executive Directors and



for assessing the quality, quantity and timeliness of flow of information between the Company management and the Board.

The Independent Directors in their separate meeting:

- i. reviewed the performance of non-independent Directors and the Board as a whole;
- ii. reviewed the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
- iii. assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Nomination and Remuneration Committee of the Board laid down the criteria for performance evaluation of all Directors. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated. The criteria for performance evaluation are as follows:

- The ability to contribute to and monitor our corporate governance practices.
- The ability to contribute by introducing international best practices to address business challenges and risks.
- Active participation in long-term strategic planning.
- Commitment to the fulfilment of a Director's obligations and fiduciary responsibilities; these include participation in Board and Committee meetings.
- performance of the directors
- fulfilment of the independence criteria as specified in these regulations and their independence from the management.

The criteria for the performance evaluation included the following:

- The Board – Structure, composition and quality of Board, Board meeting schedule, agenda and collaterals, board meeting practices and overall board effectiveness.
- Board Committees – Composition, charter, information flow and effectiveness of the meetings, recommendation to the Board, etc.
- Individual Directors – Attendance at the meetings, preparedness for discussion, quality of contribution, engagement with fellow board members, KMPs and senior management, etc.
- The Chairman - The Chairman was additionally evaluated on few parameters such as leadership provided to the Board, promoting effective participation of all board members in the decision making process, etc.

The Independent Directors had to assess the performance of the Board and committees as a whole and for the assessment of Executive Chairperson, Executive Director, Non-Executive Director, Board and Committees as a whole.

Based on the criteria set by the Nomination and Remuneration Committee, the Board carries out an annual evaluation of its own performance, its Committees and individual Director(s) including the Chairman of the Board. The questionnaires on performance evaluation are prepared in line with the Companies Act, 2013, the Listing Regulations and in accordance with the set guideline Board evaluation, issued by the SEBI. Proper mechanism has been provided to each Director for their feedback and evaluation. The parameters for performance evaluation of the Board includes the roles and responsibilities of the Board, timeliness for circulating the board papers, content and the quality of information provided to the Board, overseeing and guiding on major plans of action, risk management, annual budget/capex, acquisition and investment/



divestments etc. The performance of the Committees are evaluated based on criteria such as adequate independence of each Committee, frequency of meetings and time allocated for discussions at meetings, functioning of Board Committees and effectiveness of its advice & recommendation to the Board, etc. Performance evaluation of Independent Directors is done by the entire Board, excluding the Independent Director being evaluated, based on various aspects such as attendance, contribution in Board and Committee meetings, judgment, performance and exercise of duties with due and reasonable care.

In addition, the evaluation criterion for Chairman includes attendance, effectiveness of leadership, relationship with Board and shareholders, effective and maximum usage of Board support system etc.

The Executive Directors are evaluated on various aspects, including inter alia overall performance of Management, accomplishment of long-term objectives, efforts made by them towards enhancing brand equity, compliance with regulatory law(s) and to encourage new initiatives and expansions etc. Non-Executive Directors are also evaluated on the basis of criteria such as attendance and participation in meetings of Board and Committees, contribution to the development of long-term strategy and risk management, updating in the relevant areas such as corporate governance, industry and market scenario etc.

The Nomination and Remuneration Committee and Board of Directors expressed their satisfaction towards the process followed by the Company for evaluating the performance of the Directors, Board as a whole including Chairman and its Committees.

**2.10 Attendance of each Director at the Board Meetings and at the last Annual General Meeting (AGM) and details of the number of outside directorships and committee positions held by each of the Directors as on 31<sup>st</sup> March 2024 are given below:**

Name of Director and Category	No. of Board Meetings attended during the financial year	Attendance at last AGM held on September 2023	No. of directorships in other unlisted public and listed companies as on 31st March 2024*	No. of committees other than the Company		Directorships in other listed companies and category of directorship
				Chairperson	Member	
Ankush Bakshi - Executive Director (DIN: 02547254)	12	Yes	Nil	Nil	1	Nil
Anuj Bakshi - Executive Director (DIN: 02500120)	12	Yes	Nil	Nil	Nil	Nil
Roshni Bakshi - Executive Director	12	Yes	Nil	Nil	Nil	Nil





(DIN: 08090225)						
Kanika Bakshi - Executive Director (DIN: 08090236)	12	Yes	Nil	Nil	Nil	Nil
Sathvik Jain – Non-Executive Independent Director (DIN: 07732825)	12	Yes	Nil	Nil	Nil	Nil
Jagjit Singh Kochar Non-Executive Independent Director (DIN: 06552295)	12	Yes	Nil	Nil	Nil	Nil
Malti Jaiswal Non-Executive Independent Director (DIN: 08852633)	12	Yes	1	Nil	Nil	Nil
Arihant Jain* Non-Executive Independent Director (DIN: 05359143)	8	Yes	Nil	Nil	Nil	Nil

\* Mr. Arihant Jain has been appointed as an Independent Director of the Company w.e.f. 27<sup>th</sup> June, 2023.

### 3. COMMITTEES OF THE BOARD

The Board of Directors of the Company being at the fiduciary position have crucial role in the governance structure of the Company and the Board has constituted various Committees to deal with specific areas/ activities which need a closer review or which are operational or routine matters. In order to perform the duties in true spirit and in the interest of the Company and its stakeholders in efficient and timely manner, the Board has delegated its powers to various committees.

The Committees of the Board of Directors are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice.

Your Company has four Board level committees:

a) Audit Committee



- b) Nomination & Remuneration Committee
- c) Stakeholders' Relationship Committee
- d) Corporate Social Responsibility Committee

## A. AUDIT COMMITTEE

### Constitution and Composition

The Audit Committee, constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the Listing Regulations comprised of two (2) Non-Executive Independent Directors and one (1) Executive Director, who have financial/accounting acumen to specifically look into internal controls and audit procedures. All the members are financially literate and have accounting and financial management expertise. The members of the Audit Committee are Mr. Sathvik Jain (Chairperson), Mrs. Malti Jaiswal and Mr. Ankush Bakshi. Mr. Pankaj Khanna (CS and Compliance Officer) acts as the Secretary to the Audit Committee.

### Audit Committee Meeting

During the year, Six (6) meetings of the Audit Committee were held on the following dates:

30<sup>th</sup> May, 2023; 21<sup>st</sup> August, 2023; 20<sup>th</sup> September, 2023; 30<sup>th</sup> September, 2023; 9<sup>th</sup> November, 2023; 30<sup>th</sup> March, 2024

The following table gives the composition of the Audit Committee and the attendance record of members of the Committee:

Sr. No.	Name of Member	Designation	Category	No. of Meetings Attended
1.	Mr. Sathvik Jain	Chairperson	Independent	6
2.	Mrs. Malti Jaiswal*	Member	Independent	6
3.	Mr. Ankush Bakshi	Member	Executive	6

In addition to the Members of the Audit Committee, the Statutory Auditors attended the meetings of the Committee as invitees. Members held discussions with Statutory Auditors during the meetings of the Committee. The Audit Committee reviewed the half-yearly and year to date un-audited and annual audited financials of the Company before submission to the Board of Directors for its consideration and approval. The Committee also reviewed the internal control systems of the Company.

### Powers of Audit Committee

The Audit Committee has been empowered with the adequate powers as mandated in Regulation 18 of the Regulations, which includes the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

### Role of Audit Committee

The role of the Audit Committee includes the following:



## Board's Report...

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any Related Party Transactions.
  - g. modified opinion(s) in the Draft Audit Report.
5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the listed entity with related parties;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.



21. The Audit Committee of the Board shall review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
22. The Audit Committee to review utilization of loans and/or advances from investment by holding company in subsidiary company exceeding Rs. 100 crores or 10% of asset size of subsidiary, whichever is low.
23. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.
24. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding Rs. 100 cores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.
25. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation, etc. on the listed entity and its shareholders.

**B. STAKEHOLDERS RELATIONSHIP COMMITTEE**

In terms of Section 178 (5) of the Act, read with Regulation 20 of the Listing Regulations the "Stakeholders Relationship Committee" has been constituted to look into the Shareholders'/Investors' grievances i.e. Non-receipt of Annual Reports, Dividend payments, other miscellaneous complaints and redressal of the same. The said Committee is also authorised to effect transfers/transmissions of Equity Shares/Debentures and other securities and also to issue Duplicate Share Certificates and other securities and matters related or incidental thereto.

**Composition**

As on 31<sup>st</sup> March, 2024 the members of the Stakeholders Relationship Committee are Mrs. Malti Jaiswal (Chairperson), Mr. Jagjit Singh Kochar and Mr. Sathvik Jain. Mr. Pankaj Khanna (CS and Compliance Officer) acts as the Secretary to the Stakeholders Relationship Committee.

**Stakeholders Relationship Committee Meeting**

During the year, Three (3) meetings of the Shareholders'/Investors' Grievance Committee were held on the following dates:

30<sup>th</sup> May, 2023; 9<sup>th</sup> November, 2023; 30<sup>th</sup> March, 2023

The following table gives the composition of the Stakeholders Relationship Committee and the attendance record of Members of the Committee:

Sr. No.	Name of Member	Designation	Category	No. of Meetings Attended
1.	Mrs. Malti Jaiswal	Chairperson	Independent	3
2.	Mr. Jagjit Singh Kochar	Member	Independent	3
3.	Mr. Sathvik Jain	Member	Independent	3

**Status of Investor Complaints:**

Number of complaints received during financial year 2023-24 - 1

Number of complaints resolved to the satisfaction of stakeholders during year 2023-24 – 1

Number of pending complaints as on 31<sup>st</sup> March, 2024 – Nil



Cases of non-acceptance by the Board of Directors, of any recommendation of the Stakeholders Relationship Committee during the year under review, pursuant to Schedule V, Part C of SEBI LODR Regulations 2015 read with Amendments thereof: **NIL**

### **C. NOMINATION AND REMUNERATION COMMITTEE**

In accordance with provisions of section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Nomination and Remuneration Committee of the Board was constituted to oversee the Company's nomination process for the senior management and to decide their salary, perquisites and commission / performance linked remuneration etc., to be paid to them and other employees within the broad frame-work of the Policy, merit and Company's performance.

The terms of reference of the Nomination and Remuneration Committee is available on website of Company at [www.northernspirits.co.in](http://www.northernspirits.co.in)

#### **Composition**

As on 31<sup>st</sup> March, 2024 the members of the Nomination and Remuneration Committee are Mr. Jagjit Singh Kochar (Chairperson), Mrs. Malti Jaiswal and Mr. Sathvik Jain. Mr. Pankaj Khanna (CS and Compliance Officer) acts as the Secretary to the Nomination and Remuneration Committee.

#### **Nomination and Remuneration Committee Meeting**

During the year, Six (6) meetings of the Nomination and Remuneration Committee were held on the following dates:

1<sup>st</sup> May, 2023; 16<sup>th</sup> May, 2023; 27<sup>th</sup> June, 2023; 10<sup>th</sup> August, 2023; 21<sup>st</sup> August, 2023; 30<sup>th</sup> March, 2024

The following table gives the composition of the Nomination and Remuneration Committee and the attendance record of members of the Committee as shown in the table below:

<b>Sr. No.</b>	<b>Name of Member</b>	<b>Designation</b>	<b>Category</b>	<b>No. of Meetings Attended</b>
1.	Mr. Jagjit Singh Kochar	Chairperson	Independent	6
2.	Mrs. Malti Jaiswal*	Member	Independent	6
3.	Mr. Sathvik Jain	Member	Independent	6

### **D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

Corporate Social Responsibility Committee constituted in accordance with Section 135 of Companies Act, 2013 comprised of three Directors as on 31<sup>st</sup> March, 2024. The members of the Corporate Social Responsibility Committee are Mr. Sathvik Jain (Chairperson), Mrs. Kanika Bakshi and Mrs. Roshni Bakshi. Mr. Pankaj Khanna (CS and Compliance Officer) acts as the Secretary to the Corporate Social Responsibility Committee.

#### **Corporate Social Responsibility Committee Meeting**

During the year Two (2) meetings of the Corporate Social Responsibility Committee were held on the following dates:

30<sup>th</sup> May, 2023; 30<sup>th</sup> March, 2023;

The following table gives the composition of the Corporate Social Responsibility Committee and the attendance record of members of the Committee as shown in the table below:



Sr. No.	Name of Member	Designation	Category	No. of Meetings Attended
1.	Mr. Sathvik Jain	Chairperson	Independent	2
2.	Mrs. Kanika Bakshi	Member	Executive	2
3.	Mrs. Roshni Bakshi	Member	Executive	2

### **Evaluation Criteria**

The Company has adopted an Evaluation policy to evaluate performance of each director, the Board as a whole and its committees. Evaluation is also carried out by the Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act 2013 and Code for Independent Directors' as outlined under Schedule IV of the Companies Act, 2013.

The criteria for the performance evaluation of the Board of Directors includes aspects such as its composition and structure, and the effectiveness of its processes, information flow and functioning. The criteria for the performance evaluation of individual Directors includes aspects, such as the Director's contribution to the Board of Directors and Committee meetings, including preparation on the issues to be discussed as well as meaningful and constructive contribution and inputs during meetings. In addition, the Chairperson is evaluated on the key aspects of his role.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings etc. The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc.

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman is evaluated, taking into account the views of executive directors and non-executive directors.

### **4. SUBSIDIARY COMPANIES**

As on March 31, 2024, the Company does not have any subsidiary Company as defined under the Companies Act, 2013. Your Company does not have any material unlisted Indian subsidiary, and hence, is not required to nominate an Independent Director of the Company on the Board of any material unlisted subsidiary. The Policy on Material Subsidiaries can be accessed on the Company's website at [www.northernspirits.co.in](http://www.northernspirits.co.in)

### **5. GENERAL BODY MEETING**

#### **Annual General Meetings**

The Details of Last Three Annual General Meeting are as follows:

Financial Year	Date	Time	Venue	Details of Special Resolutions passed and postal ballot conducted during the year.
2022-23	22.09.2023	11:00 A.M.	Registered Office	Two Special Resolutions were passed namely -



				<ol style="list-style-type: none"> <li>1. To consider and approve the re-appointment of Mr. Sathvik Jain (DIN: 07732825) as an Independent Director of the Company for a second consecutive term of 5 years.</li> <li>2. To consider and approve the re-appointment of Mr. Jagjit Singh Kochar (DIN: 06552295) as an Independent Director of the Company for a second consecutive term of 5 years.</li> <li>3. To consider and approve the re-appointment Mr. Ankush Bakshi (DIN: 02547254) as a Managing Director of the Company for a term of 5 years.</li> </ol>
2021-22	15.09.2022	3:00 P.M.	Registered Office	No Special Resolutions were passed.
2020-21	30.09.2021	3:30 P.M.	Registered Office	<p>Two Special Resolutions were passed namely -</p> <ol style="list-style-type: none"> <li>1. Increase in the borrowing power in terms of section 180(1)(c) of the Companies Act, 2013.</li> <li>2. Creation of Charges in terms of section 180(1)(a) of Companies Act, 2013.</li> </ol>

**Extra-ordinary General Meetings:**

No Extra-Ordinary General Meetings were held during the F.Y. 2023-24.

**Postal Ballot**

No resolutions were passed through Postal Ballot during the F.Y. 2023-24.

**Court Convened Meeting of Shareholders**

During the year no Court Convened Meetings were convened and held.

**6. MEANS OF COMMUNICATION**

The Half Yearly Unaudited Results and the Annual Audited Financial Results of the Company are sent to the stock exchanges immediately after they are approved by the Board. Also, they are uploaded on the Company's website [www.northernspirits.co.in](http://www.northernspirits.co.in). The results are published in accordance with the guidelines of the Stock Exchange.

The Company's website [www.northernspirits.co.in](http://www.northernspirits.co.in) contains a separate dedicated section 'Investor Relations' wherein shareholders' information including financial results is available. The Company's Annual Report is also available in a user- friendly and downloadable form.

The Company has designated the email-id [info@northernspirit.in](mailto:info@northernspirit.in) exclusively for investor servicing.



## 7. GENERAL SHAREHOLDERS INFORMATION

### Annual General Meeting

The forthcoming AGM of the Company shall be held on Saturday, the 28<sup>th</sup> Day of September 2024 at 11.30 A.M. at the Registered Office of the Company situated at 5A, Woodburn Park Road, Woodburn Central, Unit-603, 6th Floor, Kolkata- 700020, West Bengal.

### Financial Year:

Financial year of the Company commences on April 1 and ends on March 31.

Financial reporting for the 1st Half Year End i.e. September 30, 2023 – November 14, 2023

Audited yearly Results for the year ending March 31, 2024 - May 30, 2024

### Date of Book Closure

Sunday, 22<sup>nd</sup> September, 2024 to Saturday, 28<sup>th</sup> September, 2024 (both days inclusive). Final dividend of Re. 0.25 on equity share capital of the Company has been proposed by board of directors for payment.

### Cut-off date for determining the names of shareholders eligible to vote

Saturday, September 21, 2024

### Cut-off date for determining the names of shareholders eligible to get Notice of Annual General Meeting

Friday, August 23, 2024

### Listed on Stock Exchanges

The Shares of the Company are listed on the following Stock Exchanges:

1. BSE Limited (BSE), Scrip Code: 542628  
P J Towers, Dalal Street, Mumbai- 400001

The Annual Listing Fees for the year 2024-25 has been paid in advance to the aforesaid Stock Exchanges. Company has made an application to BSE Limited for migration of its equity shares from SME platform to the Main Board of BSE Limited. The same has been approved by the members of the Company by requisite majority at the Postal Ballot voting results published by the Company on April 29, 2023. The migration process is almost under the process of completion.

### Market Price Data- High, Low During Each Month in Last Financial Year

The Equity Shares of the Company were listed on BSE Limited with effect from April 04, 2019. Monthly high and low quotations of shares traded on BSE Limited for the Year 2023-24 is given below -

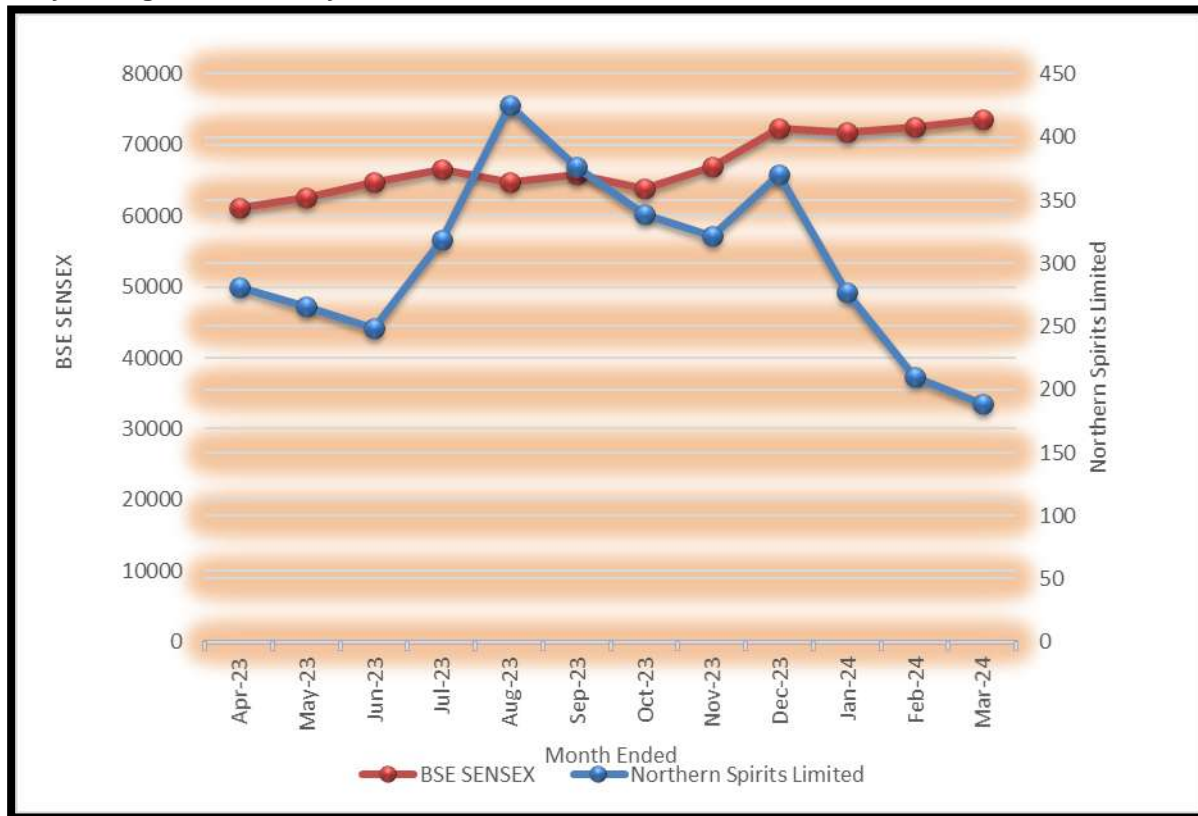
Month	BSE	
	High Price	Low Price
Apr-23	287.00	201.30
May-23	287.35	235.20
Jun-23	273.00	232.40





Jul-23	318.15	220.00
Aug-23	576.15	321.00
Sep-23	458.00	321.05
Oct-23	374.00	318.05
Nov-23	403.00	321.50
Dec-23	454.40	321.50
Jan-24	507.50	275.00
Feb-24	285.00	175.10
Mar-24	244.10	161.10

**Performance of the Company's equity shares (high price) in comparison to BSE Sensex and NSE Nifty during the financial year 2023-24:**



**Registrar & Transfer Agent**

Maheshwari Datamatics Pvt Ltd is the Registrar and Transfer agent for handling both the share registry work relating to shares held in physical and electronic form at single point. The Share Transfers were duly



registered and returned in the normal course within stipulated period, if the documents were clear in all respects.

The Shareholders are therefore advised to send all their correspondences directly to the Registrar and Transfer Agent of the Company at the below mentioned address:

**Maheshwari Datamatics Pvt Ltd**  
**23, R.N Mukherjee Road, 5th Floor**  
**Kolkata- 700 001 West Bengal**  
**Tel.: (033) 2248 2248**  
**Fax: (033) 2248 2248**  
**Email id: accounts@mdpl.in/**  
**mdpldc@yahoo.com**  
**Website: www.mdplin.in**

However, for the convenience of Shareholders, correspondences relating to Shares received by the Company are forwarded to the Registrar and Transfer Agent for action thereon.

### Share Transfer System

None of the shares are held in physical form.

### Shareholding pattern of the Company as per category of shareholders as on March 31, 2024:

Category	No. of Shares	Percentage (%)
Promoter & Promoter Group	10749000	66.967
Public Shareholding	5302200	33.033
Others	Nil	Nil

### Distribution of Shareholding as on March 31, 2024:

Sr. No.	No of Equity Shares Held	Holders	% age	No of Shares	% age
1.	1 To 500	268	35.9249	1,34,000	0.8349
2.	501 To 1000	117	15.6836	1,17,000	0.729
3.	1001 To 5000	230	30.8311	5,89,200	3.6708
4.	5001 To 10000	60	8.0429	4,64,500	2.8939
5.	10001 To 20000	35	4.6917	4,96,500	3.0932
6.	20001 To 30000	10	1.3404	2,63,000	1.6385



7.	30001 To 40000	9	1.2064	3,34,800	2.0858
8.	40001 To 50000	1	0.134	42,000	0.2617
9.	50001 To 100000	8	1.0723	5,63,000	3.5075
	<b>Total</b>	<b>746</b>	<b>100</b>	<b>1,60,51,200</b>	<b>100</b>

**Outstanding ADRs/GDRs/Warrants or any convertible instruments, conversion date and likely impact on equity:** Not Applicable

**Addresses for Correspondence:**

**For Share transfer/demat/remat of shares or any other query relating to shares: -**

Maheshwari Datamatics Pvt Ltd  
23, R.N Mukherjee Road, 5th Floor  
Kolkata- 700 001 West Bengal  
Tel.: (033) 2248 2248,  
Fax: (033) 2248 2248  
Email id: accounts@mdpl.in/  
mdpldc@yahoo.com  
Website: [www.mdplin.in](http://www.mdplin.in)

**For Investor Assistance:**

Mr. Pankaj Khanna – CS and Compliance Officer  
5A, Woodburn Park Road,  
Woodburn Central, Unit-603, 6th Floor,  
Kolkata- 700020, West Bengal  
Tel: 033-35446094  
E-mail: info@northernspirit.in  
Website: [www.northernspirits.co.in](http://www.northernspirits.co.in)

**Email for investors:**

The Company has designated info@northernspirit.in as email address especially for Investors' Grievances.

**Depositories:**

**National Securities Depository Limited**

Trade World, 'A' Wing, 4th & 5th Floors,  
Kamala Mills Compound,  
Lower Parel, Mumbai – 400 013  
Tel. No.: (022) 2499 4200  
Fax No.: (022) 2497 6351  
Email: info@nsdl.co.in  
Website: [www.nsdl.co.in](http://www.nsdl.co.in)



**Central Depository Services (India) Limited**

Marathon Futurex, A-Wing, 25th floor,

N M Joshi Marg, Lower Parel,

Mumbai – 400 013

Toll free No.: 1800-22-5533

Email: [complaints@cdslindia.com](mailto:complaints@cdslindia.com)

Website: [www.cdslindia.com](http://www.cdslindia.com)

SEBI has commenced processing of investor complaints in a centralized web-based complaints redress system i.e. SCORES. The Company has supported SCORES by using it as a platform for communication between SEBI and the Company.

**Updation of Shareholders information:**

The Shareholders of the Company are requested to intimate their latest Residential Address along with the details of their Shareholding in “Updation of Shareholder’s Information Form” (which can be obtained from the Registered Office of the Company. The duly filled form for Updation of information may either be sent to the Company at its Registered Office or be hand-delivered at the Annual General Meeting of the Company.

**10. OTHER DISCLOSURES**

**Basis of Related Party Transactions:**

During the year 2023-24, there were no material individual transactions with related parties, which are not in normal course of business or are not on an Arm’s Length basis. The statements in summary form of transactions with Related Parties in the ordinary course of business, if any, are placed periodically before the Audit Committee for its consideration and review. All disclosures related to financial and commercial transactions where Directors are interested are provided to the Board and the interested Directors neither participated in the discussion nor did they vote on such matters. The details of the Related Party Transactions, if any, during the year are given in the Notes forming part of financial statements.

Further, the Company has formulated a policy on materiality of Related Party Transactions in accordance with the Regulation 23 of the Regulations and the same is available on the website of the Company i.e. [www.northernspirits.co.in](http://www.northernspirits.co.in)

**Risk Management Framework:**

In pursuance to the Companies Act, 2013 and Regulation 17(9) of the Regulations, the Board of Directors of the Company has in place mechanisms to inform Board Members about the risk assessment and minimization procedures and periodical review to ensure that executive management controls risk by means of a properly defined framework.

**Compliance by the Company:**

There were no instances of any non-compliance by the Company or any penalties imposed on the Company by SEBI or any other Statutory Authority, on any matter related to the Capital Markets, during the financial year 2023-24.

**Whistle Blower Policy/Vigil Mechanism:**

The Whistle Blower policy/Vigil Mechanism of the Company has been formulated as per Regulation 22 of the Regulations and Section 177 of the Companies Act, 2013. The mechanism under the Policy has been appropriately communicated within the organization. The purpose of this policy is to provide a framework to promote responsible whistle blowing by employees. It protects the employees who wish to raise a



concern about serious irregularities, unethical behaviour, actual or suspected fraud within the Company by reporting the same to the Audit Committee.

During the year, no unethical behavior has been reported. Further, the Company has not denied any personnel access to the Audit Committee and it will provide protection to Whistle Blower, if any, from adverse personnel action.

The Whistle Blower Policy of the Company is available on the website i.e. [www.northernspirits.co.in](http://www.northernspirits.co.in)

**Policy on criteria for Determining Materiality of Events:**

The Policy on criteria for determining Materiality of Events has been framed in accordance with Regulation 30 of the Regulations which defines the criteria for determining the materiality of events or information related to the Company provides that such information should be adequately disseminated in pursuance with the Regulations and further provides for the overall governance framework for such determination of materiality. The said policy is available on the website of the Company i.e. [www.northernspirits.co.in](http://www.northernspirits.co.in)

**Code of Conduct and Corporate Ethics:**

Company believes that Good Corporate Governance is the key to the Conduct of Company's Business in a transparent, reliable and vibrant manner. It is of paramount importance for any Company to create an atmosphere of faith, integrity, accountability, responsibility and financial stability by adhering to commitment, ethical business conduct, a high degree of transparency thereby unlocking the individual intellectual capabilities and enabling its Board of Directors to conduct its duties under a moral authority, which ultimately leads to enhance legitimate needs and value of the stakeholders. A copy of "**Code of Conduct for Board of Directors & Senior Management Personnel**" formulated in terms of Regulation 17 of the Regulations has been posted at Company's official website i.e. [www.northernspirits.co.in](http://www.northernspirits.co.in)

**Policy for determining 'material' subsidiaries:**

The policy to determine a material subsidiary has been framed and the same is available on the website of the Company i.e. [www.northernspirits.co.in](http://www.northernspirits.co.in)

**Code of Conduct**

The members of the Board and senior management personnel have affirmed the compliance with Code of Conduct applicable to them during the year ended March 31, 2024. **Annexure - A** of the Corporate Governance Report contains a certificate by the Managing Director/Whole-time Director in terms of SEBI (LODR) Regulations, 2015 on the compliance declarations received from Independent Directors, Non-executive Directors and Senior Management.

**CEO/CFO Certification**

Mr. Ankush Bakshi, Managing Director and Mr. Anuj Bakshi, Chief Financial Officer (CFO) of the Company have furnished to the Board, the requisite Compliance Certificate under Regulation 17(8) of SEBI LODR Regulations, 2015 for the financial year ended March 31, 2024. The CEO/CFO Certificate is published as **Annexure-B** of this Corporate Governance Report.

**Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace.

The details relating to the number of complaints received and disposed of during the financial year 2023-24 are as under:



- a. Number of complaints filed during the financial year: **NIL**
- b. Number of complaints disposed of during the financial year: **NIL**
- c. Number of complaints pending as on end of the financial year: **NIL**

**Certificate from a Company Secretary in Practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority:**

Certificate as required under Part C of Schedule V of Listing Regulations, received from Mrs. Puja Pujari (Membership No. F13102, CP No. 20171), Practicing Company Secretary, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority was placed before the Board of Directors at their meeting held on 2<sup>nd</sup> July, 2024. The certificate given by Mrs. Puja Pujari published in this Report is annexed to this Corporate Governance Report as **Annexure – C**.

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

In order to prevent misuse of any unpublished price sensitive information (UPSI), maintain confidentiality of all UPSI and prohibit any insider trading activity and abusive self-dealing of securities, in the interest of the shareholders at large, the Company has framed a Code of Conduct for Prohibition of Insider Trading. The said Code prohibits the Designated Persons of the Company from dealing in the securities of the Company on the basis of any unpublished price sensitive information, available to them by virtue of their position in the Company.

The details of dealing in Company's shares by Designated Employees/Designated Persons are quarterly placed before the Audit Committee. The Code also prescribes sanction framework and any instance of breach of code is dealt in accordance with the same. A copy of the said Code is made available to all employees of the Company and compliance of the same is ensured.

Further the Company has framed a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and the same is available on the website of the Company at [www.northernspirits.co.in](http://www.northernspirits.co.in)

**Reconciliation of share capital audit**

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The 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 dematerialized shares held with NSDL and CDSL.

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

**Place:** Kolkata  
**Date:** 29<sup>th</sup> May, 2024

**s/d-**  
**Ankush Bakshi**  
**Managing Director**  
**DIN: 02547254**



**Annexure - A**

**COMPLIANCE WITH CODE OF CONDUCT**

In accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby affirmed that during the year 2023-24, all the Directors and Senior Managerial personnel have complied with the Code of Conduct, as applicable to them, and have given a confirmation in this regard.

**For Northern Spirits Limited**

**Place:** Kolkata  
**Date:** May 29, 2024

**s/d-**  
**Ankush Bakshi**  
**Managing Director**  
**DIN: 02547254**



**Annexure - B**

**CEO/CFO CERTIFICATE**

We have reviewed financial statements and the cash flow statement for the year 2023-24 and that to the best of our knowledge and belief:

- 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- 2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- 3) No transaction entered into by the Company during the above said period, which is fraudulent, illegal or violative of the Company's Code of Conduct.

Further, we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial statements and we have disclosed to the Auditors and the Audit Committee, wherever applicable:

- i. Deficiencies in the design or operation of internal controls, if any, which came to our notice and the steps we have taken or propose to take to rectify these deficiencies;
- ii. Significant changes in internal control over financial reporting during the year 2023-24;
- iii. Significant changes in accounting policies during the year 2023-24 and that the same have been disclosed in the notes to the financial statements;
- iv. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Northern Spirits Limited**

**Place:** Kolkata  
**Date:** 29<sup>th</sup> May, 2024

**s/d-**  
**Anuj Bakshi**  
**CFO**

**s/d-**  
**Ankush Bakshi**  
**Managing Director**





**Annexure – C**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

To,  
The Board of Directors,  
**NORTHERN SPIRITS LIMITED**  
5A, Woodburn Park Road, Woodburn Central  
Unit No 603, 6th Floor  
Kolkata – 700020.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Northern Spirits Limited (CIN: L15500WB2012PLC185821) having Registered Office at 5A, Woodburn Park Road, Woodburn Central, Unit No 603, 6th Floor, Kolkata – 700020 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Directors	DIN	Date of Appointment in the Company	Cessation during the year (if any)
1	Mr. Ankush Bakshi	02547254	13.09.2012	-
2	Mr. Anuj Bakshi	02500120	13.09.2012	-
3	Mrs. Roshni Bakshi	08090225	21.03.2018	-
4	Mrs. Kanika Bakshi	08090236	21.03.2018	-
5	Mr. Jagjit Singh Kochar	06552295	11.06.2018	-
6	Mr. Sathvik Jain	07732825	04.08.2018	-
7	Mr. Arihant Jain	05359143	27.06.2023	-
8	Mrs. Malti Jaiswal	08852633	13.02.2013	-

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Puja Pujari**  
**Practicing Company Secretary**  
**Membership No. A54368**  
**COP No. 20171**  
**P.R CERTIFICATE NO: 3636/2023**  
**UDIN: F13102F000653896**

**Place:** Kolkata  
**Date:** 2<sup>nd</sup> July, 2024



**INDEPENDENT  
AUDITOR'S REPORT  
&  
FINANCIAL STATEMENTS  
FOR THE FINANCIAL  
YEAR 2023-24**



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTHERN SPIRITS LIMITED

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### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of **NORTHERN SPIRITS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows Statement for the year then ended and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the 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 31<sup>st</sup> March, 2024, and its profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for qualified opinion

Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of India, the company has used accounting software i.e. Tally Prime, for maintaining its books of account, which has a feature of recording audit trail (edit log) facility. However, the audit trail feature of the software used by the Company was not enabled at all and hence did not operate throughout the year.

Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the Standard of Auditing and only to the extent required by Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014. We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor have we carried out any standalone audit or examination of the audit trail.

Our opinion is modified in respect of these matters.

The matters reported in Paragraph 2(b) relating to maintenance of accounts and other matters & 2(g)(vi) relating to reporting under section 143(3)(b) of the Act, as given in section "Report on Other Legal and Regulatory Requirements" of this report, has also been modified accordingly.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified in section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act 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 obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone 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 financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**Management's Responsibility for the Standalone 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 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 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 is also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibility for the Audit of the Standalone Financial Statement**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud and 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 financial statements.



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

- Identify and assess the risks of material misstatement of the standalone 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 147 (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 the management.
- Conclude on the appropriateness of the 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 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 financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair representation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the standalone 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 standalone 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 wherever 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 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, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "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 purpose of our audit.
  - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Standalone Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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 Rule 11 of the Company's (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 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 for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. a) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note No. 36 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies) including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



## Auditor's Report & Annual Accounts...

- b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note No. 36 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of the Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not paid any dividend during the year. Further, as stated in Note No. 31 to the standalone financial statements, the Board of Directors of the Company has proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, the company has used accounting software i.e. Tally Prime, for maintaining its books of account, which has a feature of recording audit trail (edit log) facility. However, the audit trail feature of the said software used by the company was not enabled at all and hence did not operate throughout the year.
- h) In our opinion and to the best of our information and according 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 read with Schedule V to the Act.

**For J K S S & Associates**  
**(Formerly known as J K Sarawgi & Company)**

Chartered Accountants  
**FRN No.: 006836C**

FCA Jeet Agarwal  
Partner

**Membership No.: 064038**  
**UDIN: 24064038BKADCL7751**

**Place:** Kolkata  
**Dated:** 29<sup>th</sup> May, 2024



**NORTHERN SPIRITS LIMITED**  
**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**  
**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements'**  
**section of our report of even date)**

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31st March, 2024, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified every year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in





agreement with the books of account of the Company.

- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Duty of Excise, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Duty of Excise, Cess and other material statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not



defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.



- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, 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) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the company does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance



## Auditor's Report & Annual Accounts...

sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of subsection (6) of section 135 of the said Act. Accordingly, clause 3(xx)(b) of the Order is not applicable.
- (xxi) The Company does not have any Holding Company / Subsidiary / Associate / Joint Venture. Accordingly, clauses 3(xxi) of the Order is not applicable.

**For J K S S & Associates**  
**(Formerly known as J K Sarawgi & Company)**  
Chartered Accountants  
**FRN No.:** 006836C

FCA Jeet Agarwal  
Partner

**Membership No.:** 064038  
**UDIN:** 23064038BKADCL7751

**Place:** Kolkata  
**Dated:** May 29, 2024



**ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**  
(Referred to in paragraph 2(f) under ‘Report on Other Legal and regulatory Requirements’ of our report 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”)**

**Opinion**

We have audited the internal financial controls over financial reporting of **NORTHERN SPIRITS LIMITED** (“the Company”) as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion except for the possible effects of the significant deficiencies described in the “Basis of Qualified Opinion” below, 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, 2024, 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).

We have considered the significant deficiencies identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements as at March 31, 2024.

**Basis of Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following significant deficiencies has been identified in the operating effectiveness of the Company’s internal financial controls over financial reporting as at March 31, 2024:

(a). We reviewed the internal financial controls of the Company and noted that the Company does not use the functionality of generating audit trail (edit log) from the current accounting software. Further, there is no process for review and monitoring of the changes / edit made to the accounting software.

**Management’s Responsibility for Internal Financial Controls**

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 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 Company’s internal financial controls over financial reporting 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 (ICAI) 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 judgment, 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 Company's internal financial controls system over financial reporting.

### **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 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**

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.

**For J K S S & Associates**  
**(Formerly known as J K Sarawgi & Company)**  
Chartered Accountants  
**FRN No.:** 006836C

FCA Jeet Agarwal  
Partner

**Place:** Kolkata  
**Dated:** 29<sup>th</sup> May, 2024

**Membership No.:** 064038  
**UDIN:** 23064038BKADCL7751



<b>Northern Spirits Limited</b>			
<b>Balance Sheet as at 31st March, 2024</b>			
(₹ in Lakhs)			
Particulars	Notes	As at 31st March, 2024	As at 31st March, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	3(A)	1,052.90	1,044.25
(b) Intangible assets	3(B)	-	-
(c) Deferred tax Assets	4	11.00	9.45
(d) Other non-current assets	5	-	-
<b>Current assets</b>			
(a) Inventories	6	5,997.15	5,148.69
(b) Financial Assets			
(i) Trade receivables	7	14,258.36	10,692.24
(ii) Cash and cash equivalents	8	49.46	7.35
(iii) Other Bank Balances	9	1,649.19	722.12
(c) Other current assets	5	1,444.12	650.99
<b>TOTAL ASSETS</b>		<b>24,462.19</b>	<b>18,275.09</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	10	1,605.12	1,605.12
(b) Other Equity	11	8,395.76	6,738.48
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Long Term Borrowings	12(A)	372.42	778.25
(b) Provisions	13	11.92	-
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	12(B)	13,402.98	8,729.52
(ii) Trade payables		-	-
(b) Other current liabilities	14	100.18	43.73
(c) Provisions	13	573.81	379.98
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>24,462.19</b>	<b>18,275.09</b>

The accompanying notes 1 to 36 are an integral part of the Financial Statements.

As per our report on even date

For J K S S & Associates  
Formerly known as J K Sarawgi &  
Company)  
Chartered Accountants  
FRN: 006836C

For and on behalf of the Board of Directors

FCA Jeet Agarwal  
Partner  
M. No. 064038  
UDIN: 24064038BKADCL7751  
Place: Kolkata  
Date: 29<sup>th</sup> May, 2024

Ankush Bakshi  
Managing Director  
DIN: 02547254

Anuj Bakshi  
Executive Director & CFO  
DIN: 02500120



<b>Northern Spirits Limited</b>				
<b>Profit and Loss statement for the year ended 31st March, 2024</b>				
(₹ in Lakhs)				
	Particulars	Note No	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	Revenue from operations	15	1,23,530.58	90,534.10
II	Other Income	16	73.42	32.01
III	<b>Total Income (I + II)</b>		<b>1,23,604.00</b>	<b>90,566.11</b>
	<b>Expenses</b>			
	Purchase of Stock-in-Trade	17	1,12,785.92	82,506.58
	Changes in inventories of finished goods, Stock-in-Trade, work-in- progress and intermediates	18	(848.46)	(1,092.88)
	Employee benefit expenses	19	448.37	287.96
	Finance costs	20	912.32	777.65
	Depreciation and amortization expense		23.18	22.91
	Other expenses	21	8,053.13	6,560.68
IV	<b>Total Expenses</b>		<b>1,21,374.47</b>	<b>89,062.90</b>
V	<b>Profit before exceptional items and tax (III - IV)</b>		<b>2,229.53</b>	<b>1,491.71</b>
VI	Exceptional items		-	-
VII	<b>Profit before tax (V + VI)</b>		<b>2,229.53</b>	<b>1,491.71</b>
VIII	<b>Tax expenses:</b>			
	Current Tax		573.81	379.98
	Deferred Tax Liability		(1.55)	(1.65)
IX	<b>Profit for the year (VII - VIII)</b>		<b>1,657.28</b>	<b>1,113.37</b>
	<b>Other Comprehensive Income</b>			
A	(i) Items that will not be reclassified to profit or loss:		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B	(i) Items that will be reclassified to profit or loss:		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
X	<b>Other Comprehensive Income [A (i - ii) + B (i - ii)]</b>		-	-
XI	<b>Total Comprehensive Income for the year (IX + X)</b>		<b>1,657.28</b>	<b>1,113.37</b>
XII	Earnings per equity share (Face Value ₹ 10.00 each):	24		
	Basic & Diluted Earnings per equity share: (Rs)		<b>10.32</b>	<b>6.94</b>

The above balance sheet should be read in conjunction with accompanying notes  
The accompanying notes are an integral part of the Financial Statements

**For J K S S & Associates**  
Formerly known as J K Sarawgi & Company)  
Chartered Accountants  
FRN: 006836C

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

**FCA Jeet Agarwal**  
Partner  
M. No. 064038  
UDIN: 24064038BKADCL7751  
Place: Kolkata  
Date: 29<sup>th</sup> May, 2024

**Ankush Bakshi**  
Managing Director  
DIN: 02547254

**Anuj Bakshi**  
Executive Director & CFO  
DIN: 02500120





**Northern Spirits Limited**  
**Cash Flow Statement for the year ended 31st March, 2024**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>A. Cash Flow from Operating Activities</b>		
<b>PROFIT BEFORE TAX</b>	<b>2,229.53</b>	<b>1,491.71</b>
ADJUSTMENTS FOR:	23.18	22.91
Depreciation and amortization expense		
Interest paid	912.32	777.65
Interest Income	(73.42)	(32.01)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>3,091.61</b>	<b>2,260.26</b>
ADJUSTMENTS FOR: Inventories	(848.46)	(1,092.88)
Trade receivables	(3,566.12)	(4,364.79)
Loans and advances	(793.33)	1,141.31
Other Payables	(323.76)	(198.50)
Provision for Gratuity	11.92	-
Provision for Taxation/Tax Paid	(573.81)	-
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(3,001.94)</b>	<b>(2,254.59)</b>
Interest Income	73.42	32.01
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(2,928.52)</b>	<b>(2,222.58)</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of property, plant and equipment, Intangibles etc.	(31.85)	(33.13)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(31.85)</b>	<b>(33.13)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from issue of share capital	-	-
Proceeds from Borrowings	4,267.64	11,162.87
Finance Cost	(912.32)	(777.65)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>3,355.32</b>	<b>10,385.22</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>394.95</b>	<b>8,129.51</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>729.46</b>	<b>(7,400.05)</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>1,124.84</b>	<b>729.46</b>
<b>Notes:</b>		
1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS-7 "Statement of Cash Flows".		
<b>2. CASH AND CASH EQUIVALENTS:</b>		
Cash and cash equivalents as above	1,124.84	729.46
Cash and cash equivalents (Note 08)	49.46	7.35

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Other bank balances (Note 09)		1,649.19		722.12
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3. Net Cash Flow from Operating Activities includes an amount of ₹ 33.50 (PY: ₹ 11.50 Lakhs) spent towards CSR and ₹ 120.00 Lakhs (PY: ₹ Nil) spent towards Contribution to Political Party.

The accompanying notes 1 – 36 are an integral part of the Financial Statements

As per our report on even date

**For J K S S & Associates**  
**Formerly known as J K Sarawgi & Company)**  
**Chartered Accountants**  
**FRN: 006836C**

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

**FCA Jeet Agarwal**  
**Partner**  
**M. No. 064038**  
**UDIN: 24064038BKADCL7751**  
**Place: Kolkata**  
**Date: 29<sup>th</sup> May, 2024**

**Ankush Bakshi**  
**Managing Director**  
**DIN: 02547254**

**Anuj Bakshi**  
**Executive Director**  
**& CFO**  
**DIN: 02500120**



<b>Northern Spirits Limited</b>			
<b>Statement of changes in equity for the year ended 31st March, 2024</b>			
(₹ in Lakhs)			
<b>A. Equity Share Capital</b>			
	Balance at the beginning of the reporting year	Changes in equity share capital during the year	Balance at the end of the reporting year
For the year ended 31st March, 2023	1,605.12	-	1,605.12
For the year ended 31st March, 2024	1,605.12	-	1,605.12

<b>B. Other Equity</b>					
	Reserves and Surplus				
	Capital Reserve	Securities Premium Account	Capital Redemption Reserve	Retained Earnings	Total
<b>Balance as at 31st March, 2023</b>	-	3,229.33	-	2,395.78	5,625.11
Profit for the year	-	-	-	1,113.37	1,113.37
Other Comprehensive Income (net of tax)	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>	-	3,229.33	-	3,509.15	6,738.48
<b>Balance as at 31st March, 2024</b>	-	3,229.33	-	3,509.15	6,738.48
Profit for the year	-	-	-	1,657.28	1,657.28
Other Comprehensive Income (net of tax)	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>	-	3,229.33	-	5,166.43	8,395.76
<b>Balance as at 31st March, 2024</b>	-	3,229.33	-	5,166.43	8,395.76

The accompanying notes 1 – 36 are an integral part of the Financial Statements

As per our report on even date

**For J K S S & Associates**  
Formerly known as J K Sarawgi & Company)  
Chartered Accountants  
FRN: 006836C

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

**FCA Jeet Agarwal**  
Partner  
M. No. 064038  
UDIN: 24064038BKADCL7751  
Place: Kolkata  
Date: 29<sup>th</sup> May, 2024

**Ankush Bakshi**  
Managing Director  
DIN: 02547254

**Anuj Bakshi**  
Executive Director & CFO  
DIN: 02500120



## Northern Spirits Limited

### Notes annexed to and forming part of Condensed Standalone Interim Balance Sheet

#### Note 1: Company Overview and Significant Accounting Policies

##### A. Company overview

Northern Spirits Limited ("the Company" or "NSL") is a public company domiciled and headquartered in Kolkata, India. It is incorporated under the Companies Act, 1956 and its shares are listed on the Bombay Stock Exchange Limited SME platform. Northern Spirits chose New Delhi (NCR) as its business capital, the paradise that constantly brews promises for the liquor entrepreneurs. NCR cherishes the pride of a trendsetting alcohol consumption pattern that has inspired Northern Spirits to select New Delhi as the starting point. And the best thing is that it has been enjoying a business growth of 40% YoY for last 4 years.

The Promoters of Northern Spirits have a commendable experience of more than 35 years that includes: A strong start in Punjab since 1975 and then in Maharashtra through 'Wine Enterprises' since 1991. In the year 2003-04 the entrepreneurial Journey of our promoters, commenced in the state of West Bengal, through its Group concern 'United Wines' whose Proprietor is Mr. Anuj Bakshi. This background lays the foundation for Northern Spirits Ltd to be a Pan-Indian operator along with key indicators which instills confidence within its channel partners. NSL is adorned with experienced office, commendable salespersons and experts and efficient professional managers.

United Wines a sole proprietorship firm (proprietor Mr. Anuj Bakshi ) started its operations as Distributor of Alcoholic Beverages in 2002 and was focusing mainly on IMFL brands in Eastern region and whereas Northern Spirits Ltd started its operations in 2012 as Importer & Distributor of fine Alcoholic Beverages and focused on imports of leading international brands such as William Grants (Glenfiddich Single Malt, Grants Whisky, Monkey Shoulder Whisky, Balvenie Single Malt, Hendricks Gin), Bacardi Global (Grey Goose Vodka, Bombay Sapphire Gin, Dewar's Whisky, Martini Vermouth), Shepherd Neame Beer, Amigos Beer, Carlo Rossi California Wines, Tomich Australian Wines, Cooper's Australian Beer, West Cork Irish Whiskey, Two Tree Gin, Reddot Wheat Beer, Aqua Riva Mexican Tequila & Organika Russian Vodka and are distributing the same in Northern Region - Delhi, North East, West Bengal.

As a strategic move, the management decided to integrate the two different businesses in a single entity for better corporate governance and Compliance. Accordingly, On 1st April 2018 United Wines was merged with Northern Spirits Limited. The highlights of Integrations are:

- Corporate structuring of operations resulting in increased efficiency and transparency,
- Resource optimization,
- Improved productivity with synergy benefits,
- Bank exposure only in one entity - Northern Spirits Ltd, leading to ease in servicing the loan.

NSL has crafted the International Brand Space for itself with all the necessary resources in place and has ventured into the biggest and the toughest market of New Delhi. All the major global brands have their head offices in NCR and this has been a drive for NSL to be a Pan-Indian player. With a well-organized professional team, NSL has grabbed all the opportunities that NCR has to offer. Attention to efficiency and good performance has opened up big opportunities to distribute brands across high consumption states and union territories of:

- Chandigarh
- Uttar Pradesh
- Himachal Pradesh
- Punjab
- Rajasthan



## B. 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.

### 1. Basis of preparation of financial statements

#### i) Compliance with Ind AS

These interim condensed financial statements have been prepared in accordance with recognition and measurement principles laid down in IND AS 34 'Interim Financial Reporting', and applicable Indian Accounting Standards ("IND-AS") issued by the Institute of Chartered Accountants of India (ICAI) and other recognised accounting practices and policies in India.

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

#### ii) Historical cost convention

These financial statements have been prepared on a historical cost basis, except where fair value measurement is required by the relevant Ind AS.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

### 2. Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that is not explicitly specified in an arrangement.

#### Operating lease

An operating lease is a lease other than a finance lease. Lease in which a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. The rental payments under operating lease are recognized as expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

### 3. Foreign Currency Transaction

Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Subsequently, monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference recognized in profit or loss. Differences arising on settlement of monetary items are also recognized 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 transaction. The Company has not availed the exemption available in IND AS 101, to continue capitalization of foreign currency fluctuation on long term foreign currency monetary liabilities outstanding on transition date.

### 4. Property, plant and equipment and Intangible assets

#### Property, plant and equipment



Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation, and impairment loss, if any except that on adoption of Ind AS, the Company had measured Property, plant and equipment at deemed cost, using the net carrying value as per previous GAAP as at March 31, 2015. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognized 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 derecognized when replaced. All expenses in the nature of repairs and maintenance are charged to Statement of profit and loss during the reporting period in which they are incurred.

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 methods, estimated useful lives and residual value

Depreciation is calculated using the Written Down Value method (WDV) as per the Companies Act 2013 as below:

Asset category	WDV Rates	Basis of determination of Written Down Value
Buildings		
- Buildings	4.87%	Assessed to be in line with Schedule II of the Act
Plant and Machinery		
- Others	18.10%	Assessed to be in line with Schedule II of the Act
Furniture and Fittings	25.89%	Assessed to be in line with Schedule II of the Act
Office Equipment		
- Computers	63.16%	Assessed to be in line with Schedule II of the Act
- Others	63.16%	Assessed to be in line with Schedule II of the Act
Vehicles	39.30%	Assessed to be in line with Schedule II of the Act

#### Intangible assets

On adoption of Ind AS, the Company has measured Intangible assets at deemed cost, using the net carrying value as per previous GAAP as at March 31, 2015.

#### Computer Software

Computer software acquired or developed is carried at cost less accumulated amortization and impairment losses, if any. Costs associated with maintaining software programs are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of customised computer software applications are recognized as intangible assets under development or intangible assets when ready for intended use, when the following criteria are met:

- a. It is technically feasible to complete the software so that it will be available for use,
- b. there is an ability to use or sell the software,
- c. it can be demonstrated that the software will generate probable future economic benefits,
- d. adequate technical, financial and other resources to complete the development and to use the software are available, and
- e. the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the customized computer software applications include employee costs and other directly attributable costs and are amortized from the point at which the software asset is available for use.



### Amortization method

The Company amortizes intangible assets using the written down value method over their estimated useful lives as follows:

- Computer software – 5 years.

## 6. Financial Instruments

### A) Financial Assets:

#### a) Recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognized at fair value. Financial assets are subsequently classified and measured at amortized cost. Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

#### i) Trade Receivables

Trade receivables are initially recognized at fair value. Subsequently, these assets are held at amortized cost, using the Effective Interest Rate (EIR) method net of any Expected Credit Losses (ECL). The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

#### ii) Loans

On initial recognition, Loans are measured at fair value. Since the objective is to hold these financial assets to collect contractual cash flows that are solely payments of principal and interest, these assets are subsequently measured at amortized cost using the EIR method less impairment, if any.

#### iii) Other financial assets

On initial recognition, other financial assets are measured at fair value, and subsequently, measured at the amortized cost, less impairment if any. Loss arising from impairment, if any is recognized in the Statement of Profit and Loss.

#### b) Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

### B) Financial Liabilities:

#### a) Recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, financial liabilities are measured at fair value and subsequently measured at amortized cost.

#### Trade and other payables

In case of trade and other payables, they are initially recognized at fair value and subsequently, these liabilities are held at amortized cost, using the effective interest rate method.

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per credit period. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

#### b) Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.



The Company did not have any financial instruments recognized at fair value through Profit and Loss/ fair value through Other Comprehensive Income anytime during the year or during the comparative year.

**c) offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## 7. Inventories

Inventories which comprise finished goods and stock-in-trade are carried at the lower of cost or net realizable value. Cost of inventories comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost of inventories, weighted average cost method is used. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable 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 realizable value is made on an item-by-item basis. Adequate allowance is made for obsolete and slow-moving items.

## 8. Cash and cash equivalents

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

## 9. Revenue recognition

Revenue comprises revenue from contracts with customers for sale of goods and income from promotership margin receivable. Revenue from sale of goods is inclusive of excise duties and is net of returns, trade allowances, rebates, value added taxes, Goods and Services Tax (GST) and such amounts collected on behalf of third parties.

Revenue is recognized as and when performance obligations are satisfied by transferring goods or services to the customer, as below:

**Revenue from sale of products:**

Revenue is recognized on transfer of control, being on dispatch of goods or upon delivery to customer, in accordance with the terms of sale.

**Revenue from promotership margin:**

Revenue is recognized on transfer of service in accordance with the terms of agreement.

## 10. Other Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is netted off from interest cost under the head "Interest Cost (Net)" in the statement of profit and loss.

## 11. Employee Benefits

Short term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered.





Payment to defined contribution plan is recognized as expense when employees have rendered services.

The liability for gratuity, a defined benefit plan is determined using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each balance sheet date. Re-Measurements comprising actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged / credited to Other Comprehensive Income in period in which they arise. Other costs are accounted for in Statement of Profit and Loss.

## 12. Income tax

Income tax expense is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from initial recognition of goodwill.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in Statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Deferred tax on Minimum Alternative Tax ('MAT') credit is recognized as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income-tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of deferred tax relating to MAT credit entitlement to the extent there is no longer reasonable certainty that the Company will pay normal income-tax during the specified period.

## 13. Earnings per share (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity Shareholders by the weighted average number of equity shares outstanding during the period, as per Ind AS 33 on Earnings per share. 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 are recognized 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 recognized for other future operating losses. The carrying amounts of provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### 15. Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the Statement of profit and loss over the period of the borrowings using the effective interest method.

Borrowings are derecognized from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in Statement of profit and loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

#### 16. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized 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.

#### 17. MSME Disclosures

The Company has no suppliers and customers covered under Micro, Small and Medium Enterprises Development Act, 2006. Management believes that on confirmation there will not be any material impact on statement of financial statements.

#### 18. Related Party Disclosures

##### Key Management personnel

- Ankush Bakshi (Managing Director)
- Anuj Bakshi (Executive Director & CFO)



- Roshni Bakshi (Executive Director)
- Kanika Bakshi (Executive Director)
- Pankaj Khanna (Company Secretary, w.e.f. 10.08.2023)
- Arihant Jain (Non-Executive & Independent Director, w.e.f. 27.06.2023)
- Sathvik Jain (Independent Director)
- Jagjit Singh Kochar (Independent Director)
- Malti Jaiswal (Non-Executive & Independent Director, w.e.f. 13.02.2023)

#### **Enterprises over which Key Management Personnel exercise significant influence**

- M/s United Wines
- NS Bonded Warehouse Pvt. Ltd.

#### **19. 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 its disclosure is relevant to explain more meaningfully the performance of the Company for the year, the nature and amount of such items is disclosed as exceptional items.

#### **20. Segmental information**

The Company is engaged in the business of purchase and sale of beverage alcohol (spirits and wines). The Management 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. Beverage alcohol). As such no segment disclosures have been made in the financial statements as at and for the year ended March 31, 2024.

#### **C. Critical estimates and judgments**

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 and judgements are:

- Estimation of provisions and contingent liabilities - Note 23

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.



**Northern Spirits Limited**  
Notes annexed to and forming part of Balance Sheet

## NOTE 3: PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Gross Block							Depreciation and Amortization						Net Book Value		
	As at 31st March, 2022	Additions	Withdrawals and adjustments	As at 31st March, 2023	Additions	Withdrawals and adjustments	As at 31st March, 2024	Up to 31st March, 2022	For the year	On Withdrawals and adjustments	Upto 31st March, 2023	For the Period	On Withdrawals and adjustments	As at 31st March, 2024	As at 31st March, 2023	
<b>3A. Property, plant and equipment</b>																
Fire Extinguisher	1.88	0.00	0.00	1.88	0.39	0.00	2.28	1.15	0.13	0.00	1.28	0.15	0.00	1.43	0.85	0.60
Air Conditioner	2.28	0.35	0.00	2.63	1.05	0.00	3.68	1.55	0.17	0.00	1.72	0.16	0.00	1.88	1.80	0.91
Furniture	50.14	7.85	0.00	57.99	0.00	0.00	57.99	20.45	8.29	0.00	28.74	7.36	0.00	36.10	21.89	29.25
Laptop	1.56	0.00	0.00	1.56	0.00	0.00	1.56	1.53	0.00	0.00	1.53	0.00	0.00	1.53	0.03	0.03
Intercom	0.32	0.00	0.00	0.32	0.00	0.00	0.32	0.20	0.02	0.00	0.22	0.00	0.00	0.22	0.10	0.10
Water Machine	0.25	0.00	0.00	0.25	0.00	0.00	0.25	0.16	0.02	0.00	0.18	0.00	0.00	0.18	0.07	0.07
Invertor	0.97	0.00	0.00	0.97	0.39	0.00	1.36	0.59	0.07	0.00	0.66	0.12	0.00	0.78	0.58	0.31
Computer	6.64	0.35	0.00	6.99	0.41	0.00	7.40	4.68	1.46	0.00	6.14	0.75	0.00	6.89	0.51	0.85
DVR	0.91	0.00	0.00	0.91	0.00	0.00	0.91	0.61	0.06	0.00	0.67	0.04	0.00	0.71	0.20	0.24
Bar Code Printer	2.13	0.00	0.00	2.13	0.00	0.00	2.13	1.32	0.15	0.00	1.47	0.17	0.00	1.64	0.49	0.66

**Auditor's Report & Annual Accounts...**

Office at Woodburn Park	434.35	0.00	0.00	434.35	0.00	0.00	434.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	434.35	434.35
Office at Rajarhat	38.45	0.00	0.00	38.45	0.00	0.00	38.45	0.00	0.00	0.00	0.00	0.00	0.00	0.00	38.45	38.45
Land & Building	502.46	0.00	0.00	502.46	0.00	0.00	502.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00	502.46	502.46
Maruti Eco Van	4.43	0.00	0.00	4.43	0.00	0.00	4.43	3.99	0.17	0.00	4.16	0.10	0.00	4.26	0.17	0.27
Printer	1.03	0.00	0.00	1.03	0.00	0.00	1.03	1.01		0.00	1.01	0.00	0.00	1.01	0.02	0.02
Bio Metric Machine	0.10	0.00	0.00	0.10	0.00	0.00	0.10	0.06	0.01	0.00	0.07	0.00	0.00	0.07	0.03	0.03
Scanning Machine	0.37	0.00	0.00	0.37	0.00	0.00	0.37	0.26	0.02	0.00	0.28	0.00	0.00	0.28	0.09	0.09
CCTV	1.90	0.00	0.00	1.90	0.00	0.00	1.90	0.99	0.17	0.00	1.16	0.13	0.00	1.29	0.61	0.74
Coffee Machine	0.13	0.00	0.00	0.13	0.00	0.00	0.13	0.07	0.01	0.00	0.08	0.00	0.00	0.08	0.05	0.05
Generator	2.20	0.00	0.00	2.20	0.00	0.00	2.20	1.21	0.18	0.00	1.39	0.14	0.00	1.53	0.67	0.81
Delivery Van	0.70	0.00	0.00	0.70	0.00	0.00	0.70	0.60	0.04	0.00	0.64	0.00	0.00	0.64	0.06	0.06
Electric Fittings	0.25	0.00	0.00	0.25	0.00	0.00	0.25	0.17	0.02	0.00	0.19	0.00	0.00	0.19	0.06	0.06
Mobile Phone	1.24	0.00	0.00	1.24	0.00	0.00	1.24	0.68	0.10	0.00	0.78	0.08	0.00	0.86	0.38	0.46
Water Purifier	0.12	0.00	0.00	0.12	0.00	0.00	0.12	0.07	0.01	0.00	0.08	0.00	0.00	0.08	0.04	0.04
Motor Car	70.90	24.58	0.00	95.48	29.62	0.00	125.09	55.04	10.98	0.00	66.02	13.33	0.00	79.35	45.74	29.46
Office Equipments	4.05		0.00	4.05	0.00	0.00	4.05	1.09	0.54	0.00	1.63	0.43	0.00	2.06	1.99	2.42
Television	0.97	0.00	0.00	0.97	0.00	0.00	0.97	0.53	0.08	0.00	0.61	0.05	0.00	0.66	0.31	0.36
Aqua Guard	0.25	0.00	0.00	0.25	0.00	0.00	0.25	0.14	0.02	0.00	0.16	0.00	0.00	0.16	0.08	0.08



**Auditor's Report & Annual Accounts...**

Bar Code Scanner	2.35	0.00	0.00	2.35	0.00	0.00	2.35	1.17	0.21	0.00	1.38	0.17	0.00	1.55	0.80	0.97
CURRENCY COUNTING MACHINE	0.08	0.00	0.00	0.08	0.00	0.00	0.08	0.04	0.01	0.00	0.05	0.00	0.00	0.05	0.03	0.03
<b>TOTAL</b>	<b>1,133.41</b>	<b>33.13</b>	<b>0.00</b>	<b>1,166.54</b>	<b>31.85</b>	<b>0.00</b>	<b>1,198.39</b>	<b>99.36</b>	<b>22.91</b>	<b>0.00</b>	<b>122.31</b>	<b>23.18</b>	<b>0.00</b>	145.49	<b>1,052.90</b>	<b>1,044.25</b>
											-			-		
<b>3B. Intangible Assets (acquired)</b>																
Track and Traces Software	0.41	0.00	0.00	0.41	0.00	0.00	0.41	0.41	0.00	0.00	0.41	0.00	0.00	0.41	0.00	0.00
<b>TOTAL</b>	<b>0.41</b>	<b>0.00</b>	<b>0.00</b>	<b>0.41</b>	<b>0.00</b>	<b>0.00</b>	<b>0.41</b>	<b>0.41</b>	<b>0.00</b>	<b>0.00</b>	<b>0.41</b>	<b>0.00</b>	<b>0.00</b>	0.41	<b>0.00</b>	<b>0.00</b>

**Notes:**

Land and Building include gross amounts of INR 502.45 Lakhs in respect of which the title deed is yet to be registered in the name of the Company.

Property plant and equipment mortgage as security



## Northern Spirits Limited

### Notes to the Financial Statements

**Note No. 4**

(₹ in Lakhs)

Deferred tax assets	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Deferred tax assets	11.00	9.45

Movement in deferred tax assets balances	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
<b>2023-24</b>				
<b>Deferred Tax assets in relation to:</b>				
Property, plant and equipment, etc.	9.45	1.55	-	11.00
<b>Total deferred tax assets</b>	<b>9.45</b>	<b>1.55</b>	<b>-</b>	<b>11.00</b>
<b>2022-23</b>				
<b>Deferred Tax assets in relation to:</b>				
Property, plant and equipment, etc.	7.80	1.65	-	9.45
<b>Total deferred tax assets</b>	<b>7.80</b>	<b>1.65</b>	<b>-</b>	<b>9.45</b>

**Note No. 5**

(₹ in Lakhs)

Other assets	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Current	Non-current	Current	Non-current
Advances other than capital advances	648.76	-	128.79	-
Security Deposits				
Others	62.53	-	27.03	-
Balance with Government Authorities				
Income Tax	732.84		495.17	
<b>Total</b>	<b>1,444.12</b>	<b>-</b>	<b>650.99</b>	<b>-</b>

\* Includes Deposit for Excise Licence to West Bengal Government

**Note No. 6**

(₹ in Lakhs)

Inventories	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
At lower of cost and net realisable value		
Stock-in-trade (goods purchased for resale)	5,997.15	5,148.69
<b>Total</b>	<b>5,997.15</b>	<b>5,148.69</b>



## Note No. 7

(₹ in Lakhs)

Trade Receivables (current)	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Unsecured, considered good	14,258.36	10,692.24
<b>Total</b>	<b>14,258.36</b>	<b>10,692.24</b>

Trade receivables ageing schedule

Figures for the Current Reporting Period

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- Considered Goods	14,258.36	-	-	-	-	14,258.36
Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Disputed Trade Receivables- Considered Goods	-	-	-	-	-	-
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
<b>Total</b>	<b>14,258.36</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,258.36</b>

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- Considered Goods	10,692.24	-	-	-	-	10,692.24
Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Disputed Trade Receivables- Considered Goods	-	-	-	-	-	-
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
<b>Total</b>	<b>10,692.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,692.24</b>

## Note No. 8

(₹ in Lakhs)

Cash and cash equivalents	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Balances with Banks – in Current Accounts	21.20	0.70
Cash in hand	28.26	6.65
<b>Total</b>	<b>49.46</b>	<b>7.35</b>





Cash and cash equivalents include cash on hand, cheques, drafts on hand, cash at bank and deposits with banks with original maturity of 3 months or less.

**Note No. 9**

(₹ in Lakhs)

Other bank balances	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Balances with Banks – in Deposit Accounts*	1649.19	722.12
<b>Total</b>	<b>1649.19</b>	<b>722.12</b>

\*Represents Fixed deposits with original maturity of more than 3 months and having remaining maturity of less than 12 months from the Balance Sheet date. These Deposits are held as security against borrowings

**Note No. 10**

(₹ in Lakhs)

Equity Share Capital				
Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	Number of shares	Amount in lakhs	Number of shares	Amount in lakhs
<b>Authorised</b> Equity shares of Rs.10/- each	1,90,00,000	1,900.00	1,90,00,000	1,900.00
<b>Issued, Subscribed and Paid up</b> Equity shares of Rs.10/- each, fully paid with voting rights	1,60,51,200	1,605.12	1,60,51,200	1,605.12
<b>A) Reconciliation of number of Equity Share outstanding</b> As at beginning of the year	1,60,51,200	1,605.12	1,60,51,200	1,605.12
Add: Issue of Shares	-	-	-	-
<b>As at end of the year</b>	<b>1,60,51,200</b>	<b>1,605.12</b>	<b>1,60,51,200</b>	<b>1,605.12</b>
<b>B) Shareholders Holding more than 5% of the Equity Shares in the Company</b>	<b>As at 31<sup>st</sup> March, 2024</b>		<b>As at 31<sup>st</sup> March, 2023</b>	
	<b>Number of shares</b>	<b>%</b>	<b>Number of shares</b>	<b>%</b>
Anuj Bakshi	48,09,600	29.96	48,09,600	29.96
Ankush Bakshi	58,09,600	36.19	58,09,600	36.19
Hitesh Mohan Patel	11,28,000	7.02	11,28,000	7.02

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

C) Details of shares held by promoters			
Promoter's Name	As at 31 <sup>st</sup> March, 2024		
	No. of shares	% of total shares	% Change during the year
Anuj Bakshi*	48,09,600	29.96	-
Ankush Bakshi #	58,09,600	36.19	-
Roshni Bakshi	10,000	0.06	-
Amita Bakshi	39,800	0.25	-



Kulbir Bakshi	70,000	0.44	-
Kanika Bakshi	10,000	0.06	-

Promoter's Name	As at 31 <sup>st</sup> March, 2023		
	No. of shares	% of total shares	% Change during the year
Anuj Bakshi*	48,09,600	29.96	-
Ankush Bakshi #	58,09,600	36.19	-
Roshni Bakshi	10,000	0.06	-
Amita Bakshi	39,800	0.25	-
Kulbir Bakshi	70,000	0.44	-
Kanika Bakshi	10,000	0.06	-

\* 19,07,680 shares are pledged in favour of Canara Bank against their sanctioned borrowing limits.

# 29,07,680 share are pledged in favour of Canara Bank against their sanctioned borrowing limits.

#### D) Terms/rights attached to equity share

The Company has only one class of equity shares having par value of ₹10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares dividend in Indian Rupees. The dividend, if any, proposed by the Board of Directors is subject to approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### Note No. 11

(₹ in Lakhs)

Other Equity	Reserves and Surplus				
	Capital Reserve	Securities Premium Account	Capital Redemption Reserve	Retained Earnings	Total
Balance as at 31st March, 2023	-	3,299.33	-	2,395.78	5,625.11
Profit for the year	-	-	-	-	-
Other Comprehensive Income (net of tax)	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>	-	<b>3,299.33</b>	-	<b>2,395.78</b>	<b>5,625.11</b>
Balance as at 31st March, 2024	-	3,299.33	-	2,395.78	5,625.11
Profit for the year	-	-	-	-	-
Other Comprehensive Income (net of tax)	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>	-	<b>3,299.33</b>	-	<b>2,395.78</b>	<b>5,625.11</b>
Balance as at 31st March, 2024	-	3,299.33	-	2,395.78	5,625.11

#### Note No. 12(A)

(₹ in Lakhs)

Long term Borrowings	Maturity Date	Terms of re-payment	Interest Rate (23-24)	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured</b>					
<b>GECL/Covid Loans from Banks</b>					
Canara Bank	31.12.2026	Equated Monthly Instalments	8.50%	372.42	778.25



			(1 Year MCLR + 1%)		
<b>Total</b>				<b>372.42</b>	<b>778.25</b>

**Note No. 12(B)**

(₹ in Lakhs)

Current Borrowings	Terms of re-payment	Interest Rate (23-24)	As at 31st March, 2024	As at 31st March, 2023
<b>Secured</b>				
<b>Loans from Banks</b>				
Cash Credit Facilities*				
• Canara Bank	Payable on demand	(1 Year RLLR + 0.60%) (9.40% + 0.60%) = 10.00%	4,967.23	2,912.02
• Union Bank of India	Payable on demand	(1 Year MCLR + 2.45%)	2,467.59	-
<b>WCDL Loan</b>				
• Canara Bank	Payable on demand	(1 Year RLLR + 2.50%) (9.40% + 2.50%)=11.90%	5,000	5,000
<b>Unsecured</b>				
<b>Current maturities of long-term debt</b>				
<b>GECL/Covid Loans from Banks</b>				
• Canara Bank	Equated Monthly Instalments	8.50% (1 Year MCLR + 1%)	368.16	217.50
From Directors	Payable on demand	Nil	600.00	600.00
<b>Total</b>			<b>13,402.98</b>	<b>8,729.52</b>

The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

\*Cash credit facilities and WCDL Loan are secured by Mortgage of certain property, plant and equipment, lien over term-deposits and hypothecation of current assets, both present and future as well as further collateral security provided in the form of Personal and Corporate Guarantee of Promoters & Directors and their associated enterprises.

**Note No. 13**

(₹ in Lakhs)

Provisions	As at 31st March, 2024	As at 31st March, 2023
<b>Non-Current</b> Provision for employee benefits- For gratuity	11.92	-
<b>Current</b> Provision for taxation	573.81	379.98
<b>Total</b>	<b>585.73</b>	<b>379.98</b>



## Note No. 14

(₹ in Lakhs)

Other Liabilities	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Current</b> Statutory liabilities	52.77	20.39
<b>Other</b> Liabilities for expenses	47.41	23.34
<b>Total</b>	<b>100.18</b>	<b>43.73</b>

## Note No. 15

(₹ in Lakhs)

Revenue from Operations	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Sale of Products</b> - Stock in Trade	1,23,530.58	90,534.10
<b>Total</b>	<b>1,23,530.58</b>	<b>90,534.10</b>
Revenue from operations, based on nature of product or services		
<b>Stock in Trade</b> - Alcoholic Beverages	1,23,530.58	90,534.10
<b>Total</b>	<b>1,23,530.58</b>	<b>90,534.10</b>

## Note No. 16

(₹ in Lakhs)

Other Income	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Interest income on Fixed Deposits	73.42	32.01
<b>Total</b>	<b>73.42</b>	<b>32.01</b>

## Note No. 17

(₹ in Lakhs)

Purchase of Stock-in-trade	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Purchase of Stock-in-Trade	1,12,785.92	82,506.58
<b>Total</b>	<b>1,12,785.92</b>	<b>82,506.58</b>

## Note No. 18

(₹ in Lakhs)

Changes in Inventories of Finished Goods, Stock-in-Trade, Work-in-progress and Intermediates	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Opening Stock-</b> Stock-in-Trade	5,148.69	4,055.81
<b>Closing Stock-</b> Stock- in-Trade	5,997.15	5,148.69



Net (Increase/Decrease)	(848.46)	(1,092.88)
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## Note No. 19

(₹ in Lakhs)

Employee Benefit Expenses	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Salaries and Bonus	353.32	220.49
Staff Welfare Expenses	5.90	4.90
Employer's Contribution to PF, ESI, etc.	17.70	4.88
Director's Sitting Fees	1.85	0.10
Director's Remuneration	69.60	57.60
<b>Total</b>	<b>448.37</b>	<b>287.96</b>

## Note No. 20

(₹ in Lakhs)

Finance Costs	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Interest & Bank Charges	867.45	721.92
Other Finance Costs	44.87	55.73
<b>Total</b>	<b>912.32</b>	<b>777.65</b>

## Note No. 21

(₹ in Lakhs)

Other Expenses	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Advertisement	-	0.53
Auditors' remuneration and expenses -		
Statutory Audit fees	1.50	0.75
Certification & Other Charges	1.25	0.35
Brokerage	-	3.29
BSE Listing Fees	26.63	-
Computer Expenses	3.86	0.11
Consultancy Charges/Legal Expenses	33.60	27.22
Contribution to Political Party	120.00	-
CSR Expenditure	33.50	11.50
Duties Paid*	6646.67	5651.62



Electric Expenses	6.88	5.15
Freight Outwards, Clearing & Forwarding	558.25	322.99
Godown Expenses	9.89	9.35
Insurance Charges	17.82	15.89
Loading & Unloading Expenses	13.05	31.46
Miscellaneous Expenses	27.73	31.46
Office Expenses	9.42	9.89
Packing Expenses & Delivery Charges	6.81	5.15
Printing & Stationery	15.60	8.14
Rates & Taxes**	261.70	222.03
Rent Paid	204.93	136.17
Repairs & Maintenance	18.76	27.86
Security Charges	29.84	14.67
Telephone Expenses	0.83	2.32
Travelling Charges	4.61	8.16
Warehouse Charges	-	26.15
<b>Total</b>	<b>8053.13</b>	<b>6572.19</b>

\* Duties paid includes Excise and Custom Duties paid during the year.

\*\* The company has paid lease rental of ₹ 204.93 Lakhs during the year.

**Note No. 22**

(₹ in Lakhs)

<b>Tax Expenses</b>	<b>For the year ended 31<sup>st</sup> March, 2024</b>	<b>For the year ended 31<sup>st</sup> March, 2023</b>
<b>(A) Amount recognized in profit or loss - Current Tax</b>		
Income tax for the year - Current tax	573.81	379.98
Adjustments/ (credits) related to previous years - Net.	-	-
<b>Total Current tax</b>	<b>573.81</b>	<b>379.98</b>
<b>(B) Deferred Tax</b>		
Deferred tax for the year	(1.55)	(1.65)
<b>Total Deferred Tax</b>	<b>(1.55)</b>	<b>(1.65)</b>

**Note No. 23****CONTINGENT LIABILITIES AND COMMITMENTS****(to the extent not provided for & certified by the management)**

There are no contingent liabilities & commitments during the period under review.



## Note No. 24

(₹ in Lakhs)

Earnings Per Share	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
<b>Earnings per share has been computed as under:</b>		
a) Profit for the year (₹ in Lakhs)	1,657.28	1,113.37
b) Weighted average number of Ordinary shares outstanding for the purpose of computing basic earnings per share	1,60,51,200	1,60,51,200
c) Earnings per share on profit for the year (Face Value ₹10.00 per share)		
Basic Earnings per equity share	10.32	6.94
Diluted Earnings per equity share	10.32	6.94

## Note No. 25

**Contribution to Political Party**

During the year, the Company has made Political Contributions of ₹120.00 Lakhs (P.Y. Nil) through purchase of 'Electrol Bonds' issued under 'Electrol Bond Scheme' introduced by Government of India. The bonds have been encashed by political parties registered under Section 29A of the Representation of the People Act.

## Note No. 26

**Corporate Social Responsibility**

As per Section 135 of the Companies Act 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act. The funds were primarily utilized throughout the year on activities as stated in para (VII) below, which are specified in Schedule VII of the Companies Act 2013:

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
1) Amount required to be spent by the company during the year	18.00	-
2) Amount of expenditure incurred*		
- Construction/acquisition of any assets	-	-
- On purposes other than above	33.5	11.5
3) Shortfall at the end of the year	-	-
4) Total of previous years shortfall	-	-
5) Reason of shortfall	NA	NA
6) Amount unspent, if any	-	-
7) Nature of CSR Activities	-	-
8) Details of related party transactions, e.g., Contribution to a trust controlled by the company/KMP in relation to CSR expenditure as per relevant Accounting Standard	NA	NA



9) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA
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\*During the period, the Company has spent ₹33.50 Lakhs towards Corporate Social Responsibility under Section 135 of the Companies Act, 2013. The amount required to be spent on Corporate Social Responsibility is ₹ 18.00 Lakhs. The excess amount of ₹ 17.50 Lakhs spent is allowed to be carry forward. However, the management has decided to not carry forward the same for future year(s).

#### Note No. 27

#### 'Employee Benefits', in accordance with Accounting Standard (Ind As-19)

##### a. Defined Contribution Plans

###### Provident Fund:

Provident Fund covers substantially all permanent workmen. Contributions towards Provident Fund are made as a percentage of salary, as per regulations to a fund administered by government authority. The obligation of the Company is limited to the extent of contributions made on a monthly basis.

During the year, the Company has recognised the following amounts in the Statement of Profit & Loss, which are included in contribution to provident fund in the employee benefit expense:

Particulars	(₹ in Lakhs)	
	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Company's Contribution to Provident Fund*	5.78	4.88
<b>Total</b>	<b>5.78</b>	<b>4.88</b>

##### b. Defined Benefit Plans

###### Gratuity:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of continuous service gets a gratuity on departure at 15 days' salary (last drawn salary) for each completed year of service.

As per Actuarial Valuations as on 31st March, 2024 and recognised in the financial statements in respect of Employee Benefit Schemes:

###### Expense Recognised in the Income Statement

Particulars	(₹ in Lakhs)	
	For the year ended 31 <sup>st</sup> March, 2024	For the year ended 31 <sup>st</sup> March, 2023
Current Service Cost	2.03	-
Past Service Cost	9.89	-
Loss / (Gain) on settlement	-	-
Net Interest (Income) / cost on the Net Defined Benefit Liability (Asset)	-	-
<b>Expense Recognised in the Income Statement</b>	<b>11.92</b>	<b>-</b>
<b>Net Asset/(Liability) recognised in the Balance Sheet Funded Status</b>	<b>-</b>	<b>-</b>
Present value of Defined Benefit Obligation	11.92	-





Fair value of plan assets	-	-
Funded status [Surplus/(Deficit)]	(11.92)	-
Effect of balance sheet asset limit	-	-
Unrecognised Past Service Costs	-	-
<b>Net asset/(liability) recognised in balance sheet</b>	(11.92)	-
<b>Net asset/(liability) recognised in balance sheet at beginning of period</b>	-	-
Expense recognised in Income Statement	11.92	-
Expense recognised in Other Comprehensive Income	-	-
Benefits Paid	-	-
Net Acquisitions / Business Combinations	-	-
Net asset/(liability) recognised in balance sheet at end of the period	(11.92)	-
<b>Reconciliation of Defined Benefit Obligation and Fair Value of Assets Period ended 31st March 2024. Change in Defined Benefit Obligations (DBO)</b>		
Present Value of DBO at beginning of period	-	-
Current Service cost	2.03	-
Interest cost	-	-
Curtailment cost/(credit)	-	-
Settlement cost/(credit)	-	-
Employee contribution	-	-
Past Service Cost	9.89	-
Acquisitions	-	-
Re-measurement (or Actuarial (gains)/ losses) arising from:	-	-
- change in demographic assumptions	-	-
- change in financial assumptions	-	-
- experience variance (i.e. Actual experience vs assumptions)	-	--
- others	-	-
Benefits paid	-	-
Present Value of DBO at the end of period	11.92	-
<b>Change in Fair Value of Assets</b>		
Plan assets at beginning of period	-	-
Investment Income	-	-
Return on Plan Assets, excluding amount recognised in Net Interest Expense	-	-



Actual Company contributions	-	-
Fund Transferred	-	-
Employee contributions	-	-
Benefits paid	-	-
Plan assets at the end of period	-	-

**Note No. 28****Financial Risk Management**

The Company's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, deposits with banks, trade receivables, loans and other financial assets measured at amortised cost	Review of receivables	Diversification of bank deposits, monitoring of credit limits and assessment of recoverability of loan from subsidiaries.
Liquidity Risk	Borrowings and other financial liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.
Market Risk - Interest Rate	Short-term borrowings at floating liabilities	Sensitivity Analysis of Interest rates	Diversified portfolio of fixed and variable interest rate loans.
Market Risk - Foreign Exchange	Future commercial transactions, financial assets and liabilities not denominated in ₹.	Sensitivity Analysis	Cash flow forecasting.

**Note No. 29****Related Party Disclosures****(A) List of Related Parties and Relationships**

(i) Key Managerial Person	
a) Ankush Bakshi	Managing Director
b) Anuj Bakshi	Executive Director & CFO
c) Roshni Bakshi	Executive Director
d) Kanika Bakshi	Executive Director
e) Pankaj Khanna	Company Secretary (w.e.f. 10.08.2023)
f) Arihant Jain	Non-Executive & Independent Director (w.e.f. 27.06.2023)
g) Sathvik Jain	Independent Director



h) Jagjit Singh Kochar	Independent Director
i) Malti Jaiswal	Non-Executive & Independent Director (w.e.f. 13.02.2023)

**(ii) Enterprises over which Key Management Personnel and their relatives exercise significant influence and with whom transaction have taken place during the year**

- United Wines
- NS Bonded Warehouse Pvt. Ltd.

**B. Transactions with Related Parties**

**(i) Transactions during the year**

(₹ in Lakhs)

Name of the Related Party	Nature of Transaction	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Key Management personnel compensation</b>			
Ankush Bakshi	Remuneration	30.00	24.00
Anuj Bakshi		30.00	24.00
Roshni Bakshi		4.80	4.80
Kanika Bakshi		4.80	4.80
Pankaj Khanna		1.78	-
Arihant Jain	Sitting Fees	0.35	-
Sathvik Jain		0.60	0.05
Jagjit Singh Kochar		0.60	0.05
Malti Jaiswal		0.30	-
<b>Enterprises over which Key Management Personnel exercise significant influence</b>			
United Wines	Purchase of goods or services	12,802.51	10,628.85
NS Bonded Warehouse Pvt. Ltd.	Rent Paid	24.00	16.00

**(ii) Amount due to/from related parties**

(₹ in Lakhs)

Name of the Related Party	Nature of Transaction	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Loan taken from key management personnel</b>			
Ankush Bakshi	Loan Taken	300.00	300.00
Anuj Bakshi	Loan Taken	300.00	300.00

**Note No. 30**

**Impairment Review**

Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the goodwill or other assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and value from sale calculations.

During the year, the testing did not result in any impairment in the carrying amount of assets.

**Note No. 31**

**Proposed Dividend**

The Board of Directors have proposed a final dividend of ₹0.25 per Equity Share i.e. 2.50% of ₹10/- (Face value) per Equity Share for the FY 2023-24 (P.Y. Nil). The same is subject approval by the Shareholders at



the ensuing Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹40.13 Lakhs.

**Note No. 32**

The Company has not received intimation from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, disclosures relating to amount unpaid as on 31st March, 2024 together with interest paid or payable under this Act have not been given.

**Note No. 33**

The company does not have any derivative contracts as at 31st March, 2024.

**Note No. 34**

Previous Year's figures have been regrouped/reclassified to conform to the current year's classification

**Note No. 35**

All amounts are disclosed in the financial statements and notes in rupees lakhs and rounded off to two decimal places.

**Note No. 36**

**Other Statutory Information**

**A. Title deeds of Immovable Property**

The title deeds of all the immovable properties, disclosed in the financial statements included in Property, Plant and Equipment (Note 3) are held in the name of the Company as at the balance sheet date.

**B. Loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties**

There is no Loan/Advance to Promoters, Directors, KMP and the related Parties.

**C. Details of Benami Property held**

There have been no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) and Act, 1988 (45 of 1988) and rules made thereunder.

**D. Borrowings from banks or financial institutions on the basis of security of Current Assets**

The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained

**E. Wilful Defaulter**

The Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

**F. Relationship with Struck off Companies**

The Company has not entered into any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

**G. Registration of charges or satisfaction with Registrar of Companies (ROC)**

Registration of Charges or Satisfaction with the registrar of Companies {ROC} done within the statutory period.

**H. Compliance with number of layers of Companies**

The Company has no subsidiaries or investments in other companies, accordingly compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, are not applicable.

**I. Compliance with approved Scheme(s) of Arrangements**

There are no Scheme of Arrangements approved by the Competent Authority in terms of section 230 to 237 of the Act.



**J.** The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

- i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or
- ii. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

**K.** The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
- ii. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

**L.** A search & seizure operation was carried out by the Income Tax Department on the Company on 6th March 2024. However, the Company has not surrendered or disclosed any income to the Income Tax Department in relation to the said search and seizure. Accordingly, the Company has not recorded any such transactions in the books of accounts during the year.

**M. Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

**N. Ratios**

<b>Ratios</b>	<b>Numerator</b>	<b>Denominator</b>	<b>As at 31st March 2024</b>	<b>As at 31st March 2023</b>	<b>% of Change</b>	<b>Remarks for variance of more than 25%</b>
Current Ratio	Current Assets	Current Liabilities	1.66	1.88	- 11.66%	-
Debt Equity Ratio	Debt Capital	Shareholder's Equity	1.38	1.14	20.88%	-
Debt Service coverage ratio	EBITDA-CAPEX	Debt Service (Int + Principal)	0.23	0.17	32.87%	Due to increase in EBIDTA for the current year.
Return on Equity Ratio	Net Profit after Tax	Average Shareholder's Equity	0.12	0.09	25.60%	Due to increase in profit after tax for the current year.
Inventory Turnover Ratio	COGS	Average Inventory	20.09	17.69	13.54%	-
Trade Receivables turnover ratio	Net Sales	Average trade receivables	9.90	10.64	-6.92%	-



Trade payables turnover ratio	Purchases / Services Utilised	Closing Trade Payables	0.00	0.00	0.00%	-
Net capital turnover ratio	Sales	Working Capital (CA-CL)	13.25	11.22	18.10%	-
Net profit ratio	Net Profit after Tax	Sales	0.0134	0.0123	9.09%	-
Return on Capital employed	Earnings before interest and tax	Capital Employed	0.1321	0.1271	3.95%	-
Return on investment	Income generated from investments	Investment	-	-	-	-

As per our report on even date

**For J K S S & Associates**  
**Formerly known as J K Sarawgi & Company)**  
**Chartered Accountants**  
**FRN: 006836C**

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

**FCA Jeet Agarwal**  
**Partner**  
**M. No. 064038**  
**UDIN: 24064038BKADCL7751**  
**Place: Kolkata**  
**Date: 29<sup>th</sup> May, 2024**

**Ankush Bakshi**  
**Managing Director**  
**DIN: 02547254**

**Anuj Bakshi**  
**Executive Director & CFO**  
**DIN: 02500120**









**NORTTHERN SPIRITS LIMITED**  
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