

**CORPORATE INFORMATION****BOARD OF DIRECTORS**

Shri Ashish Gadia	-	Whole Time Director
Shri Manish Tibrewal	-	Non-Executive Director
Shri Nitin Tibrewal	-	Non-Executive Director
Shri Ranjan Tibrewal	-	Resigned w.e.f 26/07/2014

**CHIEF FINANCIAL OFFICER**

Shri Tushar Bhandari

**COMPANY SECRETARY**

Shri Deepak Pandey

**STATUTORY AUDITORS****B. K. Agrawal & Company**

29-B, Rabindra Sarani  
3rd Floor, Room No.12 W  
Kolkata - 700 073

**M.D. Agrawal & Company**

41, Jaora Compound  
Opp. M.Y. Hospital  
Indore - 452 001

**REGISTRAR AND SHARE TRANSFER AGENT (RTA)****Ankit Consultancy Pvt. Ltd,**

60, Electronics Complex, Pardeshipura,  
Indore - 452010

**e-mail : ankit\_4321@yahoo.com**

Ph.: (0731) 2551745, 2551746 Fax: 0731-4065798

**BANKERS**

IDBI Bank Limited  
Canara Bank

**REGISTERED OFFICE**

106 A, Shyam Bazar Street,  
Kolkata-700 005  
Email: cs@associatedalcohols.com  
Phone No. (033)32511422  
Fax: (033)25339732

**CORPORATE OFFICE**

BPK Star Tower,  
4th Floor, Above Shoppers Stop,  
A.B. Road, Indore - 452 008  
Email : corpcompliance@associatedalcohols.com  
Ph.: (0731)6662400, 500  
Fax: (0731)6662410

**DISTILLERY**

Khodigram, Tehsil Barwaha, Distt. Khargosan - 451 115  
(Madhya Pradesh)

**COMPANY'S WEB SITE**

www.associatedalcoholsindia.com

**CORPORATE IDENTITY NUMBER (CIN)**

L15520WB1989PLC047211

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**Venue of Annual General Meeting and other details :**

<b>Date</b>	: September 30 <sup>th</sup> , 2014
<b>Day</b>	: Tuesday
<b>Time</b>	: 11: 30 AM
<b>Venue</b>	: "Dum Dum Municipality Town Hall, Dum Dum Municipality, 44, Sailen Das Sarani, Dum Dum, Kolkata -700 028
<b>Book Closure Date</b>	: From September 22 <sup>nd</sup> , 2014 to September 30 <sup>th</sup> , 2014

**ASSOCIATED ALCOHOLS & BREWERIES LTD.****NOTICE**

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of the members of Associated Alcohols & Breweries Limited will be held on **Tuesday, September 30, 2014 at 11.30 a.m. at Dum Dum Municipal Town Hall, Dum Dum Municipality, 44, Dr. Sailen Das Sarani, Dum Dum, Kolkata - 700 028**, to transact the following businesses:

**ORDINARY BUSINESS :**

1. To consider and adopt the audited financial statements (both standalone and consolidated) of the Company for the year ended March 31, 2014 which includes the Statement of Profit & Loss and Cash Flow Statement for the year ended March 31, 2014, the Balance Sheet as at that date, the Auditors' Report thereon and the Directors' Report.
2. To appoint a Director, Shri Manish Kumar Tibrewal (DIN: 00747559) who retire by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and fix their remuneration and in this regard 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 provision of section 139 of the company Act 2013, and Rules framed there under, M/s. B.K Agrawal & Company, Chartered Accountants (Registration No. 314202E), and M/s. M.D. Agrawal & Company, Chartered Accountants (Registration No. 001177C), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company."

**SPECIAL BUSINESS :**

4. Appointment of Shri Nitin Tibrewal. as an Independent Director of the Company:  
To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under and Clause 49 of the Listing Agreement (including any statutory modifications or re-enactment thereof and any rules made there under, for the time being in force) and subject to such other approvals as may be required, and in respect of whom the Company has received a notice in writing, under Section 160 of Companies Act, 2013, from a member proposing his candidature for the office of Director, as an Independent Director of the Company liable to retire by rotation, consent of the members of the Company be and is hereby accorded for appointment of Mr. Nitin Tibrewal (DIN: 01892892), as an Independent Director of the Company for a period of five years with effect from the date of this Annual general meeting i.e. September 30th, 2014".

5. To re-appoint Shri Ashish Gadia (DIN: 00736991) as a Whole-time Director and in this regard to consider and if thought, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Shri Ashish Gadia (DIN: 00736991) as a Whole-time Director, of the Company, for a period of 5 (Five) years with effect from 1st April 2014 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Human Resources, Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deemed and as may be acceptable to Shri Ashish Gadia, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**By Order of the Board of Director**

**Deepak Pandey**  
Company Secretary  
Place: Indore  
Date : 30th July, 2014

**Registered Office :**  
106A, Shyam Bazar Street, Kolkata 700 005.  
E mail : cs@associatedalcohols.com  
Phone : 033- 32511422  
Fax : 033-25339732

### **NOTES**

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 with respect of business under Item Nos. 4 and 5 as set out in the Notice is annexed hereto.

1. Brief resume of Directors/persons proposed to be appointed / re-appointed, as stipulated under clause 49 of the listing agreement with the stock exchanges, are provided after the explanatory statement to this notice.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll, instead of himself. Such a proxy need not be a member of the company. The instrument of proxy in order to be effective must be received by the company not less than 48 hours before the commencement of the meeting. A proxy so appointed shall not have any right to speak at the meeting.
3. A person can act as a proxy on behalf of a member not exceeding 50 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/ shareholder.
4. Corporate members intending to send their authorized representative to attend the meeting are requested to send to the company a certified copy of the board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. All documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company during office hours on all days except Saturdays, Sundays and public holidays, up to the date of the Annual General Meeting.
6. The Security Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participants in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in Physical form can submit their PAN to the Company/Ankit Consultancy Pvt. Ltd.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitle to vote.
8. Members holding shares in single name and physical form are advised to make nomination in in respect of their shareholding in the Company the nomination form can be downloaded from the Company's Websites [www.associatedalcoholsindia.com](http://www.associatedalcoholsindia.com) under the section 'Investor Relation'
9. member who hold shares in physical form in multiple folio in identical names or joint holding in the same order of names are requested to send the share certificates to Ankit Consultancy Pvt. Ltd, for consolidation onto single folio.
10. Members who have not registered their e-mail addresss sofar are requested ti register their e-mail address for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically. Members/Proxies are requested to bring the Attendance Slip duly filled in for attending the meeting and also their copy of the Annual Report.
11. Members/Proxies are requested to bring the Attendance Slip duly filled in for attending the meeting and also their copy of the Annual Report.
12. Members are requested to send in their queries at least a week in advance to the Company Secretary at the Registered Office of the Company to facilitate clarifications during the meeting.
13. In compliance with the provisions of Sections 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is pleased to provide the members the facility to exercise their vote for business to be transacted in this notice of Annual General Meeting by electronic means through e-voting facility provided by Central Depository Services Limited. Members who are holding shares in physical or dematerialized form as on August 14, 2014 shall exercise their vote by electronic means.
14. E-voting: The e-voting instructions for members receiving an e-mail or a physical copy of this notice of Annual General Meeting are as under:
  - (i) The voting period begins on Monday, the September 22, 2014 at 09:00 AM and ends on Wednesday, the September 24, 2014 at 05:30 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date August 14, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
  - (iii) Click on "Shareholders" tab.
  - (iv) Now Enter your User ID
    - (a) For CDSL: 16 digits beneficiary ID,
    - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (v) Next enter the Image Verification as displayed and Click on Login.
  - (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  - (vii) If you are a first time user follow the steps given below :

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. <ul style="list-style-type: none"> <li>► Members who have not updated their PAN with the Company/DP are requested to use the first two letters of their name in CAPITAL followed by the last 8 digits of their de-mat account number/Folio No., as the case may be, in the PAN field.</li> <li>► In case the Folio No. is less than 8 digits enter the applicable number of 0s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar and Folio No. is 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB or Date of Incorporation OR Dividend Bank Details	Enter the Date of Birth as recorded in your demat account or in the Company's records for the said demat account in dd/mm/yyyy format or enter Folio No. OR Enter the Bank Account Number as recorded in your demat account or in the Company's records for the said demat account or Folio No. Please enter any one of the details in order to login. In case both the details are not recorded with the Depository or the Company, please enter the number of shares held in the Bank Account Number field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <company name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non-individual Shareholders and Custodians.
  - o Non-individual shareholders (i.e. other than Individuals, HUF, NRI etc) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - o A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - o After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - o The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - o A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

#### Other Instructions:

1. In case of Members who are attending the Annual General Meeting and are entitled to vote but have not exercised their right to vote by electronic means, the Chairman of the Meeting will order a poll on his own motion for all businesses specified in the accompanying Notice. For clarity, please note that the Members who have exercised their right to vote by electronic means shall not vote by way of poll at the Meeting. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company. The poll process shall be conducted and scrutinized and report there on will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.
2. Mr. B.K Agrawal, Chartered Accountant (Membership No. 51873), has been appointed as the Scrutinizer to scrutinize the e-voting process as well as the voting by way of poll, to be conducted at the Annual General Meeting, in a fair and transparent manner.
3. The Scrutinizer shall within a period not exceeding three working days from the date of close of e-voting unblock the votes in the presence of at least two witnesses, not in the employment of the Company and make Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Meeting.
4. The results of e-voting and poll on resolutions shall be aggregated and these resolutions will be deemed to be passed on the Annual General Meeting date, subject to receipt of the requisite numbers of votes in favour of the said resolutions.
5. The results declared along with the Scrutinizer's report shall be communicated to BSE Limited and Madhya Pradesh Stock Exchange of India Limited and made available on the Company's website viz.: [www.associatedalcoholsindia.com](http://www.associatedalcoholsindia.com) and on the website of CDSL viz.: [www.cdslindia.com](http://www.cdslindia.com), within two days of passing of the resolutions at the Annual General Meeting of the Company.
6. Members are requested to :-
  1. Carry the ID proof for verification and Security reason.
  2. Bring their copy of Annual Report and attendance slip, duly completed and signed, to the meeting.
  3. Quote their Folio / Client ID & DP nos. in all correspondence with the R & T in all correspondence with the R & TA Company
  4. Note that due to strict security reasons, eatables and other belonging are not allowed inside the Auditorium.

**ASSOCIATED ALCOHOLS & BREWERIES LIMITED**

Explanatory Statement Pursuant To Section 102(1) of the Companies Act, 2013.

**Item No. 4**

In accordance with the provisions of Section 149 of the Companies Act, 2013 which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors. Consequent to the applicability of the Companies Act, 2013, it is proposed to appoint Shri Nitin Tibrewal (DIN: 01892892), as Independent Directors of the Company for a term of consecutive five years with effect from the date of Annual General Meeting i.e. September 30, 2014 till September 29, 2019. The Company has received consent from the Independent Director and also declaration confirming that they are not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 as well as Clause 49 of the Listing Agreement with the Stock Exchanges. In this regard requisite notice in writing from a member has been received, proposing appointment of Shri Nitin Tibrewal, as candidate for the office of Independent Director of the Company. The Independent Director is Independent of the management and in the opinion of the Board fulfill the conditions specified in the Companies Act, 2013 and rules made there under for appointment as an Independent Director of the Company. A copy of the draft letter for appointment as an Independent Director setting out the terms and conditions would be available for inspection without any fee to the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday. Other than the Independent Directors of the Company and their relatives, none of the Directors, key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the proposed Resolutions as set out in item number 4 of this Notice. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges. The Board recommends the Ordinary Resolutions as set out at item numbers 4 of the Notice for approval by the shareholders. A brief profile along with other details of the Independent Directors is provided at the end of this statement.

**Item No. 5**

The Board of Directors of the Company at its meeting held on 20th March, 2014 have decided to reappointed Mr. Ashish Gadia (DIN. 00736991) as Whole-time Director of the Company for a further period of 5 (five) years commencing from 1st April, 2014 up to and including 31st March, 2019 subject to approval from the shareholders of the company. Mr. Ashish Gadia is associated with the company from quite a long time as Whole-time Director of the company, his tenure as approved by the shareholders at its general meeting on 30th September 2009, was expired on 31st March 2014. In view of his wide and varied experience in the industry, the Board of Directors of the company have reappointed him for a further period of five years subject to approval of shareholders. His remuneration will be subject to the overall limits as provided under Section 197 and 198 of the Companies Act, 2013 read with Schedule V and other applicable provisions, as maybe applicable of the Act. The revised terms and conditions of reappointment of Mr. Ashish Gadia as Whole-time Director are as specified in the Amendment Agreement entered into with him and following are the details of remuneration with effect from 1st April 2014.

**(a) Basic Salary :**

₹ 50,000/- (Rupees fifty thousand only) per month with the annual increment due on October 1, every year.

**(b) House Rent Allowance :**

₹ 20,000/- (Rupees twenty thousand only) per month where free, furnished accommodation is not availed.

**(c) Perquisites :**

- (i) The Whole-time Director shall be entitled to perquisites in the form of reimbursement or allowance but will be restricted to ₹ 2,50,000/- (Rupees two Lakhs Fifty Thousand only) per annum excluding perquisite value of free, furnished accommodation, if availed.
- (ii) The Whole-time Director shall be entitled to Company's contribution to Provident Fund, Superannuation Fund, benefits of Gratuity and Pension Scheme for Senior Management Staff, earned leave and encashment of earned leave at the end of the tenure and long service awards, as per the rules of the Company. These shall not be included in the computation of perquisites.
- (iii) Company car with driver (owned/leased or hired) for use on Company's business, telephone and other communication facilities at residence, reimbursement of medical expenses for self and family including children up to 21 years of age as per the rules of the Company and membership of one club at Indore shall also not be considered as perquisites for the purpose of computing the aforesaid limit.
- (iv) For the purpose of calculating the above ceiling, the perquisites shall be evaluated as per the Income-Tax Rules, 1962, wherever applicable.
- (v) The above perquisites will exclude value of Stock Option benefits computed as per the Income-Tax Act/Rules, tax on which will be borne by the Company.
- (d) In the event of loss or inadequacy of profits in any financial year, the Whole-time Director shall be paid remuneration by way of salary, HRA and perquisites as specified above. The Board recommends the Ordinary Resolution set forth in Item No. 5 of the

Notice for approval of the Members. This may be treated as an abstract of the terms and conditions governing the variation in the payment of remuneration to Mr. Ashish Gadia pursuant to Section 190 of the Companies Act, 2013 and other applicable provisions of the Act, if any. The Agreement entered into between the Company and Mr. Ashish Gadia is available for inspection by the Members at the Registered Office of the Company on all working days except Saturdays, Sundays and holidays between 11.00 A.M. and 1.00 P.M. up to the date of the Annual General Meeting. Save and except Mr. Ashish Gadia, none of the Directors or Key Managerial Personnel of the Company including their relatives is, in anyway concerned or interested in the Resolution.

**By Order of the Board of Directors**

**Deepak Pandey**  
Company Secretary

Indore,  
July 30th, 2014

Registered Office:  
106A, Shyam Bazar Street Kolkata,  
Tel. (033) 32511422  
Fax: (033) 25339732,  
Website: www.associatedalcoholsindia.com,  
e-mail: cs@associatedalcohols.com  
CIN: L15520WB1989PLC047211

Brief Resume of Directors/persons seeking appointment/ re-appointment at this  
Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Mr. Ashish Gadia	Mr. Nitin Tibrewal	Mr. Manish Tibrewal
Date of Birth	06.05.1977	10.03.1982	05.07.1977
Date of Appointment on the Board	01.01.2004	28.01.2011	20.10.2001
Brief Profile	Associated with the company from over 10 years and having varied exposure to multi-functional areas	Associated with the company from last 2 years and having rich experience of the industry.	Associated with the company from last 12 years and having rich experience of the industry.
Directorships held in other companies (excluding Section 25 and foreign companies) as on June 20, 2014	N.A.	1	N.A.
Memberships of committees across companies (includes only Audit & Shareholders' / Investors' Grievance Committee /Stakeholders Relationship Committee)	2	N.A.	N.A.
Shareholding in the Company (Equity)	NIL	100	NIL
Relationship between directors inter-se	NO	NO	NO

Registered Office  
106 A, Shyam Bazar Street,  
Kolkata-700 005

Deepak Pandey  
Company Secretary

**DIRECTOR'S REPORT**

To the Members,

Your Directors have pleasure in presenting their 25th Annual Report together with the Audited Accounts and Auditor's Report of the Company for the year ended on 31st March 2014.

<b>FINANCIAL RESULTS</b>		(` In Lacs)
<b>PARTICULARS</b>	<b>2013-2014</b>	<b>2012-2013</b>
Sales & Other Income	21833.43	15989.72
Profit/(Loss) before Depreciation & Tax	1637.03	1045.37
Profit/(Loss) before Tax	979.13	550.57
Tax Expense: 1) Current Tax	204.04	115.11
2) Deferred Taxation	161.99	102.74
Profit after tax	613.10	332.72
Tax for Prior Period	28.64	1.74
Profit for the year	584.46	330.98
Add: Balance brought forward from previous Year	2495.71	2214.73
Profit available for appropriation	3080.17	2545.71

**APPROPRIATIONS**

General Reserve	50.00	50.00
Amount carried to next year	3030.17	2495.71

**RESULTS OF OPERATIONS**

Your Company has achieved a turnover of ` 21317.23 lacs in the current year against ` 15715.97 lacs in the previous year. Operating Profit (EBIDTA) for the year stood at ` 233.91 million, an increase of 62 % from ` 144.96 million in comparison to 2012-13. In view of the present scenario of the Industry, your Directors consider overall performance of the Company satisfactory.

**MODERNISATION AND EXPANSION**

The expansion cum modernization project of the distillery unit undertaken by the Company have already been completed.

**COMPOSITION OF BOARD:**

Consequent to Companies Act, 2013 applicability. It is proposed to Induct Mr. Nitin Tibrewal as an Independent Director not liable to retire by rotation subject to approval of members in the general meeting in pursuance to the provisions of Companies Act, 2013 and Listing Agreement. Mr. Manish Tibrewal, director of the company retires by rotation and offers himself for re-appointment. Shri Ashish Gadia is reappointed as Whole-time director for another term of Five years subject to approval of the shareholders and compliance of provisions of the companies as applicable.

The Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its fiduciary responsibilities thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. The Board has constituted Audit Committee, Share Transfer & Shareholders Grievance Committee and Remuneration Committee.

**DIVIDEND**

In order to meet the long term funds requirement for growth of the business of your Company, your directors consider it necessary to conserve the resources of the Company and as such, have decided not to recommend dividend for the year.

**AUDITORS' REPORT**

The Auditors' Report to the shareholders does not require any explanation or comments as such.

**AUDITORS**

M/s. B. K. Agrawal & Co., Kolkata and M/s. M. D. Agrawal & Co., Indore, Chartered Accountants, Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received letters from them to the effect that their appointment, if made, would be within the prescribed limits under section 224(1B) of the Companies Act 1956.

**SUBSIDIARY COMPANY:**

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary company is not being attached with the Balance Sheet of the Company. However the financial information of the subsidiary company is disclosed in the Annual Report in compliance with the said circular. The Company will make available the Annual Accounts of the subsidiary company and the related detailed information to any member of the Company who may be interested in obtaining the same.

The annual accounts of the subsidiary company will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary company. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary company.

The Financial Statements for the year ended March 31, 2014 of Vedant Energy Pvt. Ltd., subsidiary of your company, is consolidated in the Annual Report.

#### **CONSOLIDATED FINANCIAL STATEMENTS**

In compliance with the Accounting Standard 21 on Consolidated Financial Statements, this Annual Report includes Consolidated Financial Statements for the financial year 2013-14.

In pursuance of General Circular No. 2/2011 dated 8th February, 2011, issued by the Ministry of Corporate Affairs, Government of India, your Directors have opted to avail the general exemption granted under Section 212 (8) of the Companies Act 1956 from attaching individual balance sheet, statement of profit & loss and reports of the Board of Directors and Auditors of the subsidiaries along with the holding company's balance sheet.

In view of the above, your directors have presented the stand-alone financial statements of the Company; and consolidated financial statements comprising financials of the Company and its subsidiary, Vedant Energy Private Ltd., as part of this Annual Report.

Individual balance sheet, statement of profit & loss, report of Board of Directors and report of Auditors of the subsidiary is open for inspection by the shareholders at the registered office of the Company and its subsidiary's respectively, copies of which may be furnished, if desired by any shareholder.

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

Information required under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 with respect to conservation of energy, technology absorption and foreign exchange earnings/outgo is appended hereto as Annexure -II and forms part of this report.

#### **FIXED DEPOSITS**

During the year your company has not accepted any deposit from public under Section 58A of the Companies Act, 1956 in terms of Rule 4A of Companies (Acceptance of Deposit) Rules, 1975.

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

- a) As required under section 217(2AA) of the Companies Act 1956 your Directors confirm that:
- b) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- c) Appropriate accounting policies have been selected and applied consistently and that judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on 31st March 2014 and of its profit for the year ended on that date.
- d) Proper and sufficient care has been taken for the maintenance of adequate accounting records under the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- e) The annual accounts have been prepared on a going concern basis.

#### **CORPORATE GOVERNANCE**

The Company has complied with the mandatory provisions of Corporate Governance as prescribed in the clause 49 of the listing agreement with the Stock Exchange. A separate report on Corporate Governance and Auditors Report there on are included as part of the Annual Report.

#### **PERSONNEL**

The relation between the employees and the management has been cordial throughout the year under review and the Directors place on record their appreciation for the efficient services rendered by the employees at all levels.

There has been no employee drawing remuneration in excess of limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employee) Rules, 1975 as amended.

#### **ACKNOWLEDGEMENT**

Your Directors express their sincere appreciation for the co-operation and support received from shareholders, bankers, financial institutions, regulatory bodies, customers, suppliers, employees and other business constituents during the year under review.

#### **FOR AND ON BEHALF OF THE BOARD**

Place: Indore  
Dated: 30th July, 2014

**ASHISH GADIA**  
DIRECTOR  
DIN -00736991

**NITIN TIBREWAL**  
DIRECTOR  
DIN - 01892892

**ANNEXURE - II TO THE DIRECTORS' REPORT**

Information required under the Company (Disclosure of particulars in the Report to the Board of Directors) Rules, 1988 and forming part of the Directors Report for the year ended on 31st March 2014.

**A) CONSERVATION OF ENERGY**

Your Company continues to give the highest priority to the conservation of the energy. All aspects of generation and usage are regularly reviewed. The Company has been generating the Biogas from the industrial effluents of the Distillery which has resulted in substantial savings in primary fuel.

**B) TECHNOLOGY ABSORPTION**

The Company has adopted the latest technology in its production process. The Company has an inbuilt system of research and development and has not imported any technology.

**C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

		(` in Lacs)
	<b>2013-2014</b>	<b>2012-2013</b>
Foreign Exchange Earned (Export Sales)	00.00	00.00
Foreign Exchange Outgo/ Expenditure in foreign currency (Professional Development Expenses (Travelling Expenses) (Salary)	17.72 3.21 1.22	70.97 6.18 0.00

**FOR AND ON BEHALF OF THE BOARD**

**ASHISH GADIA**  
WHOLE TIME DIRECTOR  
DIN - 00736991

**NITIN TIBREWAL**  
DIRECTOR  
DIN - 01892892

Dated: 30th July, 2014  
Place: Indore

## MANAGEMENT DISCUSSION AND ANALYSIS

### INDUSTRY AND COMPANY OVERVIEW

#### A. OUTLOOK:

##### GLOBAL ECONOMIC OVERVIEW

The global economic outlook remained uncertain and challenging with a growth of about three per cent in 2013. There were many reasons for this sluggishness including weak recovery in the US and Europe and a general economic slowdown in emerging economies like China and India.

##### INDIAN ECONOMIC OVERVIEW

During much of 2013-14, there was no turnaround in the domestic economy in either consumption or investment as was reflected by the downward trend in both the capital and consumer goods segments. The high borrowing cost to combat inflation, coupled with lower consumption, low investment in infrastructure and other sectors of the economy were responsible for this, although agriculture and allied businesses had shown some improvement. Foreign Institutional Investors (FIIs) were record buyers of Indian debt instruments in the quarter is yet to show any definite signs of emerging from a slump. The Rupee has recently strengthened against the US Dollar which might adversely exports from India.

##### GLOBAL ALCOHOL INDUSTRY

The global alcoholic drinks industry is expected to exceed \$1 trillion in 2014. Market volume is predicted to reach almost 210 billion liters in 2014, a 10% increase in five years. Beer, cider and flavored alcoholic beverages represent the leading market segment with over half of the overall market value. The EU represents almost 57% of the world alcoholic drinks market.

##### INDIAN ALCOHOL INDUSTRY

The Indian Alcohol industry focuses mainly on four types of alcoholic products: Indian made Foreign Liquor (IMFL), Indian Made Indian Liquor (IMIL or Country Liquor), beer and imported liquor. The two most preferred forms of alcohol in India are country liquor and IMFL.

The per capita consumption is 2 liters/adult/year (calculated from official 2003 sales and population figures) and becomes 4 litres/adult/year taking into account undocumented consumption (45-50%). Licit and illicit spirits i.e. government licensed country liquor and illicitly distilled spirits constitute more than 95% of the beverages drunk by both men and women. Wine is a nascent but growing market.

This is a favorable time for the alcohol industry in India due to the following factors:

**Urbanization:** More and more people are migrating towards bigger cities, where they are exposed to a wider variety of alcoholic products, including IMFL.

**Favourable demographics:** India is a young country, with more than 60 percent of Indians falling in the 15-45 years age group. This is the cohort the industry targets as potential customers. About 485 million Indians are currently of drinking age and another 150 million will be added to this group in the next five years.

**Changing social norms:** Over the years, there has been a change in attitudes, making consumption of alcohol more socially acceptable. This acceptability extends to drinking in family environments, at social events, and by females/youngsters.

**Rise in disposable income:** More and more Indians are now moving towards the upper/middle-income group. The per capita income has witnessed a continuous growth, from just over ` 27,000 in 2006 to over ` 54,000 in 2011 (projected: over ` 100,000 in 2015).

**Increased alcohol accessibility and availability:** There has been an increase in the variety of alcohol brands and types and all of them are easily available in government-licensed outlets, government shops (monopolies), private licensed retail chains (permitted since the past couple of years), restaurants, and bars.

Other factors that have been conducive to the industry include relaxed overseas trade rules, the availability of alternative and innovative means of targeted marketing and promotion, and the propagation of beliefs such as the health benefits of alcohol consumption. The influence of these factors is visible in the increase in alcohol consumption.

#### B. RISKS AND CONCERNS:

Your company has evolved a framework for management of business risks. Towards this end, the company performs a risk assessment in which strategic risks, operative risks, information technology risks and financial risks are considered and mitigating actions are identified. This is reviewed regularly by the internal team and the Board.

Continuity and sustainability of the business is as important to stakeholders as growing and operating the business. Managing risks and protecting the business from the effects of material adverse events are focal points on the management's agenda.

Stiff competition in the market does have an impact on the product pricing policies and put the operating margins under pressure. All the insurable interests of the Company including inventories, buildings, plants and machinery and liabilities under legislative enactments are adequately insured.

#### **C. INTERNAL CONTROL SYSTEMS:**

The internal control system evaluates adequacy of segregation of duties and reliability of management information systems, including controls in the area of authorization procedures and steps for safeguarding assets. Planned periodic reviews are carried out for identification of control deficiencies and opportunities for bridging gaps with best practices along with formalization of action plans to minimize risks.

The system of internal control is being improved to ensure that all assets are safe and protected against loss from unauthorized use or disposition, and that all transactions are authorized, recorded and reported correctly. The Company regularly conducts internal check, using external and internal resources to monitor the effectiveness of internal control in the organization.

Your Company believes that the overall internal control system is dynamic, and reflects the current requirements at all times, hence ensuring that appropriate procedures and controls, in operating and monitoring practices are in place.

#### **D. FINANCIAL CONTROLS:**

The total capital employed by the Company was ` 13258.55 Lacs at the year-end 2013-14 in comparison to ` 10349.57 Lacs at the end of previous year. The working capital and interest costs have been managed more efficiently. The bank borrowing to sustain the business was ` 5615.77 Lacs at the close of 2013-14 as against ` 4846.83 Lacs at the end of the previous year.

The Company's management is committed to evolve strategy to achieve enhancement in the shareholders value through the adoption of strong fiscal discipline, improvement in operating efficiencies and resource utilization.

#### **E. HUMAN RESOURCES:**

People continue to be the focal point of the organization's development. Your Company believes in building a stimulating, conducive and transparent culture that drives high level of performance. For good performance organization, it is imperative that it has right people in the right job equipped with the right set of skills.

Human capital continues to be a vital resource for the Company. Training and development of our human resources continued to receive focused attention. The Company has a continuous process to monitor individual performance. The Company continued to have cordial and harmonious relations with its employees.

We continued to significantly improve our performance in the areas of productivity and safety by means of focused initiatives. Your Company maintained harmonious employee relations during the year.

Your Directors place on record their sincere appreciation to all employees for their contribution towards the continuous success of the organization.

#### **F. CAUTIONARY STATEMENT**

Certain statements made in the management discussion and analysis report relating to the Company's Objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections and so on whether express or implied. Several factors could make significant difference to the Company's operations. These include climatic conditions and economic conditions affecting demand and supply, government regulations and taxation, natural calamities and so on over which the Company does not have any direct control.

#### **ACKNOWLEDGMENT**

Your Directors would like to express their sincere appreciation for the co-operation and support received from shareholders, bankers, financial institutions, regulatory bodies, customers, suppliers, employees and other business constituents during the year under review.

## REPORT ON CORPORATE GOVERNANCE

### MANDATORY REQUIREMENTS:

Corporate Governance refers to the systematic process by which businesses are operated, regulated and controlled to enhance their wealth generating capacity and fulfill social obligation. Good corporate governance practices provides a structure that meet the aspirations of all stakeholders including societal expectations by ensuring that the enterprise adheres to accepted ethical standards and best practices as well as to formal laws. Governance practices may vary but the principles are generic and universal, viz- constant improvement and sustainable value creation for all stakeholders. Stakeholders include everyone ranging from the board of directors, executive management, and shareholders to customers, employees, suppliers, financiers and society at large.

With the increasing complexities in business of organizations, the demand for sound governance practices have become indispensable. Associated Alcohols & Breweries Limited (AABL) has an aspiration of becoming a global conglomerate and hence has a strong focus on adherence of corporate governance standards globally benchmarked. Besides complying with the prescribed corporate practices as per Clause 49 of the Listing Agreement, it voluntarily governs itself as per highest ethical and responsible standard of business. This chapter, along with the chapters on Management Discussion and Analysis and Additional Shareholders Information, reports AABL's compliance with Clause 49 of Listing Agreement highlighting the additional initiatives taken in line with international best practices.

### CORPORATE GOVERNANCE PHILOSOPHY

AABL's philosophy is to constantly endeavor to achieve business excellence and optimize long term value for future growth and ensure that the ambitious plans are achieved in sustainable perspective through ethical business conduct. Thus, AABL philosophy on Corporate Governance is aimed at the attainment of highest level of transparency, accountability and compliance of laws in all facets of operations, leading to best standards of Corporate Governance. This has enabled your Company to earn the trust and goodwill of its investors, business partners, employees and the communities in which it operates. It is AABL belief that good ethics make good business sense and our business practices are in keeping with this spirit of maintaining the highest level of ethical standards.

The Company has established systems and procedures to ensure that its board of directors is well informed and well equipped to fulfill its overall responsibilities and to provide the management with the strategic direction catering to exigency of long term shareholders value. It's initiatives towards adhering to highest standards of governance include: self governance; fair and transparent processes and reporting systems and going beyond the mandated Corporate Governance code requirements of SEBI. Being a value driven organization the Company envisages attainment of the highest level of transparency, accountability and equity in all facets of its operations including everyone it works with, the community it is in touch with and the environment it has an impact on.

Corporate governance is a journey for constantly improving sustainable value creation and is an upward moving target. The Company has complied with the provisions of Clause 49 of the Listing Agreement with Stock Exchanges, which deals with the compliance of Corporate Governance requirements as detailed below:

### BOARD OF DIRECTORS

In terms of the Company's Corporate Governance policy, all statutory and other significant and material information are being placed before the Board to enable the Board discharge its responsibilities of strategic supervision of the Company.

The primary role of the Board is that of trusteeship to protect and enhance shareholder value through strategic supervision. The Board ensures that the Company has clear goals relating to shareholder value and its growth. The Board, as part and parcel of its functioning, also periodically reviews its role.

Mr. Ranjan Tibrewal resigned as Non-executive Director of your Company with effect from 26th July, 2014. Your Directors would like to record their appreciation of the service rendered by Mr. Ranjan Tibrewal.

### Composition of the Board

The Company Board is a balanced Board, comprising Executive and Non-Executive Directors. As on 31st March 2014, the Board consisted of Three (3) Directors, out of which one (1) Executive and one (1) Non- executive and one (1) Independent Directors, who are having expertise in their respective functional areas and capable of bringing in a wide range of managerial skills and business and professional acumen.

### RESPONSIBILITIES:

The Board has a formal schedule of matters reserved for its consideration and decision which includes reviewing Company's performance, ensuring adequate availability of financial resources and reporting to shareholders. During the year under review the Board met Eleven (11) times and there was no gap exceeding 4 month between any two meetings as stipulated under Clause 49. Board members ensure that their other responsibilities do not have material impact on their responsibilities as a Director of the Company.

### Number of Board Meetings

During the year, Eleven (11) Board Meetings were held on 1st April, 2013, 9th May 2013, 30th May 2013, 20th July 2013, 14th August 2013, 25th September 2013, 14th November 2013, 6th January 2014, 17th January 2014, 14th February 2014, 20th March 2014,

**Directors' Attendance Record and Directorships held**

As mandated by Clause 49, none of the Directors is a member of more than 10 Board level committees, or Chairman of more than 5 committees in which he is a member.

Sr. No	Name of Director	Category	Designation	Board Meetings Attended	Attendance at Last AGM	Total Number of other Directorship as on date	No. of other Committee membership on date Member/ Chairman
1.	Shri Ashish Gadia	ED	Director	11	Yes	-	- -
2.	Shri Manish Kumar Tibrewal	NED	Director	9	Yes	-	- -
3.	Shri Nitin Tibrewal	NED	Director	10	Yes	1	- -
4.	Shri Ranjan Tibrewal	NED	Resigned w.e.f. 26.07.2014	8	No	2	

Details of shares held by the Non-Executive Directors as on 31st March, 2014 are as follows:

- Shri Manish Kumar Tibrewal Nil
- Shri Nitin Tibrewal 100

**2. COMMITTEES OF THE BOARD**

To enable better and more focused attention on the affairs of the Company, the Board has delegated specific matters to Committees of the Board set up for the respective purpose. The requirement that a Director shall not be a member of more than five Committees and Chairman of more than two Committees has been complied with while constituting the Committee of Directors.

**(1) AUDIT COMMITTEE**

The Audit Committee constituted as per the requirements of the provisions of Section 292(A) and in compliance of the requirements of Clause 49 of the Listing Agreement.

**TERMS OF REFERENCE**

To consider the scope of audit review, the effectiveness of the system of internal control, risk management and statutory compliances.

The Committee's powers and role are as stipulated in Clause 49 of the Listing Agreement and under Section 292A of the Companies Act 1956.

Sr. No.	Name	Executive / Non Executive	Category
1.	Shri Manish Kumar Tibrewal	Non-Executive & Independent	Chairman
2.	Shri Nitin Tibrewal	Non-Executive & Independent	Member
3.	Shri Ashish Gadia	Executive	Member

**Meeting and Attendance:**

The Committee met four times during the year under review. The said meetings were held on 12th May, 2013, 12th August, 2013, 12th November, 2013 and 12th February, 2014.

S.No	Name	Executive / Non Executive	No. of meeting attended
1.	Shri Manish Kumar Tibrewal	Non-Executive & Independent	4
2.	Shri Nitin Tibrewal	Non-Executive & Independent	4
3.	Shri Ashish Gadia	Executive	4

**(2) SHAREHOLDERS' / INVESTORS GRIEVANCES COMMITTEE**

The Committee constituted to attend to and address the Shareholders' and Investors' grievances. This Committee meets periodically to approve transfer of shares and resolve investor's grievances, if any. The Committee oversees the performance of Registrars and Transfer Agents and recommends measures for overall improvement of the quantity of investor services.

S.No	Name of Directors	Category	Total Meetings 2013-2014	Nos. of meetings attended
1.	Shri Manish Kumar Tibrewal	Chairman	5	5
2.	Shri Nitin Tibrewal	Member	4	4
3.	Shri Ashish Gadia	Executive	4	4

NAME AND DESIGNATION OF THE COMPLIANCE OFFICER: Shri Nitya Nand Ojha

DETAILS OF SHAREHOLDERS COMPLAINTS RECEIVED:

Number of Complaints - 6  
 Number of Complaints unsolved - Nil  
 Pending Complaints - Nil

**3. ANNUAL GENERAL MEETING**

Location and time where last three Annual General Meetings were held :

AGM No.	Place	Date	Time
22nd	"Shripati Singhanian Hall" , Rotary Sadan, 94/2, J. L. Nehru Road, Kolkata - 700 020	30-09-2011	11.30 a.m.
23rd	"Shripati Singhanian Hall" , Rotary Sadan, 94/2, J. L. Nehru Road, Kolkata - 700 020	28-09-2012	3.30 p.m.
24th	"Shripati Singhanian Hall" , Rotary Sadan, 94/2, J. L. Nehru Road, Kolkata - 700 020	2-09-2013	3.30 p.m.

The shareholders passed all the resolutions set out in the respective notices. There was no resolution passed through postal ballots under the applicable rules.

**4. DISCLOSURES:**

Details of materially significant related party transactions:

The Company does not have any related party transaction that may have a potential conflict with interests of the Company. The Company has complied with all the requirements of regulatory authorities on capital market and no penalties or strictures have been imposed against it by Stock Exchange or SEBI or other Statutory Authorities during last three years.

**5. MEANS OF COMMUNICATION:**

- Quarterly results are taken on record by the Board of Directors, and submitted the same to the Stock Exchange in terms of requirements of Clause 41 of the Listing Agreement along with Publication of Quarterly results in newspapers.
- The Management Discussion and Analysis Report forms part of Directors Report.

**6. GENERAL SHAREHOLDER INFORMATION.**

Annual General Meeting

Date : 30th September 2014  
 Venue : "Dum Dum Municipality Town Hall  
 Dum Dum Municipality  
 44, Sainen Das Sarani, Dum Dum  
 Kolkata - 700 028

Time : 11:30 AM  
 Book Closure date : 22nd to 30th September 2014  
 Dividend payment date : N.A.

**Listing on Stock Exchange:** Bombay Stock Exchange and Madhya Pradesh Stock Exchange

**Annual Listing Fee:** Annual listing fee for the Year 2014-15 of the both Stock Exchanges have been paid.

**Custodial Fees to Depositories:** Fee for the year 2014-15 to NSDL and CDSL has been paid.

**MARKET PRICE DATA:** H/L OF EACH MONTH IN THE LAST FINANCIAL YEAR :

SHARE PRICE - HIGH & LOW (₹) - Year 2013-14

Month	Apr-13	May 13	June 13	July 13	Aug 13	Sept 13	Oct 13	Nov. 13	Dec. 13	Jan 14	Feb 14	Mar 14
High	19.50	17.80	16.50	16.60	17.5	19	20	17.25	18.70	19.75	18.35	18.55
Low	18.55	16.4	15	13.80	15.17	18.2	14.45	15.05	14.6	16.55	15.75	14.90

**REGISTRAR & TRANSFER AGENTS :**

Ankit Consultancy Pvt. Ltd., 60, Electronics Complex, Pardeshipura, Indore - 452010. Phone No. 0731-2551745 / 2551746  
 e-mail: ankit\_4321@yahoo.com

**SHARE TRANSFER SYSTEM :**

The Share transfer work and dematerialization/re-materialization work is assigned to M/s. Ankit Consultancy Pvt. Ltd., the Registrars and Share transfer Agent. Shares in physical form sent for transfer are normally registered and returned within a month from the date of receipt, if the documents are found in order in all respects. The Company has entered into agreement with CDSL and NSDL to facilitate holding of shares of the Company in dematerialized form.

**SHAREHOLDING AS ON 31ST MARCH, 2014****a) Distribution of Shareholding as on 31st March 2014**

Range in No. of Shares	Number of Holders	% to Total Holders	No. of Shares	% to total Capital
000001- 001000	4261	74.51	398117	4.40
001001- 005000	1002	17.52	289411	3.19
005001- 010000	221	3.86	184331	2.04
010001- 100000	192	3.35	513162	5.67
100001 - above	43	0.75	7654579	84.68
Total	5719	100.00	9039600	100.00

## b) Categories of Equity Shareholders as on 31st March, 2014 :

Sr.No	Particulars	No. of Shares	% to the total Paid up Share Capital
1.	Promoters/Directors & Relatives	52,39,400	57.96
2.	Mutual Funds/ UTI, Financial Institutions, Banks	2,200	0.02
3.	Bodies Corporate	2202983	24.37
4.	Indian Public	1526264	16.88
5.	NRIs/ OCBs	68,753	0.76
	TOTAL	90,39,600	100.00

**DEMATERIALIZATION OF SHARES AND LIQUIDIZING:**

91.679 % of the Company's share capital is held in dematerialized form as on 31st March 2014. The company's shares are being regularly traded on the Bombay Stock Exchange., ISIN in CDSL and NSDL for Company's equity shares is INE 073G 01016. The code for the Share on Bombay Stock Exchange is 507526.

**DECLARATION OF CODE OF CONDUCT AND ETHICS:**

The Board of Directors of the company has laid down code of conduct and ethics for the company, its directors and senior employees. All the Directors and the senior employees covered by the code affirmed compliance with code on an annual basis.

The Code of Conduct enjoins that each individual in the organization must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and observe corporate discipline.

The Code of Conduct is available on the website of the Company [www.associatedalcoholsindia.com](http://www.associatedalcoholsindia.com). All Board members and senior Management personnel affirm compliance with the Code of Conduct annually.

**MANAGEMENT RESPONSIBILITY STATEMENT:**

The Management of Company accepts responsibility for the integrity and objectivity of these financial statements, as well as for estimates and judgements relating to matters not concluded by the year-end. The management believes that the financial statements reflect fairly the form and substance of transactions and reasonably presents the company's financial condition, and results of operations. To ensure this, the company has installed a system of internal controls, which is reviewed, evaluated and updated on an ongoing basis. Our internal auditors have conducted periodic audits to provide reasonable assurance that the company's established policies and procedures have been followed. However, there are inherent limitations that should be recognized in weighing the assurances provided by any system of internal controls.

These financial statements have been audited by M/s B. K. Agrawal & Co., Kolkata and M/s M.D. Agrawal & Co., Chartered Accountants, the Statutory Auditors of the Company.

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

Place: Indore  
Date: 30th July, 2014

**Ashish Gadia**  
Wholetime Director  
DIN - 00736991

**Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification  
(Issued in accordance with the provisions of Clause 49 of the Equity Listing Agreement)**

To the Board of Directors of Associated Alcohols & Breweries Limited.

Dear Sirs,

We have reviewed the Financial statements read with the cash flow statement of Associated Alcohols & Breweries Limited for the year ended March 31, 2014 and that to the best of our knowledge and belief, we state that;

- a).
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
  - (ii) these statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, and steps taken or propose to be taken for rectifying these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements:  
and
  - (iii) There have been no instances of fraud of which we have become aware.

Yours sincerely,

**Shri Tushar Bhandari**  
Chief Financial Officer

**Shri Ashish Gadia**  
Whole Time Director

Date: 30th July, 2014

Place: Indore

## **AUDITORS' REPORT ON CORPORATE GOVERNANCE TO THE MEMBERS OF ASSOCIATED ALCOHOLS & BREWERIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by Associated Alcohols & Breweries Limited for the year ended March 31, 2014 as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accounts of India and was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

We state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **B. K. Agrawal & Co.**  
Chartered Accountants

For **M. D. Agrawal & Co.**  
Chartered Accountants

**(CA B. K. Agrawal)**  
PARTNER  
M. No. 51873  
FRN . 314202E

**(CA M. P. Agrawal)**  
PARTNER  
M.No. 016736  
FRN . 001177C

Place : Indore  
Date : 30th day of July, 2014

## **Independent Auditor's Report**

To the Members of  
**Associated Alcohols & Breweries Limited**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **Associated Alcohols & Breweries Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

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

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

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

### **Opinion**

In our opinion and the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date and
- (c) in case of the Cash Flow Statement of the cash flows of the company for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) order, 2003, as amended by the 'the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of Section 227 (4A) of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by Section 227 (3) of the Act, we report that:
- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
  - e) On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(l)(g) of the Act.

**For B. K. Agrawal & Co.**  
**Chartered Accountants**  
**Firm Registration No. 314202E**

**For M.D. Agrawal & Co.**  
**Chartered Accountants**  
**Firm Registration No. 001177C**

**(CA B. K. Agrawal)**  
**PARTNER**  
**M. No. 51873**

**(CA M.P. Agrawal)**  
**PARTNER**  
**M.No. 016736**

Place : Indore  
Dated : 30th July, 2014

**Annexure to Independent Auditor's Report**

- (i) (a) The Company has maintained proper records of fixed assets to show full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, these fixed assets have been physically verified by the management under the phased program of physical verification, which in our opinion is reasonable having regard to the size of the Company and the nature of its Assets. The frequency of verification is reasonable and no material discrepancies were noticed on such verification.
- (c) As per the information and explanation given to us and on our enquiries the disposal of assets during the year were not substantial so as to have an impact on the operations of the company, or affect its going concern.
- (ii) (a) The inventory of the company has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of the inventory. The discrepancies noticed on verification between physical inventories and book records have been properly dealt with in the books of accounts.
- (iii) (a) The Company has not granted any loans to the parties listed in the register maintained under section 301 of the Act, accordingly, clause III (a) to (d) of the order is not applicable.
- (b) The company has not taken any loans from the parties covered in the register maintained under section 301 of the Act, accordingly clause III (e) to (g) of the order is not applicable
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of inventories, fixed assets and with regard to the sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) According to the information and explanation given to us, there are no transactions made in pursuance of contracts or arrangements, that needs to be entered into the register maintained under section 301 of the Companies Act, 1956.
- (vi) According to the information and explanation given to us the company has not accepted deposits to which provisions of Section 58-A of the Companies Act, 1956 are applicable during the year.
- (vii) The Company is having in-house internal audit system which commensurate with the size and nature of the company's business.
- (viii) Pursuant to Companies (Cost Accounting Records) Rules 2011 u/s 209 (1) (d) of the Companies Act, 1956, company is subjected to maintenance of Cost Accounting Records and the company is maintaining the relevant cost records. We have not however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (ix) (a) According to the information and explanation given to us and on basis of our examination of the books of accounts of the company, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other statutory dues with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2014 for a period of more than six months from the date of becoming payable **except for Work Contract Tax ` 2,46,627/-, Wealth Tax ` 2,48,532/- and Fringe Benefit Tax ` 42,145/- . However the same has since been deposited.**
- (b) According to the information and explanation given to us, dues of Sales Tax, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2014 on account of any dispute are as under.

Sr. No.	Name of the Statute	Nature of dues	Amount (₹ in Lacs)	Forum where dispute is pending
1	Income Tax Act, 1961	Income Tax Demand - AY 2011-12	12.35	Commissioner of Income Tax (Appeals)
2	Entry Tax Act 2008-09	Entry Tax	6.38	Appellate Board, Commercial Tax
3	Entry Tax Act 2007-08	Entry Tax	8.18	Commercial Tax Appellate Board
4	The Madhya Pradesh Excise Act	State Excise Duty	161.61	Board of Revenue
5	The Madhya Pradesh Excise Act	State Excise Duty	46.54	M.P. High Court

- (x) The company has no accumulated losses at the year end. The company has not incurred cash losses during the financial year covered by our audit and also in the immediately preceding financial year.
- (xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) According to the information and explanations given to us, the company has not granted Loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund company or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the order are not applicable to the company.
- (xv) According to the information and explanations given to us, the company has given guarantee aggregating to Rs.32.00 Crores for Loans taken by a group company from a bank, and the guarantee has not been considered prima facie, prejudicial to the interest of the company.
- (xvi) In our opinion and according to the information and explanations given to us, the Company has generally applied the term loans for the purpose for which the loans were obtained.
- (xvii) On the basis of the information and explanation given to us and on an overall examination of the Balance Sheet and Cash Flow Statement of the Company, funds raised on short-term basis have not been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, the Company has not issued any secured debentures during the period covered by our Audit Report. Accordingly, the provisions of clause 4 (xix) of the Companies Act (Auditor's Report) Order 2003 are not applicable to the Company.
- (xx) During the period covered by our Audit Report, the Company has not raised any money by Public Issues.
- (xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

**For B. K. Agrawal & Co.**  
**Chartered Accountants**  
**Firm Registration No. 314202E**

**For M.D. Agrawal & Co.**  
**Chartered Accountants**  
**Firm Registration No. 001177C**

**(CA B. K. Agrawal)**  
**PARTNER**  
**M. No. 51873**

**(CA M.P. Agrawal)**  
**PARTNER**  
**M.No. 016736**

Place : Indore  
Dated : 30th July, 2014

**ASSOCIATED ALCOHOLS & BREWERIES LTD.**

Notes forming part of the Balance Sheet as at 31st March, 2014 and Profit & Loss Account for the year ended on 31st March, 2014.

**PART - A - SIGNIFICANT ACCOUNTING POLICIES****(a) Basis of Preparation of Financial Statements:**

The company adopts the mercantile system of Accounting and recognizes, Income and expenditure on accrual basis except where stated specifically. The financial statements have been prepared by following a going concern approach and are in conformity with the statutory provisions, accounting standards notified under Section 211 (3C) of the Companies Act, 1956 and the relevant provisions thereof and generally accepted practices prevailing in India except as otherwise stated.

**(b) Fixed Assets :**

Fixed assets are stated at cost inclusive of inward freight, duties, taxes, financial cost and other expenses up to putting the assets in use.

**(c) Investments:**

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

**(d) Inventories:**

Inventories are valued at lower of cost or net realizable value except cost of work in progress, which is determined on absorption costing method.

**(e) Revenue Recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**Sale of Goods**

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Gross turnover includes excise duty on sales but does not include VAT and CST.

**Income from Services**

Revenue from service contracts are recognized pro-rata over the period of the contract as and when services are rendered and are net of service tax.

**Interest**

Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**Dividend**

Dividend is recognized when the shareholders' right to receive payment is established by the Balance Sheet Date.

**(f) Depreciation:**

Depreciation has been provided on straight-line method as per rates prescribed under Schedule XIV to the Companies Act, 1956. Leasehold land is being amortized over the period of lease.

**(g) Bottling Business:**

The company is having arrangement for manufacturing of the products of certain brand owners on fixed charge basis. In view of state excise laws, these transactions have taken place in the name of the company and accordingly accounted for in the books of accounts of the company notwithstanding the risks and rewards being with respective brand owners.

**(h) Employee Benefits:**

- (i) The company's contribution to Provident Fund and Employees State Insurance Scheme are charged to profit & loss account.
- (ii) Short-term employee benefits are recognized as an expense at the un-discounted amount in the profit and loss account of the year in which the related service is rendered.

- (iii) Post employment and other long-term employee benefits are recognized as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long-term benefits are charged to the profit and loss account.
  - (iv) Encashment of leave is recognized, provided and paid on yearly basis. There is no accumulation of the same except current year.
- (l) **Impairment of Assets:**  
An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior years is reversed if there has been a change in the estimate of recoverable amount.
- (j) **Earning Per Share:**  
The earning considered in ascertaining the company's earning per share (EPS) comprise of the net profit after tax. The number of shares used in computing diluted EPS comprise of weighted average shares considered for deriving basic EPS and also the weighted average number of Equity Shares which could have been issued on the conversion of all dilutive potential Equity Shares.
- (k) **Foreign Currency Transaction:**
- (l) Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction.
  - (ii) Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the year end, are translated at exchange rates applicable as on that date.
  - (iii) Non-monetary items denominated in foreign currency, (such as fixed assets) are valued at transaction cost.
  - (iv) Any gains or losses arising due to exchange differences at the time of translation or settlement are accounted for in the Profit and Loss Account.
- (l) **Provision, Contingent Liabilities and Contingent Assets**  
Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.
- (m) **Lease Assets:**  
Leases where the lessor effectively retain substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss Account on a Straight-line basis over the lease term. Lease income is recognized in the Profit and Loss Account on an accrual basis.
- (n) **Borrowing Costs:**  
Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.
- (o) **Taxation:**
- i) Provision for Income Tax is determined in accordance with the provisions of Income Tax Act, 1961.
  - ii) Deferred tax for timing differences between tax profits and book profits is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the Balance Sheet date. Deferred tax assets are recognized to the extent there is reasonable certainty that these assets can be realized in future.
- (p) **Export Benefits :**  
The benefits accrued (if any) under the Duty Draw Back Scheme as per the Export and Import Policy in respect of exports made under the said Scheme are recognized.

**ASSOCIATED ALCOHOLS & BREWERIES LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2014**

( ` In Lacs)

PARTICULARS	NOTE NO.	31.03.2014	31.03.2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 SHAREHOLDER'S FUNDS</b>			
SHARE CAPITAL	1	903.96	903.96
RESERVES & SURPLUS	2	4807.57	4223.11
<b>2 NON-CURRENT LIABILITIES</b>			
LONG TERM BORROWINGS	3	6291.19	3935.88
DEFFERED TAX LIABILITIES (NET)	4	994.40	832.41
OTHER LONG TERM LIABILITIES	5	261.43	454.22
<b>3 CURRENT LIABILITIES</b>			
SHORT TERM BORROWINGS	6	2198.57	1703.55
TRADE PAYABLES	7	1527.05	2291.27
OTHER CURRENT LIABILITES	8	1849.78	1940.69
SHORT TERM PROVISIONS	9	224.14	137.00
<b>TOTAL</b>		<b>19058.09</b>	<b>16422.09</b>
<b>II. ASSETS</b>			
<b>1 NON CURRENT ASSETS</b>			
FIXED ASSETS			
TANGIBLE ASSETS	10	9714.21	8754.54
INTANGIBLE ASSETS	10	72.00	72.00
CAPITAL WORK-IN-PROGRESS	10	31.55	764.91
NON CURRENT INVESTMENTS	11	371.34	371.34
LONG TERM LOANS & ADVANCES	12	447.35	503.32
OTHER NON-CURRENT ASSETS	13	0.11	0.16
<b>2 CURRENT ASSETS</b>			
INVENTORIES	14	2625.34	2256.18
TRADE RECEIVABLES	15	742.72	870.72
CASH AND CASH EQUIVALENTS	16	1695.73	1075.89
SHORT TERM LOANS AND ADVANCES	17	3357.69	1752.98
OTHER CURRENT ASSETS	18	0.05	0.05
<b>TOTAL</b>		<b>19058.09</b>	<b>16422.09</b>

SIGNIFICANT ACCOUNTING POLICIES  
NOTES ON FINANCIAL STATEMENT  
AS PER OUR REPORT OF EVEN DATE ATTACHED HERE TO

1 TO 31

0.00

0.00

**FOR B.K. AGRAWAL & CO.,**  
Chartered Accountants

ON BEHALF OF THE BOARD

**(CA B.K. AGRAWAL)**  
PARTNER  
M.NO.- 51873  
FRN -314202E

**ASHISH GADIA**  
DIRECTOR

**FOR M.D. AGRAWAL & CO.,**  
Chartered Accountants  
**(CA M.P. AGRAWAL)**  
PARTNER  
M.NO.- 16736  
FRN -001177C

**NITIN TIBREWAL**  
DIRECTOR  
  
**DEEPAK PANDEY**  
COMPANY SECRETARY

PLACE : INDORE  
DATED : 30th July, 2014

**ASSOCIATED ALCOHOLS & BREWERIES LIMITED**  
**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2014**

(' In Lacs)

PARTICULARS	NOTE NO.	2013-14	2012-13
<b>INCOME</b>			
I. REVENUE FROM OPERATIONS	19	21317.23	15715.97
II. OTHER INCOME	20	516.20	273.75
<b>III. TOTAL REVENUE (I + II)</b>		<b>21833.43</b>	<b>15989.72</b>
<b>IV. EXPENDITURE</b>			
COST OF MATERIALS CONSUMED	21	14219.45	10311.27
PURCHASE OF STOCK-IN-TRADE	22	0.00	5.44
CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN PROCESS	23	(841.77)	(429.17)
EMPLOYEE BENEFITS EXPENSE	24	783.07	415.63
FINANCE COSTS	25	702.04	404.21
DEPRECIATION AND AMORTISATION EXPENSE		657.90	494.80
OTHER EXPENSES	26	5333.61	4236.98
<b>TOTAL EXPENSES</b>		<b>20854.30</b>	<b>15439.16</b>
V. PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III - IV)		979.13	550.57
VI. EXCEPTIONAL ITEMS		0.00	0.00
VII. PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V - VI)		979.13	550.57
VIII. EXTRA ORDINARY ITEM		0.00	0.00
IX. PROFIT BEFORE TAX (VII + VIII)		979.13	550.57
X. TAX EXPENSE			
1) CURRENT TAX		204.04	115.11
2) DEFERRED TAX		161.99	102.74
XI. PROFIT AFTER TAX (IX - X)		613.10	332.71
XII. TAX FOR PRIOR PERIOD		28.64	1.74
XIII. PROFIT FOR THE YEAR (XI - XII)		584.46	330.98

EARNING PER EQUITY SHARE OF FACE VALUE OF ` 10/- EACH

BASIC AND DILUTED (Excluding Extra Ordinary Item)

6.47 3.66

BASIC AND DILUTED (Including Extra Ordinary Item)

6.47 3.66

SIGNIFICANT ACCOUNTING POLICIES

NOTES ON FINANCIAL STATEMENT

1 TO 31

AS PER OUR REPORT OF EVEN DATE ATTACHED HERE TO

**FOR B.K. AGRAWAL & CO.,**  
Chartered Accountants

ON BEHALF OF THE BOARD

**(CA B.K. AGRAWAL)**  
PARTNER  
M.NO.- 51873  
FRN -314202E

ASHISH GADIA  
DIRECTOR

**FOR M.D. AGRAWAL & CO.,**  
Chartered Accountants  
**(CA M.P. AGRAWAL)**  
PARTNER  
M.NO.- 16736  
FRN -001177C

NITIN TIBREWAL  
DIRECTOR  
  
DEEPAK PANDEY  
COMPANY SECRETARY

PLACE : INDORE  
DATED : 30th July, 2014

**ASSOCIATED ALCOHOLS & BREWERIES LTD.**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2014**

( ` in Lacs)

<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2013-2014</b>	<b>2012-2013</b>
NET PROFIT BEFORE TAX	979.13	550.57
ADJUSTMENT FOR DEPRECIATION & AMORTISATION EXPENSES	657.96	494.86
PROFIT ON SALE OF CAPITAL ASSETS	(1.00)	(60.93)
LOSS ON SALE OF CAPITAL ASSETS	23.71	0.09
OTHER INCOME FROM INVESTMENTS	0.00	0.00
INTEREST PAID	675.61	381.45
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	2335.41	1366.04
ADJUSTMENT FOR CHANGE IN TRADE AND OTHER RECEIVABLES	(1420.74)	636.11
INVENTORIES	(369.17)	(160.81)
TRADE PAYABLES AND OTHER PAYABLES	(978.35)	375.77
CASH GENERATED FROM OPERATIONS	(432.85)	2217.12
INTEREST PAID	(675.61)	(381.45)
DIRECT TAX PAID	(115.11)	(64.45)
NET CASH FLOW FROM OPERATIONS (A)	(1223.57)	1771.21
<b>B. CASH FLOW FROM INVESTMENTS</b>		
PURCHASE OF FIXED ASSETS	(916.23)	(3659.28)
SALES OF FIXED ASSETS	9.31	66.02
PURCHASE OF INVESTMENTS	0.00	(136.33)
INCOME FROM INVESTMENTS	0.00	0.00
NET CASH USED IN INVESTMENTS (B)	(906.92)	(3729.59)
<b>C. CASH FLOW FROM FINANCE</b>		
PROCEEDS FROM LONG TERM BORROWINGS	2283.95	2168.88
PROCEEDS FROM SHORT TERM BORROWINGS	495.02	18.65
TAX PROVISION OF EARLIER YEAR	(28.64)	(1.74)
NET CASH FLOW FROM FINANCE (C)	2750.33	2185.80
NET CASH FLOW / OUTFLOW (A+B+C)	619.84	227.43
CASH AND CASH EQUIVALENTS ( OPENING BALANCE)	1075.89	848.46
(CLOSING BALANCE)	1695.73	1075.89
NET INCREASE / DECREASE IN CASH	619.84	227.43

## Notes :

1. The Cash Flow Statement has been prepared under the " Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
2. The following have been considered under financing activities :- Cash credit / Working capital demand loan and other borrowings being source of finance.
3. Proceeds from borrowings are shown net of repayments.
4. Purchase of fixed assets are shown inclusive of movements in capital work - in - progress.
5. Cash and cash equivalents represent cash & bank balances and bank deposits.
6. Previous year's figures have been regrouped wherever necessary.

ON BEHALF OF THE BOARD

Place : INDORE  
DATED : 30th July, 2014

**ASHISH GADIA**  
DIRECTOR

**NITIN TIBREWAL**  
DIRECTOR

**DEEPAK PANDEY**  
COMPANY SECRETARY

**NOTE 1  
SHARE CAPITAL**

( ` In Lacs)

PARTICULARS	31.03.2014	31.03.2013
A) AUTHORISED:		
1,10,00,000 (31.03.2013 - 1,10,00,000) EQUITY SHARES OF ` 10/- EACH	1100.00	1100.00
TOTAL	1100.00	1100.00
B) ISSUED		
90,39,600 (31.03.2013 - 90,39,600) EQUITY SHARES OF ` 10/- EACH	903.96	903.96
C) SUBSCRIBED AND FULLY PAID UP :		
90,39,600 (31.03.2013 - 90,39,600) EQUITY SHARES OF ` 10/- EACH (Refer Note 1.1, 1.2, 1.3)	903.96	903.96
<b>TOTAL</b>	<b>903.96</b>	<b>903.96</b>

## Note 1.1

Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	31.03.2014	31.03.2013
	No. of Shares	No. of Shares
Equity shares at the beginning of the year	9039600	9039600
Equity shares at the end of the year	9039600	9039600

## Note 1.2

The company has only one class of equity shares having par value of ` 10 each. Each holder of equity share is entitled to one vote per share.

## Note 1.3

Details of shares in the company held by each shareholder holding more than 5% shares

Sr. No	Name of Shareholder	31.03.2014		31.03.2013	
		No. of Equity Shares	% of total subscribed and fully paid up shares	No. of Equity Shares	% of total subscribed and fully paid up shares
1	Smt. Ramdulari Kedia	985800	10.91	985800	10.91
2	Garnet Tradelink Pvt. Ltd.	900000	9.96	900000	9.96
3	Attic Dealcom Pvt. Ltd.	800000	8.85	800000	8.85
4	Smt. Shweta Kedia	771000	8.53	771000	8.53
5	Smt. Sangita Kedia	743200	8.22	743200	8.22
6	Shri Prasann Kumar Kedia	478100	5.29	478100	5.29

**NOTE 2  
RESERVE & SURPLUS**

(₹ In Lacs)

PARTICULARS	31.03.2014	31.03.2013
A) CAPITAL RESERVE	24.00	24.00
B) SECURITIES PREMIUM RESERVE	1067.06	1067.06
C) GENERAL RESERVE		
Opening Balance	636.34	586.34
Add: Transferred from surplus	50.00	50.00
	686.34	636.34
D) SURPLUS		
Opening Balance	2495.71	2214.74
Add: Profit for the year transferred from Statement of Profit & Loss	584.46	330.98
Amount available for appropriation	3080.17	2545.71
Appropriations:		
Amount transferred to General Reserve	50.00	50.00
	3030.17	2495.71
<b>TOTAL</b>	<b>4807.57</b>	<b>4223.11</b>

**NOTE 3  
LONG TERM BORROWINGS**

(₹ In Lacs)

PARTICULARS	31.03.2014		31.03.2013	
	NON CURRENT	CURRENT	NON CURRENT	CURRENT
TERM LOANS FROM BANKS (Secured)	2751.98	665.22	2406.69	736.59
LOANS FROM RELATED PARTIES (Unsecured)	78.53	0.00	134.92	0.00
LOANS FROM OTHERS (Unsecured)	3460.68	0.00	1394.27	0.00
(Refer Note 3.1)				
<b>TOTAL</b>	<b>6291.19</b>	<b>665.22</b>	<b>3935.88</b>	<b>736.59</b>
The above amount includes				
Secured borrowings	2751.98	665.22	2406.69	736.59
Unsecured borrowings	3539.21	0.00	1529.19	0.00
<b>TOTAL</b>	<b>6291.19</b>	<b>665.22</b>	<b>3935.88</b>	<b>736.59</b>

**Note 3.1  
Details of loans taken from banks**

Details of loans taken from banks	31.03.2014		31.03.2013	
	NON CURRENT	CURRENT	NON CURRENT	CURRENT
Term Loan from Canara Bank (Repayable in 23 quarterly installments, last installment falling due in December, 2018. Interest rate as at 31.03.2014 - 13.45% p.a.)	2102.20	400.00	1970.41	400.00
Term Loan from Canara Bank (Repayable in 23 quarterly installments, last installment falling due in March, 2019. Interest rate as at 31.03.2014 - 13.45% p.a.)	420.78	100.00	75.00	80.65
Term Loan from IDBI Bank (Repayable in 14 quarterly installments, last installment falling due in January, 2014. Interest rate BPLR - 1.50%.)	0.00	0.00	0.00	96.51

Details of loans taken from banks	31.03.2014		31.03.2013	
	NON CURRENT	CURRENT	NON CURRENT	CURRENT
Term Loan from IDBI Bank (Repayable in 24 quarterly installments, last installment falling due in March, 2018. Interest rate as at 31.03.2014 - 13.75% p.a.)	93.80	100.00	193.80	100.00
Term Loan from IDBI Bank (Repayable in 32 quarterly installments, last installment falling due in March, 2018. Interest rate as at 31.03.2014 - 13.25% p.a.)	112.40	37.52	149.92	37.52
Vehicle Loan from ICICI Bank (Repayable in 35 monthly installments, last installment falling due in November, 2014. Interest rate - 10.04% fixed)	0.00	5.12	5.12	7.16
Vehicle Loan from ICICI Bank (Repayable in 35 monthly installments, last installment falling due in July, 2015. Interest rate - 10.52% fixed)	1.39	3.88	5.27	3.50
Vehicle Loan from ICICI Bank (Repayable in 35 monthly installments, last installment falling due in August, 2015. Interest rate - 10.57% fixed)	1.36	3.03	4.39	2.73
Vehicle Loan from ICICI Bank (Repayable in 35 monthly installments, last installment falling due in May, 2016. Interest rate - 9.11% fixed)	5.41	4.23	0.00	0.00
Vehicle Loan from ICICI Bank (Repayable in 35 monthly installments, last installment falling due in June, 2016. Interest rate - 9.35% fixed)	6.22	4.52	0.00	0.00
Vehicle Loan from ICICI Bank (Repayable in 35 monthly installments, last installment falling due in December, 2016. Interest rate - 10.74% fixed)	8.42	4.15	0.00	0.00
Vehicle Loan from HDFC Bank (Repayable in 36 monthly installments, last installment falling due in December, 2014. Interest rate - 10.75% fixed)	0.00	2.78	2.78	3.38
Vehicle Loan from HDFC Bank (Repayable in 36 monthly installments, last installment falling due in September, 2013. Interest rate - 8.47% fixed)	0.00	0.00	0.00	3.30
Vehicle Loan from HDFC Bank (Repayable in 36 monthly installments, last installment falling due in October, 2013. Interest rate - 8.48% fixed)	0.00	0.00	0.00	1.84
<b>Total</b>	<b>2751.98</b>	<b>665.22</b>	<b>2406.69</b>	<b>736.59</b>

Details of Unsecured loans taken from body corporate

Maturity Profile of Unsecured loans taken from body corporates	31.03.2014		31.03.2013	
	NON CURRENT	CURRENT	NON CURRENT	CURRENT
Loans with residual maturity between 1 and 3 years	3539.21	0.00	1529.19	0.00
<b>Total</b>	<b>3539.21</b>	<b>0.00</b>	<b>1529.19</b>	<b>0.00</b>

**Note 3.2**

- Term loan includes ` 50.50 Lacs (previous year ` 39.46 Lacs) as car loan, secured by hypothecation on assets acquired under the scheme and personal guarantee of a director.
- Financial assistance of ` 3366.70 Lacs (previous year ` 3103.81 Lacs) as term loan, secured by pari passu first charge on entire fixed assets of the company through hypothecation for movable and mortgage of immovable on present and future net block of the company, pledge of FDRs of ` 205.59 Lacs (previous year ` 189.95 Lacs) and personal guarantee of a director.

c) Financial assistance of ₹ 3539.21 Lacs (previous year ₹ 1529.19 Lacs) are unsecured loans.

**NOTE 4  
DEFERRED TAX LIABILITY**

(₹ In Lacs)

PARTICULARS	31.03.2014	31.03.2013
a) DEFERRED TAX LIABILITY Fixed Assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	994.40	832.41
<b>TOTAL</b>	<b>994.40</b>	<b>832.41</b>

**NOTE 5  
OTHER LONG TERM LIABILITIES**

(₹ In Lacs)

PARTICULARS	31.03.2014	31.03.2013
Trade Payables	261.43	185.05
Others (Refer Note 5.1)	0.00	269.17
<b>TOTAL</b>	<b>261.43</b>	<b>454.22</b>

**Note 5.1**  
Others include ware house deposits

**NOTE 6  
SHORT TERM BORROWINGS**

(₹ In Lacs)

PARTICULARS	31.03.2014	31.03.2013
LOANS REPAYABLE ON DEMAND FROM BANKS (Secured) (Refer Note No. 6.1)	1786.41	1703.55
FROM BANKS (Unsecured) (Refer Note No. 6.2)	412.16	0.00
<b>TOTAL</b>	<b>2198.57</b>	<b>1703.55</b>

**Note 6.1**

Financial assistance of ₹ 1786.41 Lacs (previous year ₹ 1703.55 Lacs) as cash credit facility, repayable on demand, secured by first charge by way of hypothecation of inventory and book debts and second charge by way of hypothecation of movable and mortgage of immovable on entire present and future net block and personal guarantee of a director.

**Note 6.2**

Financial assistance of ₹ 412.16 Lacs (previous year Nil) as Bill discounting facility, tenor of a particular bill not to exceed 90 days.

**NOTE 7  
TRADE PAYABLES**

(₹ In Lacs)

PARTICULARS	31.03.2014	31.03.2013
MICRO, SMALL AND MEDIUM ENTERPRISES (Refer Note 7.1)	26.38	18.24
OTHERS	1500.67	2273.04
<b>TOTAL</b>	<b>1527.05</b>	<b>2291.27</b>

**Note 7.1:**

The details of amount outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under:

Particulars	As at 31st March, 2014	As at 31st March, 2013
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

**NOTE 8****OTHER CURRENT LIABILITIES**

(₹ In Lacs)

PARTICULARS	31.03.2014	31.03.2013
CURRENT MATURITIES OF LONG TERM DEBT (Refer Note 3)	665.22	736.59
CREDITORS FOR CAPITAL EXPENDITURE	562.23	931.95
UNPAID DIVIDEND (Refer Note 8.1)	1.32	1.19
OTHER PAYABLES (Refer Note 8.2)	621.01	270.97
<b>TOTAL</b>	<b>1849.78</b>	<b>1940.69</b>

**Note 8.1**

Unpaid dividend has been accounted for with enhanced amount ₹ 0.13 Lacs upon reconciliation with list of unpaid amount as received from company's Registrar & Transfer Agent.

**Note 8.2**

Other Payables includes advance from debtors, expenses and statutory liabilities payables.

**NOTE 9****SHORT TERM PROVISIONS**

(₹ In Lacs)

PARTICULARS	31.03.2014	31.03.2013
PROVISIONS FOR EMPLOYEE BENEFITS (Refer Note 24.1)	19.22	21.03
PROVISION FOR TAXATION	204.92	115.97
<b>TOTAL</b>	<b>224.14</b>	<b>137.00</b>

# ASSOCIATED ALCOHOLS & BREWERIES LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2014

### NOTE 10 FIXED ASSETS

(' In Lacs)

NAME OF ASSETS	GROSS BLOCK			DEPRECIATION					NET BLOCK		
	AS ON 01.04.2013	ADDITION DURING THE YEAR	SALES / TRANSFER/ WRITTEN OFF DURING THE YEAR	OTHER ADJUSTMENT	AS ON 31.03.2014	UPTO 31.03.2013	DURING THE YEAR	WRITE BACK	TOTAL UPTO 31.03.2014	AS ON 31.03.2014	AS ON 31.03.2013
<b>A) TANGIBLE ASSETS</b>											
1 LAND											
LEASEHOLD LAND	24.26	0.00	0.00	0.00	24.26	6.62	0.91	0.00	7.53	16.73	17.64
FREEHOLD LAND	46.92	5.72	0.00	0.00	52.64	0.00	0.00	0.00	0.00	52.64	46.92
2 BUILDINGS	949.96	63.57	0.00	0.00	1013.53	235.61	32.77	0.00	268.38	745.15	714.35
3 PLANT AND EQUIPMENT	10915.09	1465.04	114.18	43.09	12309.05	3284.86	577.33	104.46	3757.73	8551.31	7630.23
4 FURNITURE AND FIXTURES	153.87	7.78	0.81	0.00	160.84	30.38	9.19	0.34	39.22	121.62	123.50
5 VEHICLES	323.70	53.12	91.17	0.00	285.65	169.00	27.30	79.15	117.14	168.51	154.70
6 OFFICE EQUIPMENT	142.41	11.27	36.53	0.00	117.15	75.21	10.41	26.72	58.90	58.25	67.20
TOTAL (A)	12556.20	1606.50	242.69	43.09	13963.11	3801.67	657.90	210.67	4248.90	9714.21	8754.54
<b>B) INTANGIBLE ASSETS</b>											
1 GOODWILL	72.00	0.00	0.00	0.00	72.00	0.00	0.00	0.00	0.00	72.00	72.00
TOTAL (B)	72.00	0.00	0.00	0.00	72.00	0.00	0.00	0.00	0.00	72.00	72.00
<b>C) TOTAL (A + B)</b>	12628.20	1606.50	242.69	43.09	14035.11	3801.67	657.90	210.67	4248.90	9786.21	8826.54
<b>D) CAPITAL WORK IN PROGRESS</b>											
	764.91	769.03	1502.39	0.00	31.55	0.00	0.00	0.00	0.00	31.55	764.91
<b>TOTAL (C + D)</b>	13393.12	2375.53	1745.09	43.09	14066.66	3801.67	657.90	210.67	4248.90	9817.76	9591.45
PREVIOUS YEAR'S FIGURE	9753.95	7027.82	3570.63	181.98	13393.12	3318.31	494.80	11.44	3801.67	9591.45	6435.64

### Note 10.1

a) Other adjustment represents borrowing costs capitalised in accordance with AS 16 Borrowing Costs

**NOTE 11  
NON-CURRENT INVESTMENT**

(₹ In Lacs)

PARTICULARS	31.03.2014	31.03.2013
A. Long Term - Trade INVESTMENT IN EQUITY INSTRUMENTS - (Fully Paid Up) Unquoted In Others 2,00,000 (31.03.2013 - 2,00,000), M/s Mount Everest Breweries Limited (associate company) shares of ₹ 10/- each 35,000 (31.03.2013 - 35,000), M/s Narmada Distilleries Pvt. Limited shares of ₹ 10/- each  In Subsidiary Company 1,36,330 (31.03.2013 - 1,36,330), M/s Vedant Energy Pvt. Ltd. of ₹ 10/- each	200.00 35.00   136.33	200.00 35.00   136.33
B. Long Term - Other than Trade INVESTMENT IN EQUITY INSTRUMENTS - (Fully Paid Up) Unquoted 100 (31.03.2013 - 100), M/s Associated Infrastructure & Housing Limited shares of ₹ 10 each	0.01	0.01
<b>TOTAL</b>	<b>371.34</b>	<b>371.34</b>

**NOTE 12  
LONG TERM LOANS & ADVANCES**  
(Unsecured and Considered Good)

(₹ In Lacs)

PARTICULARS	31.03.2014	31.03.2013
CAPITAL ADVANCES	8.42	150.88
SECURITY DEPOSIT	82.87	89.39
OTHER LOAN & ADVANCES (Refer note 12.1)	356.06	263.05
<b>TOTAL</b>	<b>447.35</b>	<b>503.32</b>

**Note 12.1**  
Other loan & Advances include loans, advances to employees, loans to body corporates.**NOTE 13  
OTHER NON-CURRENT ASSETS**

(₹ In Lacs)

PARTICULARS	31.03.2014	31.03.2013
UNAMORTISED COSTS TOWARDS MISCELLANEOUS EXPENDITURE TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED	0.11	0.16
<b>TOTAL</b>	<b>0.11</b>	<b>0.16</b>

**NOTE 14  
INVENTORIES**

(₹ In Lacs)

PARTICULARS	31.03.2014	31.03.2013
RAW MATERIAL (Refer Note 14.1)	91.65	456.35
STOCK IN PROCESS	77.05	119.73
FINISHED GOODS (Refer Note 14.1)	2048.66	1164.21
STORES & SPARES (including coal)	156.78	51.96
PACKAGING MATERIAL (Refer Note 14.1)	191.23	435.40
CONSUMABLES	59.97	28.53
<b>TOTAL</b>	<b>2625.34</b>	<b>2256.18</b>

**Note 14.1**

Finished Goods includes Goods In Transit  
Stores & Spares includes Goods In Transit

31.03.2014	31.03.2013
63.33	73.17
0.00	0.99

**Note 14.2**

Inventories are valued at lower of cost or net realizable value except cost of work in progress, which is determined on absorption costing method.

**NOTE 15****TRADE RECEIVABLES**

(Unsecured and Considered Good)

(` In Lacs)

PARTICULARS	31.03.2014	31.03.2013
OVER SIX MONTHS	404.79	508.90
OTHERS	337.93	361.82
<b>TOTAL</b>	<b>742.72</b>	<b>870.72</b>

**NOTE 16****CASH & CASH EQUIVALENTS**

(` In Lacs)

PARTICULARS	31.03.2014	31.03.2013
BALANCE WITH BANKS (Refer note 16.1)	459.48	442.29
CASH ON HAND	933.36	356.99
FIXED DEPOSITS WITH BANKS (Refer Note 16.2)	302.89	276.60
<b>TOTAL</b>	<b>1695.73</b>	<b>1075.89</b>

**Note 16.1**

Balance of ` 1.31 Lacs (previous year ` 1.18 Lacs) with IDBI Bank Limited earmarked for unpaid dividend.

**Note 16.2**

Fixed Deposits with banks include deposits of ` 172.57 Lacs (previous year ` 204.47 Lacs) with maturity of more than 12 months. Fixed Deposits with banks amount to ` 95.75 Lacs (previous year ` 124.51 Lacs) earmarked for issuance of Bank Guarantees and ` 162.77 Lacs (previous year 189.95 Lacs) earmarked for borrowings of ` 3022.98 Lacs (previous year 2622.57 Lacs).

**NOTE 17****SHORT TERM LOAN & ADVANCES**

(Unsecured and Considered Good)

(` In Lacs)

PARTICULARS	31.03.2014	31.03.2013
OTHERS (Refer Note 17.1)	3357.69	1752.98
<b>TOTAL</b>	<b>3357.69</b>	<b>1752.98</b>

**Note 17.1**

Other loans & advances include prepaid expenses, statutory receivables, deposits with government departments, advance to employees, advance to suppliers and to service providers.

**NOTE 18****OTHER CURRENT ASSETS**

(` In Lacs)

PARTICULARS	31.03.2014	31.03.2013
UNAMORTISED COSTS TOWARDS MISCELLANEOUS EXPENDITURE TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED	0.05	0.05
<b>TOTAL</b>	<b>0.05</b>	<b>0.05</b>

**NOTE 19  
REVENUE FROM OPERATIONS**

(₹ In Lacs)

PARTICULARS	31.03.2014	31.03.2013
SALE OF PRODUCTS	21248.16	15622.79
SALE OF SERVICES	76.68	101.02
OTHER OPERATING REVENUES	1.67	1.75
	21326.51	15725.56
Less: Excise Duty	9.28	9.59
<b>TOTAL</b>	<b>21317.23</b>	<b>15715.97</b>

**NOTE 20  
OTHER INCOME**

(₹ In Lacs)

PARTICULARS	31.03.2014	31.03.2013
INTEREST INCOME	184.40	113.46
OTHER NON-OPERATING INCOME	331.80	160.29
<b>TOTAL</b>	<b>516.20</b>	<b>273.75</b>

**NOTE 21  
COST OF MATERIAL CONSUMED**

(₹ In Lacs)

PARTICULARS	31.03.2014	31.03.2013
MATERIALS CONSUMED (Refer Note 21.1)	14219.45	10311.27
<b>TOTAL</b>	<b>14219.45</b>	<b>10311.27</b>

**Note 21.1**

Particulars of material consumed	31.03.2014	31.03.2013
Raw Material Consumed		
Grain and other raw materials	8029.90	5287.77
Spirit	1023.71	979.73
Pet Resign	1359.99	1328.71
Packing Material		
Bottles	1870.18	1025.79
Other Packing Material	1400.75	1258.73
Consumables	534.92	430.54
<b>Total</b>	<b>14219.45</b>	<b>10311.27</b>

**NOTE 22  
PURCHASE OF STOCK-IN-TRADE**

(₹ In Lacs)

PARTICULARS	31.03.2014	31.03.2013
PURCHASE	0.00	5.44
<b>TOTAL</b>	<b>0.00</b>	<b>5.44</b>

**NOTE 23**  
**CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN PROCESS**

(₹ In Lacs)

PARTICULARS	31.03.2014	31.03.2013
INVENTORIES (OPENING)		
FINISHED GOODS	1164.21	797.13
STOCK-IN-PROCESS	119.73	57.65
INVENTORIES (CLOSING)		
FINISHED GOODS	2048.66	1164.21
STOCK-IN-PROCESS	77.05	119.73
<b>TOTAL</b>	<b>(841.77)</b>	<b>(429.17)</b>

**NOTE 24**  
**EMPLOYEE BENEFITS EXPENSE**

(₹ In Lacs)

PARTICULARS	31.03.2014	31.03.2013
SALARY & WAGES (Refer Note 24.1)	736.96	377.21
CONTRIBUTION TO PROVIDENT AND OTHER FUNDS	27.55	31.78
STAFF WELFARE EXPENSES	18.56	6.63
<b>TOTAL</b>	<b>783.07</b>	<b>415.63</b>

**Note 24.1**

As per Accounting Standard 15 " Employee Benefits ", the disclosures of Employee benefits as defined in the Accounting Standard are given below :

**A) Defined Contribution Plan**

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:-

	2013-14	2012-13
Employer's Contribution to Provident Fund	13.54	10.96

**B) Defined Benefit Plan**

- The obligation of leave encashment is recognized, provided and paid on yearly basis. There is no accumulation of the same except current year
- The Company has taken Group Gratuity Policy of LIC of India. The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

**I. Reconciliation of opening and closing balances of obligation**

	2013-14	2012-13
Liability at the beginning of the year	70.56	48.61
Current Service Cost	12.26	3.96
Interest Cost	5.96	4.25
Benefits paid	(0.84)	0.00
Actuarial (gain)/ Loss on obligations	(2.25)	13.74
Liability at the end of the year	85.70	70.56

**II. Reconciliation of opening and closing balances of fair value of plan assets**

Fair value of plan assets at the beginning of the year	55.37	43.80
Expected return on plan assets	5.50	3.77
Contribution by the employer	15.04	7.51
Benefits paid	(0.84)	0.00
Actuarial (gain)/Loss	0.00	0.29
Fair value of plan assets at the end of the year	75.07	55.37

**III. Expenses recognized in Profit & Loss Account**

Current Service Cost	12.26	3.96
Interest Cost	5.96	4.25
Expected return on plan assets	(5.50)	(3.77)
Total Actuarial (gain)/loss	(2.25)	13.45
Total Expenses included in employee cost	10.47	17.90

**IV. Principal actuarial assumptions**

Discount rate	8.50%	8.00%
Expected rate of return on plan of assets	9.94%	8.70%
Salary increment rate	7.00%	6.00%
Composition of plan assets		
Investment with insurer	100%	100%

**NOTE 25  
FINANCE COST**

(' In Lacs)

<b>PARTICULARS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
INTEREST EXPENSE	675.61	381.45
OTHER BORROWING COSTS	26.43	22.76
<b>TOTAL</b>	<b>702.04</b>	<b>404.21</b>

**NOTE 26  
OTHER EXPENSE**

(' In Lacs)

<b>PARTICULARS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
MANUFACTURING EXPENSES		
CONSUMPTION OF STORES AND SPARE PARTS	201.07	255.13
POWER & FUEL	2604.36	1953.42
REPAIRS TO BUILDINGS	37.41	0.15
REPAIRS TO MACHINERY	73.80	80.97
INSURANCE	14.41	20.35
OTHER MANUFACTURING EXPENSES	556.67	677.96
SELLING AND DISTRIBUTION EXPENSES		
FREIGHT OUTWARD	398.11	328.88
LABOUR CHARGES	230.14	220.41
ADMINISTRATION EXPENSES		
RENT	44.43	41.19
RATES & TAXES	10.04	3.56
PAYMENT TO AUDITOR (Refer Note 26.1)	7.86	7.14
OTHER SELLING & ADMINISTRATION EXPENSES (Refer Note 26.2)	1155.31	647.81
<b>TOTAL</b>	<b>5333.61</b>	<b>4236.98</b>

**Note 26.1**

Payment to Auditor as:		
(a) Auditor	5.39	4.56
(b) For taxation matters	0.07	0.24
(c) For management services	1.69	2.25
(d) For other certifications	0.71	0.10
<b>Total</b>	<b>7.86</b>	<b>7.14</b>

**Note 26.2**

Other Selling & Administration expenses includes prior period expenses (net of income) of ₹ 13.41 Lacs (previous year ₹ (0.32) Lacs).

**NOTE 27****CONTINGENT LIABILITIES AND COMMITMENTS**

(₹ In Lacs)

PARTICULARS	31.03.2014	31.03.2013
Contingent Liabilities		
(A) Guarantees		
(i) Guarantees to Banks and Financial Institutions against credit facilities extended to third parties	3200.00	3200.00
(ii) Bank Guarantees to other parties	251.97	227.66
(B) Dues		
(iii) Entry Tax payable	53.00	49.93
(iv) State Excise Duty payable	208.15	348.53
(v) MPGATSAVA Tax	7.16	2.65
(vi) Income Tax demand	12.35	75.54
(vii) Fringe Benefit Tax demand	0.00	0.42
Commitments		
(A) Estimated amount of contracts remaining to be executed on capital account and not provided for	107.46	946.30

**NOTE 28****EARNING PER SHARE**

Particulars	31.03.2014	31.03.2013
Face Value per Share (₹)	10	10
a Weighted average number of Equity Shares	9039600	9039600
1 Number of Equity Shares at the beginning of the year	9039600	9039600
2 Number of Equity Shares at the end of the year	9039600	9039600
3 Weighted average number of Equity Shares outstanding during the year (on annualized basis)	9039600	9039600
b Net Profit after tax available for Equity Share holders (₹)	584.46	330.98
c Net Profit after tax available for Equity Share holders (₹) (excluding Extra Ordinary Item)	584.46	330.98
d Basic and diluted Equity per share (in ₹) annualized (excluding Extra Ordinary Item)	6.47	3.66

**NOTE 29****EARNING AND EXPENDITURE IN FOREIGN CURRENCY**

(₹ In Lacs)

PARTICULARS	31.03.2014	31.03.2013
Earnings		
Export Sales	0.00	0.00
Expenditure		
Professional Development Expenses	17.72	70.97
Travelling Expenses	3.21	6.18
Salary	1.22	0.00

**NOTE 30**  
**RELATED PARTY DISCLOSURE**

A List of Related Parties where control exists and related parties with whom transactions have taken place.

Name of Related Party	Relationship
Mr.Ashish Kumar Gadia	Key Managerial Personnel
Mr.Anand Kumar Kedia	Individual owning voting power giving control or significant influence.
Mr.Prasann Kumar Kedia	Individual owning voting power giving control or significant influence.
Mrs.Ram Dulari Kedia	Individual owning voting power giving control or significant influence.
Mrs.Sangita Kedia	Individual owning voting power giving control or significant influence.
Mrs.Sweta Kedia	Individual owning voting power giving control or significant influence.
Mr. Anshuman Kedia	Relative of individual owning voting power giving control or significant influence.
Miss Ravisha Kedia	Relative of individual owning voting power giving control or significant influence.
Venkareshwar Inv. & Fin. (P) Ltd	Enterprise over which persons referred hereinabove have been able to exercise significant influence.
Snehsil Hirise (P) Ltd	Enterprise over which persons referred hereinabove have been able to exercise significant influence.
Vedant Energy Pvt. Ltd.	Subsidiary Company

**B Related party transaction**

(` In Lacs)

Particulars	Key Managerial Personnel		Relatives of Individual owning voting power giving control or significant influence		Individual owning voting power giving control or significant influence		Enterprise over which persons referred hereinabove able to exercise significant influence		Subsidiary Company	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Managerial Remuneration	2.88	1.92								
Salary			1.92	3.84	28.04	18.96				
Rent					3.60	3.60				
Professional Development Expenses			17.72	26.83						
Loan Taken							134.92	134.92		
Investment									136.33	136.33

Guarantees obtained from certain key managerial personnel for the financial facilities availed from Banks/ FI's to the extend of ` 8775 Lacs (Previous year ` 6675 Lacs)

**NOTE 31**  
**SEGMENT REPORTING**

(` In Lacs)

Particulars	2013-14				2012-13			
	Allocated		Unallocated	Total	Allocated		Unallocated	Total
	Potable Alcohol	Wind Power			Potable Alcohol	Wind Power		
1) Segment Revenue								
External Turnover	21273.16	35.20	0.00	21308.36	15670.42	55.14	0.00	15725.56
Inter Segement Turnover	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gross Turnover	21273.16	35.20	0.00	21308.36	15670.42	55.14	0.00	15725.56
Less: Excise duty	9.28	0.00	0.00	9.28	9.59	0.00	0.00	9.59
Net Turnover	21263.88	35.20	0.00	21299.08	15660.83	55.14	0.00	15715.97
2) <b>Segment Result before Interest and Taxes</b>	1466.00	4.35	0.00	1470.34	802.17	26.09	(9.70)	818.56
Less: Interest Expense				675.61				381.45
Add: Interest Income				184.40				113.46
Add: Extraordinary Item				0.00				0.00
Profit Before Tax				979.13				550.57
Current Tax				204.04				115.11
Deferred Tax				161.99				102.74
Profit after tax				613.10				332.71
Tax for prior period				28.64				1.74
Profit for the year				584.46				330.98
3) <b>Other Information</b>								
Segment Assets	18339.90	339.07	379.12	19058.09	13879.83	408.01	2134.25	16422.09
Segment Liabilities	3824.18	38.21	8489.77	12352.16	4627.00	37.52	6630.50	11295.02
Capital Expenditure	916.23	0.00	0.00	916.23	3659.07	0.00	0.21	3659.28
Depreciation and Amortisation	636.07	21.83	0.00	657.90	470.90	21.83	2.06	494.80
Non Cash Expenditure other than depreciation and amortisation			0.05	0.05			0.05	0.05

## Independent Auditor's Report (Consolidated)

To The Board of Directors of  
**Associated Alcohols & Breweries Limited**

### Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of **Associated Alcohols & Breweries Limited** (the "Company") and its subsidiary (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2014, the consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including Accounting Standards referred in Section 211 (3C) of the Companies Act, 1956 ("the Act") read with the General Circular 15/ 2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the institute of Chartered accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

5. In our opinion and the best of our information and according to the explanations given to us and based on consideration of the reports of the other auditor on the financial statements of the subsidiary as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (a) in the case of the Consolidated Balance Sheet of the state of affairs of the Group as at March 31, 2014;
  - (b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date and
  - (c) in the case of the Consolidated Cash Flow Statement of the cash flows of the Group for the year ended on that date.

### Other Matters

6. The financial statements of subsidiary is audited by M/s B.K. Agrawal & Co., Chartered Accountants, Kolkata, whose financial statements reflect total assets (net) of ₹ 149.42 Lakhs as at March 31, 2014, total revenues (net) of ₹ (0.29) Lakhs and net cash flows amounting to ₹ 0.07 Lakhs for the year ended on that date. These financial statements have been audited by the auditor whose report has been furnished to us and our opinion, is based solely on the report of the auditor.

Our opinion is not qualified in respect of other matters.

**For B. K. Agrawal & Co.**  
Chartered Accountants  
Firm Registration No. 314202E

**(CA B. K. Agrawal)**  
PARTNER  
M. No. 51873

Place : Indore  
Dated : 30th July, 2014

**For M.D. Agrawal & Co.**  
Chartered Accountants  
Firm Registration No. 001177C

**(CA M.P. Agrawal)**  
PARTNER  
M.No. 016736

## NOTES ON ACCOUNTS

### M/S. ASSOCIATED ALCOHOLS & BREWERIES LIMITED

#### PART - A - SIGNIFICANT ACCOUNTING POLICIES

**(a) Basis of Preparation of Financial Statements:**

The company adopts the mercantile system of Accounting and recognizes, Income and expenditure on accrual basis except where stated specifically. The financial statements have been prepared by following a going concern approach and are in conformity with the statutory provisions, accounting standards notified under Section 211 (3C) of the Companies Act, 1956 and the relevant provisions thereof and generally accepted practices prevailing in India except as otherwise stated.

**(b) Fixed Assets :**

Fixed assets are stated at cost inclusive of inward freight, duties, taxes, financial cost and other expenses upto putting the assets in use.

**(c) Investments:**

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

**(d) Inventories:**

Inventories are valued at lower of cost or net realizable value except cost of work in progress, which is determined on absorption costing method.

**(e) Revenue Recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**Sale of Goods**

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Gross turnover includes excise duty on sales but does not include VAT and CST.

**Income from Services**

Revenue from service contracts are recognized pro-rata over the period of the contract as and when services are rendered and are net of service tax.

**Interest**

Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**Dividend**

Dividend is recognized when the shareholders' right to receive payment is established by the Balance Sheet Date.

**(f) Bottling Business:**

The company is having arrangement for manufacturing of the products of certain brand owners on fixed charge basis. In view of state excise laws, these transactions have taken place in the name of the company, and accordingly included in Balance Sheet and Profit & Loss account notwithstanding the risks and rewards being with respective brand owners.

**(g) Depreciation:**

Depreciation has been provided on straight-line method as per rates prescribed under Schedule XIV to the Companies Act, 1956. Leasehold land is amortized over the period of lease.

**(h) Impairment of Assets:**

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

**(i) Employee Benefits:**

(i) The company's contribution to Provident Fund and Employees State Insurance Scheme are charged to profit & loss account.

- (ii) Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
  - (iii) Post employment and other long-term employee benefits are recognized as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long-term benefits are charged to the profit and loss account.
  - (iv) Encashment of leave is recognized, provided and paid on yearly basis. There is no accumulation of the same except current year.
- (j) Earning Per Share:**  
The earning considered in ascertaining the company's earning per share (EPS) comprise of the net profit after tax. The number of shares used in computing diluted EPS comprise of weighted average shares considered for deriving basic EPS and also the weighted average number of Equity Shares which could have been issued on the conversion of all dilutive potential Equity Shares.
- (k) Foreign Currency Transaction:**
- (i) Foreign Currency transactions are recorded at the exchange rate prevailing on the date of transaction.
  - (ii) Monetary items denominated in foreign currencies (such as cash receivables, payables etc.) outstanding at the year end, are translated at exchange rates applicable as on that date.
  - (iii) Non-Monetary items denominated in foreign currency, (such as fixed assets) are valued at the exchange rate prevailing on the date of transaction.
  - (iv) Any gains or losses arising due to exchange differences at the time of translation or settlement are accounted for in the Profit and Loss Account.
- (l) Provision, Contingent Liabilities and Contingent Assets:**  
Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.
- (m) Lease Assets:**  
Leases where the lessor effectively retain substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss Account on a Straight-line basis over the lease term. Lease income is recognized in the Profit and Loss Account on an accrual basis.
- (n) Borrowing Costs:**  
Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.
- (o) Export Benefits:**  
The benefits accrued (if any) under the Duty Draw Back Scheme as per the Export and Import Policy in respect of exports made under the said Scheme are recognized.
- (p) Taxation:**
- (i) Provisions for Income Tax and Wealth Tax are determined in accordance with the provisions of Income Tax Act, 1961 and Wealth Tax Act, 1957, respectively.
  - (ii) Deferred tax for timing differences between tax profits and book profits is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the Balance Sheet date. Deferred tax assets are recognized to the extent there is reasonable certainty that these assets can be realized in future.

**ASSOCIATED ALCOHOLS & BREWERIES LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014**

(₹ in Lacs)

	PARTICULARS	NOTE NO.	31.03.2014	31.03.2013
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
1	SHAREHOLDER'S FUNDS			
	SHARE CAPITAL	1	903.96	903.96
	RESERVES & SURPLUS	2	4807.38	4223.06
	MINORITY INTEREST	3	73.33	73.48
2	NON-CURRENT LIABILITIES			
	LONG TERM BORROWINGS	4	6291.77	3936.30
	DEFERRED TAX LIABILITIES (NET)	5	994.06	832.18
	OTHER LONG TERM LIABILITIES	6	261.43	454.22
3	CURRENT LIABILITIES			
	SHORT TERM BORROWINGS	7	2198.57	1703.55
	TRADE PAYABLES	8	1527.05	2291.27
	OTHER CURRENT LIABILITIES	9	1849.84	1940.72
	SHORT TERM PROVISIONS	10	224.15	137.00
	TOTAL		19131.53	16495.74
<b>II.</b>	<b>ASSETS</b>			
1	NON CURRENT ASSETS			
	FIXED ASSETS			
	TANGIBLE ASSETS	11	9714.21	8754.54
	INTANGIBLE ASSETS	11	132.68	132.68
	CAPITAL WORK-IN-PROGRESS	11	31.55	764.91
	NON CURRENT INVESTMENTS	12	381.16	381.16
	LONG TERM LOANS & ADVANCES	13	447.36	503.32
	OTHER NON-CURRENT ASSETS	14	0.55	0.75
2	CURRENT ASSETS			
	INVENTORIES	15	2625.34	2256.18
	TRADE RECEIVABLES	16	742.72	870.72
	CASH AND CASH EQUIVALENTS	17	1698.07	1078.30
	SHORT TERM LOANS AND ADVANCES	18	3357.69	1752.98
	OTHER CURRENT ASSETS	19	0.20	0.20
	<b>TOTAL</b>		<b>19131.53</b>	<b>16495.74</b>

SIGNIFICANT ACCOUNTING POLICIES

0.00

0.00

NOTES ON FINANCIAL STATEMENT

1 TO 33

AS PER OUR REPORT OF EVEN DATE ATTACHED HERE TO

**FOR B.K. AGRAWAL & CO.,**  
Chartered Accountants

ON BEHALF OF THE BOARD

**( CA B.K. AGRAWAL )**  
PARTNER  
M.NO.- 51873  
FRN -314202E

ASHISH GADIA  
DIRECTOR

**FOR M.D. AGRAWAL & CO.,**  
Chartered Accountants

NITIN TIBREWAL  
DIRECTOR

**( CA M.P. AGRAWAL )**  
PARTNER  
M.NO.- 16736  
FRN -001177C

DEEPAK PANDEY  
COMPANY SECRETARY

PLACE : INDORE

DATED : 30th July, 2014

**ASSOCIATED ALCOHOLS & BREWERIES LIMITED**  
**CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2014**

(` In Lacs)

	PARTICULARS	NOTE NO.	2013-14	2012-13
I.	INCOME			
II.	REVENUE FROM OPERATIONS	20	21317.27	15716.01
III.	OTHER INCOME	21	516.20	273.75
	TOTAL REVENUE (I + II)		21833.46	15989.77
IV.	EXPENDITURE			
	COST OF MATERIALS CONSUMED	22	14219.45	10311.27
	PURCHASE OF STOCK-IN-TRADE	23	0.00	5.44
	CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN PROCESS	24	(841.77)	(429.17)
	EMPLOYEE BENEFITS EXPENSE	25	783.07	415.63
	FINANCE COSTS	26	702.04	404.21
	DEPRECIATION AND AMORTISATION EXPENSE		657.90	494.80
	OTHER EXPENSES	27	5334.04	4237.17
	TOTAL EXPENSES		20854.73	15439.35
V.	PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III - IV)		978.73	550.42
VI.	EXCEPTIONAL ITEMS		0.00	0.00
VII.	PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V - VI)	978.73	550.42	
VIII.	EXTRA ORDINARY ITEM		0.00	0.00
IX.	PROFIT BEFORE TAX (VII + VIII)		978.73	550.42
X.	TAX EXPENSE			
	1) CURRENT TAX		204.04	115.11
	2) DEFERRED TAX		161.88	102.70
XI.	PROFIT AFTER TAX (IX - X)		612.81	332.61
XII.	TAX FOR PRIOR PERIOD		28.64	1.74
XIII.	PROFIT FOR THE YEAR (Before adjustment for Minority Interest) (XI - XII)		584.17	330.87
XIV.	SHARE OF PROFIT/ (LOSS) TRANSFERRED TO MINORITY INTEREST		(0.14)	(0.05)
XV.	PROFIT FOR THE YEAR (After adjustment for Minority Interest) (XIII - XIV)		584.31	330.92
	EARNING PER EQUITY SHARE OF FACE VALUE OF ` 10/- EACH			
	BASIC AND DILUTED (Excluding Extra Ordinary Item)		6.46	3.66
	BASIC AND DILUTED (Including Extra Ordinary Item)		6.46	3.66

SIGNIFICANT ACCOUNTING POLICIES

NOTES ON FINANCIAL STATEMENT

1 TO 33

AS PER OUR REPORT OF EVEN DATE ATTACHED HERE TO

**FOR B.K. AGRAWAL & CO.,**  
Chartered Accountants

ON BEHALF OF THE BOARD

**( CA B.K. AGRAWAL )**  
PARTNER  
M.NO.- 51873  
FRN -314202E

ASHISH GADIA  
DIRECTOR

**FOR M.D. AGRAWAL & CO.,**  
Chartered Accountants

NITIN TIBREWAL  
DIRECTOR

**(CA M.P. AGRAWAL)**  
PARTNER  
M.NO.- 16736  
FRN -001177C

DEEPAK PANDEY  
COMPANY SECRETARY

PLACE : INDORE  
DATED : 30th July, 2014

**ASSOCIATED ALCOHOLS & BREWERIES LTD.**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2014**

( ` In Lacs)

<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>2013-2014</b>	<b>2012-2013</b>
NET PROFIT BEFORE TAX		978.73	550.42
ADJUSTMENT FOR DEPRECIATION & AMORTISATION EXPENSES		658.11	494.80
PROFIT ON SALE OF CAPITAL ASSETS		(1.00)	(60.93)
LOSS ON SALE OF CAPITAL ASSETS		23.71	0.09
OTHER INCOME FROM INVESTMENTS		0.00	0.00
INTEREST PAID		675.61	381.45
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		2335.16	1365.83
ADJUSTMENT FOR CHANGE IN TRADE AND OTHER RECEIVABLES		(1420.74)	635.86
INVENTORIES		(369.17)	(160.81)
TRADE PAYABLES AND OTHER PAYABLES		(978.32)	375.75
CASH GENERATED FROM OPERATIONS		(433.07)	2216.63
INTEREST PAID		(675.61)	(381.45)
DIRECT TAX PAID		(115.11)	(64.45)
NET CASH FLOW FROM OPERATIONS	(A)	(1223.79)	1770.73
<b>B. CASH FLOW FROM INVESTMENTS</b>			
PURCHASE OF FIXED ASSETS		(916.23)	(3659.28)
SALES OF FIXED ASSETS		9.31	66.02
PURCHASE OF INVESTMENTS		0.00	(136.33)
INCOME FROM INVESTMENTS		0.00	0.00
NET CASH USED IN INVESTMENTS	(B)	(906.92)	(3729.59)
<b>C. CASH FLOW FROM FINANCE</b>			
PROCEEDS FROM LONG TERM BORROWINGS		2284.10	2169.30
PROCEEDS FROM SHORT TERM BORROWINGS		495.02	18.65
TAX PROVISION OF EARLIER YEAR		(28.64)	(1.74)
NET CASH FLOW FROM FINANCE	(C)	2750.48	2186.22
NET CASH FLOW / OUTFLOW	(A+B+C)	619.77	227.36
CASH AND CASH EQUIVALENTS ( OPENING BALANCE)		1078.30	850.94
(CLOSING BALANCE)		1698.07	1078.30
NET INCREASE / DECREASE IN CASH		619.77	227.36

## Notes :

1. The Consolidated Cash Flow Statement has been prepared under the " Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
2. The following have been considered under financing activities :- Cash credit / Working capital demand loan and other borrowings being source of finance.
3. Proceeds from borrowings are shown net of repayments.
4. Purchase of fixed assets are shown inclusive of movements in capital work - in - progress.
5. Cash and cash equivalents represent cash & bank balances and bank deposits.
6. Previous year's figures have been regrouped wherever necessary.

ON BEHALF OF THE BOARD

Place : INDORE

DATED : 30th July, 2014

**ASHISH GADIA**  
DIRECTOR

**NITIN TIBREWAL**  
DIRECTOR

**DEEPAK PANDEY**  
COMPANY SECRETARY

**NOTE 1**  
**SHARE CAPITAL**

PARTICULARS	31.03.2014	31.03.2013
<b>A) AUTHORISED:</b>		
1,10,00,000 (31.03.2013 - 1,10,00,000) EQUITY SHARES OF ` 10/- EACH	1100.00	1100.00
<b>TOTAL</b>	<b>1100.00</b>	<b>1100.00</b>
<b>B) ISSUED</b>		
90,39,600 (31.03.2013 - 90,39,600) EQUITY SHARES OF ` 10/- EACH	903.96	903.96
<b>C) SUBSCRIBED AND FULLY PAID UP :</b>		
90,39,600 (31.03.2013 - 90,39,600) EQUITY SHARES OF ` 10/- EACH (Refer Note 1.1, 1.2, 1.3)	903.96	903.96
<b>TOTAL</b>	<b>903.96</b>	<b>903.96</b>

**Note 1.1**

Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	31.03.2014	31.03.2013
	No. of Shares	No. of Shares
Equity shares at the beginning of the year	9039600	9039600
Equity shares at the end of the year	9039600	9039600

**Note 1.2**

The company has only one class of equity shares having par value of ` 10 each. Each holder of equity share is entitled to one vote per share.

**Note 1.3**

Details of shares in the company held by each shareholder holding more than 5% shares

Sr. No	Name of Shareholder	31.03.2014		31.03.2013	
		No. of Equity Shares	% of total subscribed and fully paid up shares	No. of Equity Shares	% of total subscribed and fully paid up shares
1	Smt. Ramdulari Kedia	985800	10.91	985800	10.91
2	Garnet Tradelink Pvt. Ltd.	900000	9.96	900000	9.96
3	Attic Dealcom Pvt. Ltd.	800000	8.85	800000	8.85
4	Smt. Shweta Kedia	771000	8.53	771000	8.53
5	Smt. Sangita Kedia	743200	8.22	743200	8.22
6	Shri Prasann Kumar Kedia	478100	5.29	478100	5.29

**NOTE 2  
RESERVE & SURPLUS**

<b>PARTICULARS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
A) CAPITAL RESERVE	24.00	24.00
B) SECURITIES PREMIUM RESERVE	1127.53	1127.53
C) GENERAL RESERVE		
Opening Balance	636.34	586.34
Add: Transferred from surplus	50.00	50.00
	686.34	636.34
D) SURPLUS		
Opening Balance	2495.46	2214.54
Add: Profit for the year transferred from Statement of Profit & Loss	584.31	330.92
Amount available for appropriation	3079.78	2545.46
Appropriations:		
Amount transferred to General Reserve	50.00	50.00
	3029.78	2495.46
<b>TOTAL</b>	<b>4867.65</b>	<b>4283.34</b>
Less: Minority Interest	60.28	60.28
<b>TOTAL</b>	<b>4807.38</b>	<b>4223.06</b>

**NOTE 3  
MINORITY INTEREST**

<b>PARTICULARS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
Share Capital	13.25	13.25
Share Premium	60.47	60.47
Opening Balance of Surplus/ (Loss)	(0.25)	(0.20)
Surplus/ (Loss) for the year	(0.14)	(0.05)
<b>TOTAL</b>	<b>73.33</b>	<b>73.48</b>

**NOTE 4  
LONG TERM BORROWINGS**

<b>PARTICULARS</b>	<b>31.03.2014</b>		<b>31.03.2013</b>	
	<b>NON CURRENT</b>	<b>CURRENT</b>	<b>NON CURRENT</b>	<b>CURRENT</b>
TERM LOANS FROM BANKS (Secured)	2751.98	665.22	2406.69	736.59
LOANS FROM RELATED PARTIES (Unsecured)	78.53	0.00	134.92	0.00
LOANS FROM OTHERS (Unsecured)	3461.26	0.00	1394.69	0.00
(Refer Note 4.1 & 4.2)				
<b>TOTAL</b>	<b>6291.77</b>	<b>665.22</b>	<b>3936.30</b>	<b>736.59</b>
The above amount includes				
Secured borrowings	2751.98	665.22	2406.69	736.59
Unsecured borrowings	3539.79	0.00	1529.61	0.00
<b>TOTAL</b>	<b>6291.77</b>	<b>665.22</b>	<b>3936.30</b>	<b>736.59</b>

**Note 4.1**

Details of loans taken from banks

Details of loans taken from banks	31.03.2014		31.03.2013	
	NON CURRENT	CURRENT	NON CURRENT	CURRENT
Term Loan from Canara Bank (Repayable in 23 quarterly installments, last installment falling due in December, 2018. Interest rate as at 31.03.2014 - 13.45% p.a.)	2102.20	400.00	1970.41	400.00
Term Loan from Canara Bank (Repayable in 23 quarterly installments, last installment falling due in March, 2019. Interest rate as at 31.03.2014 - 13.45% p.a.)	420.78	100.00	75.00	80.65
Term Loan from IDBI Bank (Repayable in 14 quarterly installments, last installment falling due in January, 2014. Interest rate BPLR - 1.50%.)	0.00	0.00	0.00	96.51
Term Loan from IDBI Bank (Repayable in 24 quarterly installments, last installment falling due in March, 2018. Interest rate as at 31.03.2014 - 13.75% p.a.)	93.80	100.00	193.80	100.00
Term Loan from IDBI Bank (Repayable in 32 quarterly installments, last installment falling due in March, 2018. Interest rate as at 31.03.2014 - 13.25% p.a.)	112.40	37.52	149.92	37.52
Vehicle Loan from ICICI Bank (Repayable in 35 monthly installments, last installment falling due in November, 2014. Interest rate - 10.04% fixed)	0.00	5.12	5.12	7.16
Vehicle Loan from ICICI Bank (Repayable in 35 monthly installments, last installment falling due in July, 2015. Interest rate - 10.52% fixed)	1.39	3.88	5.27	3.50
Vehicle Loan from ICICI Bank (Repayable in 35 monthly installments, last installment falling due in August, 2015. Interest rate - 10.57% fixed)	1.36	3.03	4.39	2.73
Vehicle Loan from ICICI Bank (Repayable in 35 monthly installments, last installment falling due in May, 2016. Interest rate - 9.11% fixed)	5.41	4.23	0.00	0.00
Vehicle Loan from ICICI Bank (Repayable in 35 monthly installments, last installment falling due in June, 2016. Interest rate - 9.35% fixed)	6.22	4.52	0.00	0.00
Vehicle Loan from ICICI Bank (Repayable in 35 monthly installments, last installment falling due in December, 2016. Interest rate - 10.74% fixed)	8.42	4.15	0.00	0.00
Vehicle Loan from HDFC Bank (Repayable in 36 monthly installments, last installment falling due in December, 2014. Interest rate - 10.75% fixed)	0.00	2.78	2.78	3.38
Vehicle Loan from HDFC Bank (Repayable in 36 monthly installments, last installment falling due in September, 2013. Interest rate - 8.47% fixed)	0.00	0.00	0.00	3.30
Vehicle Loan from HDFC Bank (Repayable in 36 monthly installments, last installment falling due in October, 2013. Interest rate - 8.48% fixed)	0.00	0.00	0.00	1.84
<b>Total</b>	<b>2751.98</b>	<b>665.22</b>	<b>2406.69</b>	<b>736.59</b>

## Details of Unsecured loans taken from body corporate

Maturity Profile of Unsecured loans taken from body corporates	31.03.2014		31.03.2013	
	NON CURRENT	CURRENT	NON CURRENT	CURRENT
Loans with residual maturity between 1 and 3 years	3539.79	0.00	1529.61	0.00
<b>Total</b>	<b>3539.79</b>	<b>0.00</b>	<b>1529.61</b>	<b>0.00</b>

## Note 4.2

- a) Term loan includes ₹ 50.50 Lacs (previous year ₹ 39.46 Lacs) as car loan, secured by hypothecation on assets acquired under the scheme and personal guarantee of a director.
- b) Financial assistance of ₹ 3366.70 Lacs (previous year ₹ 3103.81 Lacs) as term loan, secured by pari passu first charge on entire fixed assets of the company through hypothecation for movable and mortgage of immovable on present and future net block of the company, pledge of FD ₹ of ₹ 205.59 Lacs (previous year ₹ 189.95 Lacs) and personal guarantee of a director.
- c) Financial assistance of ₹ 3539.78 Lacs (previous year ₹ 1529.61 Lacs) are unsecured loans.

## NOTE 5

## DEFERRED TAX LIABILITY

PARTICULARS	31.03.2014	31.03.2013
<b>a) DEFERRED TAX LIABILITY</b>		
Fixed Assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	994.06	832.18
<b>TOTAL</b>	<b>994.06</b>	<b>832.18</b>

## NOTE 6

## OTHER LONG TERM LIABILITIES

PARTICULARS	31.03.2014	31.03.2013
Trade Payables	261.43	185.05
Others (Refer Note 6.1)	0.00	269.17
<b>TOTAL</b>	<b>261.43</b>	<b>454.22</b>

## Note 6.1

Others include ware house deposits

## NOTE 7

## SHORT TERM BORROWINGS

PARTICULARS	31.03.2014	31.03.2013
<b>LOANS REPAYABLE ON DEMAND</b>		
FROM BANKS (Secured) (Refer Note No. 7.1)	1786.41	1703.55
FROM BANKS (Unsecured) (Refer Note No. 7.2)	412.16	0.00
<b>TOTAL</b>	<b>2198.57</b>	<b>1703.55</b>

## Note 7.1

Financial assistance of ₹ 1786.41 Lacs (previous year ₹ 1703.55 Lacs) as cash credit facility, repayable on demand, secured by first charge by way of hypothecation of inventory and book debts and second charge by way of hypothecation of movable and mortgage of immovable on entire present and future net block and personal guarantee of a director.

## Note 7.2

Financial assistance of ₹ 412.16 Lacs (previous year Nil) as Bill discounting facility, tenor of a particular bill not to exceed 90 days

**NOTE 8**  
**TRADE PAYABLES**

<b>PARTICULARS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
MICRO, SMALL AND MEDIUM ENTERPRISES (Refer Note 8.1)	26.38	18.24
OTHERS	1500.67	2273.04
<b>TOTAL</b>	<b>1527.05</b>	<b>2291.27</b>

**Note 8.1**

The details of amount outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under:

<b>Particulars</b>	<b>As at 31st March, 2014</b>	<b>As at 31st March, 2013</b>
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

**NOTE 9**  
**OTHER CURRENT LIABILITIES**

<b>Particulars</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
CURRENT MATURITIES OF LONG TERM DEBT (Refer Note 3)	665.22	736.59
CREDITORS FOR CAPITAL EXPENDITURE	562.23	931.95
UNPAID DIVIDEND (Refer Note 9.1)	1.32	1.19
OTHER PAYABLES (Refer Note 9.2)	621.07	271.00
<b>TOTAL</b>	<b>1849.84</b>	<b>1940.72</b>

**Note 9.1**

Unpaid dividend has been accounted for with enhanced amount ` 0.13 Lacs upon reconciliation with list of unpaid amount as received from company's Registrar & Transfer Agent.

**Note 9.2**

Other Payables includes advance from debtors, expenses and statutory liabilities payables.

**NOTE 10**  
**SHORT TERM PROVISIONS**

<b>PARTICULARS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
PROVISIONS FOR EMPLOYEE BENEFITS (Refer Note 23.1)	19.22	21.03
PROVISION FOR TAXATION	204.93	115.97
<b>TOTAL</b>	<b>224.15</b>	<b>137.00</b>

**NOTE 11**  
**FIXED ASSETS** (‘ In Lacs)

NAME OF ASSETS	GROSS BLOCK		SALES / TRANSFER/ WRITTEN OFF DURING THE YEAR	DEPRECIATION				NET BLOCK		
	AS ON 01.04.2013	ADDITION DURING THE YEAR		OTHER ADJUSTMENT	AS ON 31.03.2014	UPTO 31.03.2013	DURING THE YEAR	WRITE BACK	TOTAL UPTO 31.03.2014	AS ON 31.03.2014
A) <u>TANGIBLE ASSETS</u>										
1 <u>LAND</u>										
LEASEHOLD LAND	24.26	0.00	0.00	0.00	6.62	0.91	0.00	7.53	16.73	17.64
FREEHOLD LAND	46.92	5.72	0.00	0.00	0.00	0.00	0.00	0.00	52.64	46.92
2 BUILDINGS	949.96	63.57	0.00	0.00	1013.53	32.77	0.00	268.38	745.15	714.35
PLANT AND EQUIPMENT	10915.09	1465.04	114.18	43.09	12309.05	3284.86	577.33	104.46	8551.31	7630.23
4 FURNITURE AND FIXTURES	153.87	7.78	0.81	0.00	160.84	30.38	9.19	0.34	121.62	123.50
5 VEHICLES	323.70	53.12	91.17	0.00	285.65	169.00	27.30	79.15	168.51	154.70
6 OFFICE EQUIPMENT	142.41	11.27	36.53	0.00	117.15	75.21	10.41	26.72	58.25	67.20
TOTAL (A)	12556.20	1606.50	242.69	43.09	13963.11	3801.67	657.90	210.67	9714.21	8754.54
B) <u>INTANGIBLE ASSETS</u>										
1 GOODWILL	132.68	0.00	0.00	0.00	132.68	0.00	0.00	0.00	132.68	132.68
TOTAL (B)	132.68	0.00	0.00	0.00	132.68	0.00	0.00	0.00	132.68	132.68
C) TOTAL (A + B)										
	12688.88	1606.50	242.69	43.09	14095.78	3801.67	657.90	210.67	9846.89	8887.21
CAPITAL WORK IN										
PROGRESS	764.91	769.03	1502.39	0.00	31.55	0.00	0.00	0.00	31.55	764.91
TOTAL (C + D)										
	13453.80	2375.53	1745.09	43.09	14127.33	3801.67	657.90	210.67	9878.44	9652.13
PREVIOUS YEAR'S FIGURE										
	9754	7088	3571	182	13454	3318	495	11	9652	6436

Note 11.1

a) Other adjustment represents borrowing costs capitalised in accordance with AS 16 Borrowing Costs

**NOTE 12**  
**NON-CURRENT INVESTMENT**

PARTICULARS	31.03.2014	31.03.2013
A. Long Term - Trade INVESTMENT IN EQUITY INSTRUMENTS - (Fully Paid Up) Unquoted		
2,00,000 (31.03.2013 - 2,00,000), M/s Mount Everest Breweries Limited (associate company) shares of ` 10/- each	200.00	200.00
35,000 (31.03.2013 - 35,000), M/s Narmada Distilleries Pvt. Limited shares of R 10/- each	35.00	35.00
JEMTEC TRADERS PVT LTD 77,500 (31.03.2013 - 77,500) Shares of ` 10/- each	1.67	1.67
N.N PLANTATION & PROPERTIES PVT LTD 80,000 (31.03.2013 - 80,000) Shares of ` 10/- each	1.72	1.72
SUNIKET DEVELOPERS PVT LTD 1,80,000 (31.03.2013 - 1,80,000) Shares of ` 10/- each	3.87	3.87
ACCORD VANIJYA PVT LTD 2,66,000 (31.03.2013 - 2,66,000) Shares of ` 10/- each	5.32	5.32
ASSOCIATED INFRASTRUCTURE & HOUSING LTD 28,000 (31.03.2013 - 28,000) Shares of ` 10/- each	2.80	2.80
HIGHGROWTH MERCHANT PVT LTD 20,000 (31.03.2013 - 20,000) Shares of ` 10/- each	0.40	0.40
LINGRAJ HOUSING PVT LTD 10,000 (31.03.2013 - 10,000) Shares of ` 10/- each	0.20	0.20
MAYFAIR MERCANTILES PVT LTD 57,000 (31.03.2013 - 57,000) Shares of ` 10/- each	11.40	11.40
OCEANIC DEVELOPERS PVT LTD 4,02,000 (31.03.2013 - 4,02,000) Shares of ` 10/- each	40.20	40.20
RABISHA HOLDINGS PVT LTD 60,000 (31.03.2013 - 60,000) Shares of ` 10/- each	5.28	5.28
SAFFRON PLANTATION PVT LTD 2,040 (31.03.2013 - 2,040) Shares of ` 10/- each	2.55	2.55
SMILINGTON HOLDINGS PVT LTD 2,35,000 (31.03.2013 - 2,35,000) Shares of ` 10/- each	15.82	15.82
SPRINGBOK PROPERTIES PVT LTD 1,45,000 (31.03.2013 - 1,45,000) Shares of ` 10/- each	24.14	24.14
VENEERS MERCANTILES PVT LTD 1,51,000 (31.03.2013 - 1,51,000) Shares of ` 10/- each	15.10	15.10
VENKATESHWAR INV.& FIN. PVT LTD 18,750 (31.03.2013 - 18,750) Shares of ` 10/- each	0.19	0.19
WELPLAN TRADERS PVT LTD 2,00,000 (31.03.2013 - 2,00,000) Shares of ` 10/- each	15.50	15.50

B. Long Term - Other than Trade  
INVESTMENT IN EQUITY INSTRUMENTS - (Fully Paid Up)  
Unquoted

100 (31.03.2013 - 100), M/s Associated Infrastructure & Housing Limited  
shares of ₹ 10 each

0.01 0.01

**TOTAL 381.16 381.16**

**NOTE 13**  
**LONG TERM LOANS & ADVANCES**  
(Unsecured and Considered Good)

PARTICULARS	31.03.2014	31.03.2013
CAPITAL ADVANCES	8.43	150.88
SECURITY DEPOSIT	82.87	89.39
OTHER LOAN & ADVANCES (Refer note 13.1)	356.06	263.05
<b>TOTAL</b>	<b>447.36</b>	<b>503.32</b>

**Note 13.1**

Other loan & Advances include loans, advances to employees, loans to body corporates.

**NOTE 14**  
**OTHER NON-CURRENT ASSETS**

PARTICULARS	31.03.2014	31.03.2013
UNAMORTISED COSTS TOWARDS MISCELLANEOUS EXPENDITURE TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED	0.55	0.75
<b>TOTAL</b>	<b>0.55</b>	<b>0.75</b>

**NOTE 15**  
**INVENTORIES**

PARTICULARS	31.03.2014	31.03.2013
RAW MATERIAL (Refer Note 15.1)	91.65	456.35
STOCK IN PROCESS	77.05	119.73
FINISHED GOODS (Refer Note 15.1)	2048.66	1164.21
STORES & SPARES (including coal)	156.78	51.96
PACKAGING MATERIAL (Refer Note 15.1)	191.23	435.40
CONSUMABLES	59.97	28.53
<b>TOTAL</b>	<b>2625.34</b>	<b>2256.18</b>

**Note 15.1**

**31.03.2014 31.03.2013**

Finished Goods includes Goods In Transit 63.33 73.17  
Stores & Spares includes Goods In Transit 0.00 0.99

**Note 15.2**

Inventories are valued at lower of cost or net realizable value except cost of work in progress, which is determined on absorption costing method.

**NOTE 16****TRADE RECEIVABLES**

(Unsecured and Considered Good)

<b>PARTICULARS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
OVER SIX MONTHS	404.79	508.90
OTHERS	337.93	361.82
<b>TOTAL</b>	<b>742.72</b>	<b>870.72</b>

**NOTE 17****CASH & CASH EQUIVALENTS**

<b>PARTICULARS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
BALANCE WITH BANKS (Refer note 17.1)	459.64	442.50
CASH ON HAND	935.54	359.20
FIXED DEPOSITS WITH BANKS (Refer Note 17.2)	302.89	276.60
<b>TOTAL</b>	<b>1698.07</b>	<b>1078.30</b>

**Note 17.1**

Balance of ` 1.31 Lacs (previous year ` 1.18 Lacs) with IDBI Bank Limited earmarked for unpaid dividend.

**Note 17.2**

Fixed Deposits with banks include deposits of ` 172.57 Lacs (previous year ` 204.47 Lacs) with maturity of more than 12 months.

Fixed Deposits with banks amount to ` 95.75 Lacs (previous year ` 124.51 Lacs) earmarked for issuance of Bank Guarantees and ` 162.77 Lacs (previous year ` 189.95 Lacs) earmarked for borrowings of ` 3022.98 Lacs (previous year ` 2622.57 Lacs).

**NOTE 18****SHORT TERM LOAN & ADVANCES**

(Unsecured and Considered Good)

<b>PARTICULARS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
OTHERS (Refer Note 18.1)	3357.69	1752.98
<b>TOTAL</b>	<b>3357.69</b>	<b>1752.98</b>

**Note 18.1**

Other loans &amp; advances include prepaid expenses, statutory receivables, deposits with government departments, advance to employees, advance to suppliers and to service providers.

**NOTE 19**  
**OTHER CURRENT ASSETS**

<b>PARTICULARS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
UNAMORTISED COSTS TOWARDS MISCELLANEOUS EXPENDITURE TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED	0.20	0.20
<b>TOTAL</b>	<b>0.20</b>	<b>0.20</b>

**NOTE 20**  
**REVENUE FROM OPERATIONS**

<b>PARTICULARS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
SALE OF PRODUCTS	21248.16	15622.79
SALE OF SERVICES	76.72	101.02
OTHER OPERATING REVENUES	1.67	1.79
	21326.55	15725.60
Less: Excise Duty	9.28	9.59
<b>TOTAL</b>	<b>21317.27</b>	<b>15716.01</b>

**NOTE 21**  
**OTHER INCOME**

<b>PARTICULARS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
INTEREST INCOME	184.40	113.46
OTHER NON-OPERATING INCOME	331.80	160.29
<b>TOTAL</b>	<b>516.20</b>	<b>273.75</b>

**NOTE 22**  
**COST OF MATERIAL CONSUMED**

<b>PARTICULARS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
MATERIALS CONSUMED (Refer Note 22.1)	14219.45	10311.27
<b>TOTAL</b>	<b>14219.45</b>	<b>10311.27</b>

**Note 22.1**  
**Particulars of material consumed**

	<b>31.03.2014</b>	<b>31.03.2013</b>
<b>Raw Material Consumed</b>		
Grain	8029.90	5287.77
Spirit	1023.71	979.73
Pet Resign	1359.99	1328.71
Packing Material		
Bottles	1870.18	1025.79
Other Packing Material	1400.75	1258.73
Consumables	534.92	430.54
<b>Total</b>	<b>14219.45</b>	<b>10311.27</b>

**NOTE 23**  
**PURCHASE OF STOCK-IN-TRADE**

<b>PARTICULARS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
PURCHASE	0.00	5.44
<b>TOTAL</b>	<b>0.00</b>	<b>5.44</b>

**NOTE 24**  
**CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN PROCESS**

<b>PARTICULARS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
INVENTORIES (OPENING)		
FINISHED GOODS	1164.21	797.13
STOCK-IN-PROCESS	119.73	57.65
INVENTORIES (CLOSING)		
FINISHED GOODS	2048.66	1164.21
STOCK-IN-PROCESS	77.05	119.73
<b>TOTAL</b>	<b>(841.77)</b>	<b>(429.17)</b>

**NOTE 25**  
**EMPLOYEE BENEFITS EXPENSE**

<b>PARTICULARS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
SALARY & WAGES (Refer Note 25.1)	736.96	377.21
CONTRIBUTION TO PROVIDENT AND OTHER FUNDS	27.55	31.78
STAFF WELFARE EXPENSES	18.56	6.63
<b>TOTAL</b>	<b>783.07</b>	<b>415.63</b>

**Note 25.1**

As per Accounting Standard 15 " Employee Benefits ", the disclosures of Employee benefits as defined in the Accounting Standard are given below :

**A) Defined Contribution Plan**

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:-

	<b>2013-14</b>	<b>2012-13</b>
Employer's Contribution to Provident Fund	13.54 Lacs	10.96 Lacs

**B) Defined Benefit Plan**

- The obligation of leave encashment is recognized, provided and paid on yearly basis. There is no accumulation of the same except current year
- The Company has taken Group Gratuity Policy of LIC of India. The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

**I. Reconciliation of opening and closing balances of obligation**

		(` in Lacs)
	<b>2013-14</b>	<b>2012-13</b>
Liability at the beginning of the year	70.56	48.61
Current Service Cost	12.26	3.96
Interest Cost	5.96	4.25
Benefits paid	(0.84)	0.00
Actuarial (gain)/ Loss on obligations	(2.25)	13.74
Liability at the end of the year	85.70	70.56

**II. Reconciliation of opening and closing balances of fair value of plan assets**

Fair value of plan assets at the beginning of the year	55.37	43.80
Expected return on plan assets	5.50	3.77
Contribution by the employer	15.04	7.51
Benefits paid	(0.84)	0.00
Actuarial (gain)/Loss	0.00	0.29
Fair value of plan assets at the end of the year	75.07	55.37

**III. Expenses recognized in Profit & Loss Account**

Current Service Cost	12.26	3.96
Interest Cost	5.96	4.25
Expected return on plan assets	(5.50)	(3.77)
Total Actuarial (gain)/loss	(2.25)	13.45
Total Expenses included in employee cost	10.47	17.90

**IV. Principal actuarial assumptions**

Discount rate	8.50%	8.00%
Expected rate of return on plan of assets	9.94%	8.70%
Salary increment rate	7.00%	6.00%
Composition of plan assets		
Investment with insurer	100.00%	100.00%

**NOTE 26****FINANCE COST**

<b>PARTICULARS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
INTEREST EXPENSE	675.61	381.45
OTHER BORROWING COSTS	26.43	22.76
<b>TOTAL</b>	<b>702.04</b>	<b>404.21</b>

**NOTE 27**  
**OTHER EXPENSE**

<b>PARTICULARS</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
<b>MANUFACTURING EXPENSES</b>		
CONSUMPTION OF STORES AND SPARE PARTS	201.07	255.13
POWER & FUEL	2604.35	1953.42
REPAIRS TO BUILDINGS	37.41	0.15
REPAIRS TO MACHINERY	73.80	80.97
INSURANCE	14.41	20.35
OTHER MANUFACTURING EXPENSES	556.67	677.96
<b>SELLING AND DISTRIBUTION EXPENSES</b>		
FREIGHT OUTWARD	398.11	328.88
LABOUR CHARGES	230.14	220.41
<b>ADMINISTRATION EXPENSES</b>		
RENT	44.43	41.19
RATES & TAXES	10.04	3.56
PAYMENT TO AUDITOR (Refer Note 27.1)	7.90	7.17
OTHER SELLING & ADMINISTRATION EXPENSES (Refer Note 27.2)	1155.71	647.97
<b>TOTAL</b>	<b>5334.04</b>	<b>4237.17</b>

**Note 27.1**

Payment to Auditor as:

(a) Auditor	5.43	4.59
(b) For taxation matters	0.07	0.24
(c) For management services	1.69	2.25
(d) For other certifications	0.71	0.10
(e) For reimbursement of expenses	0.00	0.00
<b>Total</b>	<b>7.90</b>	<b>7.17</b>

**Note 27.2**

Other Selling & Administration expenses includes prior period expenses (net of income) of ₹ 13.41 Lacs (previous year ₹ (0.32) Lacs).

**NOTE 28****CONTINGENT LIABILITIES AND COMMITMENTS**

		(` In Lacs)	(` In Lacs)
PARTICULARS		31.03.2014	31.03.2013
Contingent Liabilities			
(A)	<b>Guarantees</b>		
	(i) Guarantees to Banks and Financial Institutions against credit facilities extended to third parties	3200.00	3200.00
	(ii) Bank Guarantees to other parties	251.97	227.66
(B)	<b>Dues</b>		
	(iii) Entry Tax payable	53.00	49.93
	(iv) State Excise Duty payable	208.15	348.53
	(v) MPGATSAVA Tax	7.16	2.65
	(vi) Income Tax demand	12.35	75.54
	(vii) Fringe Benefit Tax demand	0.00	0.42
<b>Commitments</b>			
(A)	Estimated amount of contracts remaining to be executed on capital account and not provided for	107.46	946.30

**NOTE 29****EARNING PER SHARE**

	Particulars	31.03.2014	31.03.2013
	Face Value per Share (`)	10	10
a	Weighted average number of Equity Shares	9039600	9039600
1	Number of Equity Shares at the beginning of the year	9039600	9039600
2	Number of Equity Shares at the end of the year	9039600	9039600
3	Weighted average number of Equity Shares outstanding during the year (on annualized basis)	9039600	9039600
b	Net Profit after tax available for Equity Share holders (`)	58431099	33092341
c	Net Profit after tax available for Equity Share holders (`) (excluding Extra Ordinary Item)	58431099	33092341
d	Basic and diluted Equity per share (in `) annualized (excluding Extra Ordinary Item)	6.46	3.66

**NOTE 30****EARNING AND EXPENDITURE IN FOREIGN CURRENCY**

		(` In Lacs)	
PARTICULARS		31.03.2014	31.03.2013
<b>Earnings</b>			
	Export Sales	0.00	0.00
<b>Expenditure</b>			
	Professional Development Expenses	17.72	70.97
	Travelling Expenses	3.21	6.18
	Salary	1.22	0.00

## NOTE 31

## RELATED PARTY DISCLOSURE

A. List of Related Parties where control exists and related parties with whom transactions have taken place.

Name of Related Party	Relationship
Mr.Ashish Kumar Gadia	Key Managerial Personnel
Mr.Anand Kumar Kedia	Individual owning voting power giving control or significant influence.
Mr.Prasann Kumar Kedia	Individual owning voting power giving control or significant influence.
Mrs.Ram Dulari Kedia	Individual owning voting power giving control or significant influence.
Mrs.Sangita Kedia	Individual owning voting power giving control or significant influence.
Mrs.Sweta Kedia	Individual owning voting power giving control or significant influence.
Mr. Anshuman Kedia	Relative of individual owning voting power giving control or significant influence.
Miss Ravisha Kedia	Relative of individual owning voting power giving control or significant influence.
Venkareshwar Inv. & Fin. (P) Ltd	Enterprise over which persons referred hereinabove have been able to exercise significant influence.
Snehsil Hirise (P) Ltd	Enterprise over which persons referred hereinabove have been able to exercise significant influence.

B Related party transaction

Particulars	Key Managerial Personnel		Relatives of Individual owning voting power giving control or significant influence		Individual owning voting power giving control or significant influence		Enterprise over which persons referred hereinabove able to exercise significant influence	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Managerial Remuneration	2.88	1.92						
Salary	0.00	0.00	1.92	3.84	28.04	18.96		
Rent			0.00	0.00	3.60	3.60		
Professional Development Expenses			17.72	26.83				
Loan Taken					134.92	134.92		

Guarantees obtained from certain key managerial personnel for the financial facilities availed from Banks/ FI's to the extend of ` 8775 Lacs  
(Previous year ` 6675 Lacs)

**NOTE 32**  
**SEGMENT REPORTING**

( ` In Laos)

Particulars	2014/13				2012/13			
	Allocated		Unallocated	Total	Allocated		Unallocated	Total
	Potable Alcohol	Wind Power			Potable Alcohol	Wind Power		
<b>1) Segment Revenue</b>								
external Turnover	21273.16	35.20	0.04	21308.40	15670.42	55.14	0.05	15725.60
Inter Segement Turnover	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gross Turnover	21273.16	35.20	0.04	21308.40	15670.42	55.14	0.05	15725.60
Less: Excise duty	9.28	0.00	0.00	9.28	9.59	0.00	0.00	9.59
<b>Net Turnover</b>	<b>21263.88</b>	<b>35.20</b>	<b>0.04</b>	<b>21299.12</b>	<b>15660.83</b>	<b>55.14</b>	<b>0.05</b>	<b>15716.01</b>
<b>2) Segment Result before Interest and Taxes</b>								
Less: Interest Expense	1466.00	4.35	(0.40)	1469.94	802.17	26.09	(9.85)	818.41
Add: Interest Income				675.61				381.45
Add: Extraordinary Item				184.40				113.46
Profit Before Tax				0.00				0.00
Current Tax				978.73				550.42
Deferred Tax				204.04				115.11
Profit after tax				161.88				102.70
Tax for prior period				612.81				332.61
Profit after Tax (before adjustment for Minority Interest)				28.64				1.74
Add: Share of (Profit)/ Loss transferred to Minority				584.17				330.87
Profit after Tax (after adjustment for Minority Interest)				0.14				0.05
<b>3) Other Information</b>				584.31				330.92
Segment Assets	18339.90	339.07	452.55	19131.53	13879.83	408.01	2207.90	16495.74
Segment Liabilities	3824.18	38.21	8490.40	12352.80	4627.00	37.52	6630.95	11295.47
Capital Expenditure	916.23	0.00	0.00	916.23	3659.07	0.00	0.21	3659.28
Depreciation and Amortisation	636.07	21.83	0.00	657.90	470.90	21.83	2.06	494.79
Mon Cash Expenditure other than depreciation and amortisation			0.20	0.20			0.05	0.05

**NOTE 33****Subsidiary Company considered in the consolidated financial statements**

Name of Subsidiary	Country of Incorporation	Proportion of ownership interest
Vedant Energy Private Limited	India	50.71%

**FINANCIAL INFORMATION OF SUBSIDIARY COMPANY**

Name of Subsidiary Company	Vedant Energy Pvt. Limited
	(` in Lacs)
Capital	26.88
Reserves	121.90
Total Assets	149.42
Total Liabilities	0.64
Investments	146.15
Turnover	0.04
Profit before taxation	(0.40)
Provision for taxation	(0.11)
Profit after taxation	(0.29)
Proposed dividend	0.00

**ASSOCIATED ALCOHOLS & BREWERIES LIMITED**

Registered Office: 106A, Shyam Bazar, Kolkata - 700 005

**PROXY FORM**  
**[FORM NO. MGT - 11]**

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

CIN	L1 5520WB1 989PLC04721 1		
Name of the Company	Associated Alcohols & Breweries Ltd.		
Registered Office	106-A, Shyam Bazar Street, Kolkata -700005		
Email Id	cs@associatedalcohols.com		
Folio No/ Client Id:		DP ID	

I/We, being the member(s) of ..... Shares of the above named company, hereby appoint

1.	Name		
	Address		
	E-mail Id	Signature	
	or failing him		
2.	Name		
	Address		
	E-mail Id	Signature	
	or failing him		
3.	Name		
	Address		
	E-mail Id	Signature	
	or failing him		

As my/our proxy to attend for me/us and on my/our behalf at the 25<sup>th</sup> Annual General Meeting (AGM) of the Company, to be held on the 30<sup>th</sup> day of September, 2014 at 11:30 AM at Dum Dum Municipality Town Hall, Dum Dum Municipality, 44, Sainen Das Sarani, Dum Dum, Kolkata-700 028.

Resolution Number	Description	Optional (y)	
Ordinary Business		For	Against
1.	Adoption of Financial Statement and Report of Board of Directors for the year ended 31 <sup>st</sup> March 2014.		
2.	To appoint a Director, Shri Manish Kumar Tibrewal (DIN: 00747559) who retire by rotation and being eligible, offers himself for reappointment.		
3.	To appoint Auditors M/s BK Agrwal & Co. and M.D. Agrawal & Co. and fix their remuneration		
Special Business			
4.	Appointment of Shri Nitin Tibrewal. (DIN: 01892892) Independent Director of the Company:		
	To re-appointment and fix Remuneration of Shri Ashish Gadia (DIN: 00736991) as a Whole-time Director		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014 Signature of shareholder.

Affix  
Rs. 1/-  
Revenue  
Stamp**Note:** 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 Annual General Meeting (AGM) i.e. by 11:30 AM on 28<sup>th</sup> September, 2014.



**ASSOCIATED ALCOHOLS & BREWERIES LIMITED**

Registered Office: 106A, Shyam Bazar, Kolkata - 700 005  
CIN: L15520WB1989PLC047211

Phone: No. (033) 032511422, Fax: (033) 25339732  
E- mail: [cs@associatedalcohols.com](mailto:cs@associatedalcohols.com)

**25<sup>th</sup> ANNUAL GENERAL MEETING****ATTENDANCE SLIP**

(To be surrendered at the time of entry)  
AGM Date: Tuesday, 30<sup>th</sup> day of September, 2014 at 11:30 AM  
Venue : Dum Dum Municipality Town Hall, Dum Dum Municipality, 44, Sainen Das Sarani,  
Dum Dum, Kolkata-700 028

I hereby record my presence at the 25<sup>th</sup> Annual General Meeting of the Company.

Folio/DPID/CLID/ User ID:

Name of Joint Holders:

Name of Proxy / Representative, if any

Signature of Member(s) / Proxy Present :

**Note:**

This attendance slip should be signed and handed over at the entrance of the Meeting Hall.  
The admission may, however, be subject to further verification / checks, as may be deemed necessary, under no circumstances, will any duplicate attendance Slip be issued at the entrance to the meeting hall.

..... tear here .....

**FOR IMMEDIATE ATTENTION OF THE SHAREHOLDERS****ELECTRONIC VOTING PARTICULARS**

Electronic Voting Sequence	User ID	PAN (Original or as per point No.14(VII) of e voting instructions)

Please read the instruction fore-voting as set-out in Notice of 25<sup>th</sup> Annual General Meeting dated 30.07.2014.

