



SOM DISTILLERIES & BREWERIES LTD.
26TH ANNUAL REPORT 2018 - 19

CORPORATE INFORMATION

DIRECTORS

Shri J.K.Arora
Chairman and Managing Director

Shri Satpal Arora
Independent Director

Shri Nakul Kam Sethi
Whole Time Director

Shri Deenanath Singh
Independent Director

Ms. Nishi Arora
Independent Director

REGISTERED OFFICE

1-A Zee Plaza, Arjun Nagar,
Safdarjang Enclave, Kamal Cinema
Road, New Delhi-110029
Tel.: 011 26169909, 26169712

CORPORATE OFFICE

23, Zone-II, M.P. Nagar,
Bhopal-462 011
Tel.: 0755 4271271, 4278827

AUDITORS

R.N.Gupta & Associates
Chartered Accountants
6, New Market, 1st Floor,
T. T. Nagar, Bhopal – 462003

BANKERS

State Bank of India
Punjab National Bank Ltd.
IFCI Ltd.
Lakshmi Vilas Bank Ltd.
IFCI Venture Capital Funds Ltd.

STOCK EXCHANGE

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001

National Stock Exchange of India
C1 Block G, Bandra Kurla Complex,
Bandra (E), Mumbai – 400051

FROM THE CHAIRMAN'S DESK....

Dear friends and fellow shareholders,

It is my pleasure to address you all and update about the business performance for the year and various strategic initiatives undertaken by us which will form the base for our future growth.

The global economic activity softened during the latter part of the year due to various geo-political issues, country specific challenges in larger economies and financial tightening. However, economic activity is expected to pick up in the second half of 2019 driven by significant policy accommodation by major economies. Despite being the fastest growing economy, India's growth rate slowed down during the fiscal year led by subdued manufacturing activity, lower exports and global trade uncertainty. The Indian economy is expected to accelerate in 2019 driven by continued recovery of the investment activity and robust domestic consumption. The Indian Government has also undertaken various reforms to strengthen financial sector which are essential to secure the economy's growth prospects.

In FY2019, we recorded beer volume of 75.9 lakh cases, which is an increase of 1.2% compared to same period last year. Our IMFL volumes increased by 29.8% compared to FY2018 to reach 9.7 lakh cases. Our flagship brand 'Hunter' registered a growth of 7.9% compared to FY2018 to reach a volume of 32.5 lakh cases. This growth reinforces the quality of our product portfolio and our capability to market it as premium product. Our Total Income for the year was Rs. 3,967 million, representing an increase of 12.5% over FY2018. FY2019 EBITDA was Rs. 528 million with a margin of 13.3%. Our margins for the year were predominantly impacted due to higher costs pertaining to new glass bottles, employee and freight costs to target new markets. These cost pressures can be attributed to the expansion that we have undertaken in the last fiscal year and are transitional in nature.

FY2019 was an eventful year as we undertook various measures to secure future growth potential of the Company. During the year we started operation of our Karnataka and Odisha plants which has enabled us to enhance our presence in the existing markets and to lay stronger foundation in the new markets. During the year, we also started investment for doubling the capacity of the Bhopal plant based on the opportunities that we foresee from the neighbouring states. Our Karnataka subsidiary has already started generating profit in the first year of its operation and we anticipate Odisha subsidiary also to turn cash flow positive in its first year of operation. In FY2020, we expect a meaningful contribution from both these subsidiaries resulting in increased turnover and improvement in profitability.

Along with focus on growth and pan India presence of the Company, we also ensured that the strength of the balance sheet is maintained to ensure sustainability. The rating of our debt facilities by ICRA and Brickworks is a testament to our balance sheet strength. During the

quarter, Brickworks upgraded ratings on our fund-based facilities from 'Triple B' to 'Triple B+' and non-fund based facilities from 'A3' to 'A2'. ICRA has also rated our fund based and non-fund based facilities 'Triple B+' and 'A2+', respectively. Both the agencies have provided a stable outlook and have indicated upgrading it to 'Positive' outlook with improvement in profitability and scale.

We believe that the Company is currently at an inflection point and sufficient investment has already been made to enable the Company to be prepared for the next phase of growth. FY2019 was the year of investments and FY2020 will be a year of consolidation and reaping benefits of these investments. On the back of a strong demand pull for our products across markets and initiatives undertaken during the last year, we are confident of a robust financial performance and enhancing shareholders value.

Before closing, I would like to express my deepest gratitude to all the stakeholders who have striven to make our journey a success. I would like to thank all of you for your relentless support that renews our belief in ourselves and our potential to be more.

Warm Regards

J.K. Arora

(Chairman and Managing Director)

SOM DISTILLERIES & BREWERIES LIMITED

NOTICE TO MEMBERS

Notice is hereby given that the 26th Annual General Meeting of Som Distilleries & Breweries Limited will be held on Friday the 27th September, 2019 at 10.00 A.M. at Executive Club, Dolly Farms and Resorts Pvt. Ltd, 349, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi – 110030 to transact the following business:

ORDINARY BUSINESS

1. ACCOUNTS

To consider and if thought fit to pass with or without modification(s) the following resolution as an ordinary resolution:

“Resolved that Audited Financial Statement as at 31.03.2019 and Reports of the Auditors and Directors’ thereon for the year 2018-19 be and are hereby adopted.”

2. RETIREMENT OF DIRECTOR BY ROTATION

To consider and if thought fit to pass with or without modification(s) the following resolution as an ordinary resolution:

“Resolved that Shri Nakul Kam Sethi, who retires by rotation at this meeting and has offered himself for reappointment, be and is hereby reappointed as a Director.”

3. DECLARATION OF DIVIDEND FOR 2018-19

To consider and if thought fit to pass with or without modification(s) the following resolution as an ordinary resolution:

“Resolved that as recommended by the Board of Directors, the company do hereby declare a dividend of 15% i.e. Rs.1.50 per share of Rs.10 on all the 3, 24, 93,869 equity shares as on 31.3.2019 of the company for the year 2018-19, which dividend may be paid to holders of such shares as on the date of the 26th annual general meeting being held on 27.09.2019, proportionate to the period of holding.”

SPECIAL BUSINESS

4. APPOINTMENT OF SHRI SATPAL KUMAR ARORA AS AN INDEPENDENT DIRECTOR

To consider and if thought fit to pass with or without modification(s) the following resolution as an ordinary resolution:

“Resolved that pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV of the Companies

Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 Shri. Satpal Kumar Arora (DIN: 00061420), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6), and who was appointed as an additional director from 13.10.2018 and in respect of whom the company has received a notice in writing under section 160 of the Act from a member proposing his candidature for the office of director, be and is hereby appointed as an independent Director of the Company not liable to retire by rotation for a period of five years with effect from 13.10.2018.”

5. RE-APPOINTMENT OF SHRI DEENANATH SINGH AS AN INDEPENDENT DIRECTOR.

To consider and if thought fit to pass with or without modification(s) the following resolution as an Special resolution:

“Resolved that pursuant to the provisions of Sections 149(10), 150, 152 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 Shri Deenanath Singh (DIN: 00281542) who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) and in respect of whom the company has received a notice in writing under section 160 of the Act from a member proposing his candidature for the office of director, be and is hereby reappointed as an independent Director of the Company not liable to retire by rotation, for a further period of five years with effect from 01.04.2019 to 31.03.2024.”

6. RE-APPOINTMENT OF MS NISHI ARORA AS AN INDEPENDENT DIRECTOR.

To consider and if thought fit to pass with or without modification(s) the following resolution as a Special resolution:

“Resolved that pursuant to the provisions of Sections 149(10), 150, 152 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 Ms Nishi Arora (DIN: 07021730) who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) and in respect of whom the company has received a notice in writing under section 160 of the Act from a member proposing her candidature for the office of director, be and is hereby reappointed as an independent Director of the Company not liable to retire by rotation, for a further period of five years with effect from 14.11.2019 to 13.11.2024.”

Notes:

- (a.) A member entitled to attend and vote at the meeting is also entitled to appoint one or more proxies to attend and vote at the meeting instead of himself and such proxy need not be a member of the company. Proxies in order to be effective must be received at the registered Office of the company at least 48 hours before the commencement of the meeting.
- (b.) The Register of Members of the company will remain closed from 19.09.2019 to 27.09.2019 (both days inclusive).
- (c.) All correspondence regarding dematerialization, transfer of shares, change of address etc. should be addressed to MAS Services Ltd, T-34, Okhla Industrial

Area, Phase II, Delhi-110020 who are the Registrar and Transfer Agents (RTA).

- (d.) Any queries for being answered at the meeting must reach at least ten days in advance.
- (e.) Shareholders are requested to furnish their e-mail addresses to RTA so that annual report etc. can be sent by e-mail in future.
- (f.) Electronic voting is allowed from 23.09.2019 10.00 a.m. to 26.09.2019 at 5.00 p.m. in respect of each of the items of business mentioned above. Notes/procedure on electronic voting may be seen at pages 82 to 84.
- (g.) Explanatory statement under section 102 of the Companies Act, 2013 is attached.

Place: Bhopal
Dated: 03.07.2019

BY ORDER OF BOARD OF DIRECTORS
J.K. ARORA
CHAIRMAN AND MANAGING DIRECTOR

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013 TO THE NOTICE OF THE ANNUAL GENERAL MEETING TO BE HELD ON FRIDAY THE 27TH SEPTEMBER, 2019 AT 10.00 HOURS AT EXECUTIVE CLUB, DOLLY FARMS AND RESORTS PVT. LTD, 349, VILLAGE SHAHOORPUR, P.O. FATEHPUR BERI, NEW DELHI –110030.

ITEM 4: APPOINTMENT OF SHRI SATPAL KUMAR ARORA AS AN INDEPENDENT DIRECTOR.

The Company appointed Shri Satpal Kumar Arora as an Independent Director from 13.10.2018 up to the date of next annual general meeting.

The company has received a notice in writing under section 160 of the Act from a member proposing his candidature for the office of director.

It is proposed that Shri Satpal Kumar Arora may be appointed as an Independent Director of the Company under the provisions of the Companies Act, 2013 for a term of five years from 13.10.2018.

Shri Satpal Kumar Arora is M.Com. and L.L.B. and holds memberships of ICMA, ICSI and CAIIB.

He has vast experience in a nationalized Bank, in Industrial Finance Corporation of India and Tourism Finance Corporation of India.

The Company has received his consent and his declaration confirming that he is not disqualified from being appointed as a Director in terms of the provisions of the Act and that he meets the criteria of independence as prescribed by the Act. The Board is of the opinion that he fulfills the conditions prescribed under the Act for appointment as independent director and that his appointment on the Board as a Director will be useful to the company.

No Director or key managerial personnel or any of their relatives is concerned with or interested, financially or otherwise in the proposed.

ITEM NO. 5: RE-APPOINTMENT OF SHRI DEENANATH SINGH AS AN INDEPENDENT DIRECTOR.

The Company had appointed Shri Deenanath Singh as Independent Director w.e.f 01.04.2014 for five years .His term as Independent Director expires on 31.03.2019. He is an accounts and finance expert, and has gained vast experience in the field of finance and banking .His experience will certainly be an asset.

It is proposed that Shri Deenanath Singh may be re-appointed as an Independent Director of the Company

under the provisions of the Companies Act, 2013 for a further period of five years with effect from 01.04.2019 subject to the approval of shareholders at the 26th Annual General Meeting by special resolution as proposed.

The Company has received his consent and his declaration confirming that he is not disqualified from being re-appointed as a Director in terms of the provisions of the Act and that he meets the criteria of independence as prescribed by the Act and the Rules. The Board is of the opinion that he fulfills the conditions prescribed under the Act and the Rules for re- appointment as independent director.

No Directors or key managerial personnel or any of their relatives is concerned or interested, financially or otherwise, in the proposed resolution.

ITEM NO 6. RE-APPOINTMENT OF MS NISHI ARORA AS AN INDEPENDENT DIRECTOR.

The Company had appointed Ms Nishi Arora as Independent/women Director from 14.11.2014 for five years. Her term as Independent Director will expire on 13.11.2019. She is a B.Com possessing good knowledge and experience in the field of purchase. Her experience will certainly be an asset.

It is proposed that Ms Nishi Arora be re-appointed as an Independent Director of the Company under the provisions of the Companies Act, 2013 for a further period of five years with effect from 14.11.2019 subject to the approval of shareholders at the 26th Annual General Meeting by special resolution as proposed.

The Company has received her consent and her declaration confirming that she is not disqualified from being re-appointed as a Director in terms of the provisions of the Act and that she meets the criteria of independence as prescribed by the Act and the Rules. The Board is of the opinion that she fulfills the conditions prescribed under the Act and the Rules for re- appointment as independent director.

No Directors or key managerial personnel or any of their relatives is concerned or interested, financially or otherwise in the proposed resolution.

Place: Bhopal
Dated: 03.07.2019

BY ORDER OF BOARD OF DIRECTORS
J.K. ARORA
CHAIRMAN AND MANAGING DIRECTOR

SOM DISTILLERIES & BREWERIES LIMITED

REPORT OF DIRECTORS

To
The Shareholders
Som Distilleries and Breweries Ltd.

Sirs,

Your Directors have pleasure in presenting the Annual Report of your Company for the year ended on 31st March 2019.

1. WORKING RESULTS

The summarized working results on a standalone basis for the year are as under:-

Particulars	2018-19 Rs. (in crores)	2017-18 Rs. (in crores)
Sales & Other Income	410.86	430.41
EBIDTA	44.57	60.47
Depreciation	4.70	4.26
Profit for the year	32.00	47.43
Provision of Tax	11.86	22.20
Profit after Tax	20.14	25.23

There was a decrease in the turnover because of election in our key states and net profit during 2018-19 over the previous year was lower due to higher proportion of new glass bottles and increase in prices of malt and barley.

2. EXTRACT OF ANNUAL RETURN

The extract of annual return in Form MGT 9 is attached herewith as **Annexure I**.

3. MEETINGS OF BOARD OF DIRECTORS

During the financial year 2018-19, 18 meeting of the Board of Directors on 30.04.2018, 16.05.2018, 01.06.2018, 06.07.2018, 13.07.2018, 16.07.2018, 23.07.2018, 13.08.2018, 05.09.2018, 13.10.2018, 02.11.2018, 22.11.2018, 12.01.2019, 19.01.2019, 09.02.2019, 13.02.2019, 02.03.2019 and 27.03.2019.

4. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors hereby certify:-

- that in the preparation of the accounts for 2018-19, the applicable accounting standards have been followed.
- that the Directors 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 as at the end of the financial year and of the profit of the Company for the year.

- that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities.
- that the directors prepared the annual accounts on a going concern basis.
- that the directors had laid down internal financial controls to be followed by the company, which are adequate and were operating effectively.
- that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

5. DECLARATIONS BY INDEPENDENT DIRECTORS

Independent directors i.e. Shri Satpal Kumar Arora, Ms Nishi Arora and Shri D.N.Singh have given the requisite declarations under Section 149(7) of the Companies Act, 2013 to the effect that they meet the criteria of independence as provided under section 149(6).

6. COMMITTEES OF THE BOARD

Details of the Committees of the Board of Directors are given in the Corporate Governance Report attached as **Annexure VI**.

7. RESERVATION AND QUALIFICATION ON STATUTORY AUDIT REPORT AND SECRETARIAL AUDIT REPORT

There is no qualification, reservation or adverse remark or disclaimer of the statutory auditors and secretarial auditors to which a reply is needed from the Board.

Suggestions given by auditors in its Audit Report for the year 2018-19 regarding codification of internal financial controls, documentation of operations and effectively monitoring controls and more effectively segregating of duties, will be examined and action will be taken to the extent possible.

8. PARTICULARS OF LOAN, INVESTMENTS AND GUARANTEES.

The company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to

loans, investments and guarantees given by the Company during the year.

9. PARTICULARS OF CONTRACTS AND ARRANGEMENTS UNDER SECTION 188

Contracts or arrangements with related parties during the year 2018-19 were either within the limits as stated in rule 15 (3)(a) of Companies (Meetings of Board and its Powers) Rules, 2014 or were arm's length transactions or were in the nature of current accounts.

10. DIVIDEND

Directors have recommended for the year 2018-19, a dividend of 15% i.e. Rs.1.50 per share of Rs.10 on all the 3, 24, 93,869 equity shares as on 31.3.2019 of the company for the year 2018-19, which dividend may be paid to holders of such shares as on the date of the 26th annual general meeting being held on 27.09.2019, proportionate to the period of holding."

11. CONSERVATION, TECHNOLOGY, FOREIGN EXCHANGE

In terms of Rule 8(3) of Companies (Accounts) Rules, 2014, information about energy conservation and technology absorption is nil in regard to each of the respective items.

Information regarding foreign exchange is as follows:

***Earnings: Rs. 3, 80, 51,441/-**

***Outgo: Rs. 44, 65, 92,003/-**

12. CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee of the Board of Directors consisting of Shri Deena Nath Singh (Chairman), Shri Nakul Kam Sethi and Ms. Nishi Arora. The CSR activities of the company are conducted through Asha Mohan Foundation which is a registered society engaged in the education of children for the last more than ten years and has been established by the promoters of this company. The CSR Committee monitors the CSR expenditure of the company and has to ensure that at least 2% of the average net profit of the company made during the immediately preceding three years is incurred and well utilized for the education and other welfare activities. In respect of the year, 2018-19, a report under Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached in **Annexure II**.

13. SECRETARIAL AUDIT

M.M.Chawla and Associates, Company Secretaries in Practice, Bhopal were appointed as Secretarial Auditor of the company to perform Secretarial Audit of the company for the year 2018-19 in terms of section 204

of the Companies Act, 2013 and to give other certificates/reports under SEBI regulations and circulars. The secretarial audit report in form MR-3 and other reports as per SEBI Regulations are attached herewith as **Annexure III, IV and V**.

14. DIRECTORS/CFO/INTERNAL AUDITOR.

Shri Satpal Kumar Arora was appointed as Independent and non-executive Director of the Company with effect from 13.10.2018, Shri Mahesh Kumar Batra, was appointed as Independent and non-executive Director of the Company with effect from 27.05.2019. Shri Deenanath Singh and Ms. Nishi Arora both are being re-appointed as Non-Executive/Independent Directors w.e.f 01.04.2019 and 14.11.2019 respectively, Shri Rajesh Dubey is the Chief Financial Officer and Shri Sourabh Tandon is the Internal Auditor. The Board now consists of Shri Jagdish Kumar Arora, CMD, Shri Nakul Kam Sethi (WTD), Shri Mahesh Kumar Batra, Shri Deenanath Singh, Shri Satpal Kumar Arora and Ms Nishi Arora.

15. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

Woodpecker Distilleries and Breweries Private Limited is a wholly owned subsidiary of Som Distilleries and Breweries Limited which holds 5,09,95,000 equity shares of Rs. 10 each out of a total paid up capital of Rs. 5,10,00,000 shares of Rs. 10 each constituting 99.99% of the equity capital of the subsidiary. Also,

Som Distilleries And Breweries Odisha Private Limited is a wholly owned subsidiary of Som Distilleries and Breweries Limited which holds 2,50,05,000 equity shares of Rs. 10 each out of a total paid up capital of Rs. 2,50,100,000 shares of Rs. 10 each constituting 99.99% of the equity capital of the subsidiary. The consolidated financial statement combining the balance sheet of the two subsidiaries is also being attached.

16. AUDITORS

Appointment of M/s R.N.Gupta and Associates Chartered Accountants, Bhopal as auditors has already been made for 2019-20 and does not now require ratification since first proviso to section 139(1) of Companies Act, 2013 has been deleted with effect from 07.05.2018.

17. CORPORATE GOVERNANCE

Pursuant to Regulation 34 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Corporate Governance Report including Management Discussion and Analysis Report forms part of this report as **Annexures VI**.

18. OTHER STATUTORY INFORMATION

In respect of other various matters listed in section 134(3) and other sections of the Companies Act, 2013 and rules made there under, there is no further information to be furnished in this report. There are adequate internal financial controls keeping in view the size and nature of transactions of the Company. A system of evaluation of the performance of Directors is yet to be evolved. There were no Deposits during the year. Details of risk management policy are yet to be framed. The information/ratios as required under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2016 are attached as **Annexure VII**.

19. ACKNOWLEDGEMENTS

Directors are grateful for the co-operation received from business associates and the valued customers of the company. Directors wish to place on record their high appreciation of the services of executives, staff and workers of the company.

Place: Bhopal
Dated: 03.07.2019

BY ORDER OF BOARD OF DIRECTORS
J.K. ARORA
CHAIRMAN AND MANAGING DIRECTOR

ANNEXURE I TO THE DIRECTORS REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN FOR THE FINANCIAL YEAR ENDED ON 31.03.2019

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

I. REGISTRATION AND OTHER DETAILS:

- (i) Corporate Identification Number : L74899DL1993PLC052787
- (ii) Registration Date : 26.03.1993
- (iii) Name of the Company : Som Distilleries and Breweries Limited
- (iv) Category / Sub-Category of the company : Company Limited By Shares/Indian Non-Government Company
- (v) Address: :
Registered Office and Contact Details: 1-A, Zee Plaza, Arjun Nagar, Safdarjung Enclave, Kamal Cinema Road, New Delhi - 110029
Telephone No. 011-26169909

Corporate Office and Contact Details: 23, Zone II, M.P. Nagar, Bhopal, Madhya Pradesh - 462011
Telephone No. 0755-4271271
- (vi) Whether listed company : Yes
- (vii) Name, Address and Contact details of Registrar and Transfer Agents, if any : MAS Services Ltd T-34, Okhla Industrial, Area, Phase-II, Delhi - 110020
Telephone No. 01126387281-83
E-mail: info@masserv.com

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:-

S. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	BEER MADE FROM MALT PLUS WHISKIES	2203.00 PLUS 2208.30	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S.No.	Name and Address Of The Company	Cin/Gln	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	Woodpecker Distilleries & Breweries Pvt. Ltd. Suit No.601, Shivkaran Apartments, Off Yari Road, Panchtantra Nagar, Andheri (W) Mumbai, Maharashtra 400061	U15400MH2010PTC211663	Wholly owned Subsidiary	99.99 %	Section 2(46) and 2(87) of Companies Act, 2013
2	Som Distilleries and Breweries Odisha Pvt. Ltd. 23 , Zone II, M.P. Nagar Bhopal Madhya Pradesh 462011	U15500MP2013PTC030385	Wholly owned Subsidiary	99.99%	Section 2(46) and 2(87) of Companies Act, 2013