

PRAG DISTILLERY (P) LTD

Regd Office: P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra – 413 720

Tel No: (02422) 265 092/265 123, Fax No: (02422) 265 135

CIN No: [U15512PN2005PTC133636]

DIRECTORS' REPORT

Dear Members,

The Directors hereby present their 12th Annual Report along with the audited financial statements of the Company for the financial year ended March 31, 2017.

1. FINANCIAL & OPERATIONAL REVIEW

The revenue from operations, during the financial year 2016-17 of the Company stood at Rs. 1,556.76 million as compared to Rs. 879.79 million in the previous year. It has incurred net loss of Rs. 40.72 million during the financial year 2016-17 as compared to net loss of Rs. 92.91 million in the previous year.

The Company has received the license from the Government for enhancement of its bottling capacities from the current 0.05 million cases to 0.3 million cases per month.

The arrangement entered into with Pernod Ricard India Private Limited (PRIPL) on March 15, 2013 for sub-lease of 3.5 million PLs along with part of its manufacturing facility has been discontinued.

The National Company Law Tribunal ("NCLT") vide its order dated June 27, 2017 has initiated Corporate Insolvency Resolution Process under the provisions of the Insolvency and Bankruptcy Code, 2016 vide its Order No.: CP. No. 1067/I&BP/NCLT/MAH/2017. Accordingly, powers of the Board of Directors have been suspended and vested with Resolution Professional.

2. DIVIDEND

In view of the loss incurred by the Company during the year, the Directors have not recommended any dividend for the financial year ended March 31, 2017.

3. HOLDING COMPANY

Your Company is wholly owned subsidiary of Tilaknagar Industries Ltd.

4. DIRECTORS

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Mr. Amit Dahanukar, Director of the Company is retiring by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

All the Independent Directors had furnished declaration stating that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 prior to suspension of the powers of the Board.

5. NUMBER OF MEETINGS OF THE BOARD

The Board has met 4 (four) times during the financial year 2016-17 on May 24, 2016; August 11, 2016; November 10, 2016; January 20, 2017 and the intervening period between the two meetings did not exceed 120 days.

6. AUDIT COMMITTEE

The composition of the Audit Committee, constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on March 31, 2017 was as follows:

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Name of the Member	Category	Designation
Mr. C.V. Bijlani	Non-Executive and Independent Director	Chairman
Dr. Keshab Nandy	Non-Executive Director	Member
Dr. Ravindra Bapat	Non-Executive and Independent Director	Member

The terms of reference of the Committee are as follows:

- to recommend to the Board the appointment, remuneration and terms of appointment of auditors of the Company;
- to review and monitor the auditor's independence and performance, and effectiveness of audit process;
- examination of the financial statement and the auditors' report thereon;
- approval or any subsequent modification of transactions of the company with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- monitoring the end use of funds raised through public offers and related matters.

There have not been any instances during the year when recommendations of the Audit Committee were not accepted by the Board of Directors.

Powers of the abovementioned Committee have also been suspended consequent upon the suspension of powers of the Board of Directors pursuant to order No.: CP. No. 1067/I&BP/NCLT/MAH/2017 dated June 27, 2017 passed by National Company Law Tribunal.

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR Committee)

The composition of the Corporate Social Responsibility Committee, constituted in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (CSR Policy) Rules, 2014, as on March 31, 2017 was as follows:

Name of the Member	Category	Designation
Mrs. Shivani Amit Dahanukar	Non-Executive Director	Chairperson
Dr. Keshab Nandy	Non-Executive Director	Member
Dr. Ravindra Bapat	Non-Executive and Independent Director	Member

The terms of reference of the CSR Committee are as follows:

- to formulate and recommend to the Board, a Corporate Social Responsibility Policy (CSR Policy) which shall indicate, inter-alia, the CSR activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 as amended from time to time;
- to recommend and obtain approval of the Board for the amount of expenditure that can be incurred on the activities referred to in clause(i);

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- iii. to ensure that the activities as are included in CSR Policy of the Company are undertaken by the Company;
- iv. to prepare a transparent monitoring mechanism for ensuring implementation of the CSR projects/programs/activities being undertaken/proposed to be undertaken by the Company; and
- v. to discharge such other functions as may be assigned by the Board from time to time.

The CSR Committee has been entrusted with necessary powers to achieve its objectives. However, Powers of the abovementioned Committee have also been suspended consequent upon the suspension of powers of the Board of Directors pursuant to order No.: CP. No. 1067/I&BP/NCLT/MAH/2017 dated June 27, 2017 passed by National Company Law Tribunal.

In view of the losses incurred in the recent years, the Company was not required to spend any amount on CSR activities during the financial year 2016-17.

The Annual Report on CSR activities as required under Section 134(3)(o) of the Companies Act, 2013 read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out in Annexure 'A' to this Report.

8. NOMINATION AND REMUNERATION COMMITTEE

The composition of the Nomination and Remuneration Committee, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on March 31, 2017 was as follows:

Name of the Member	Category	Designation
Mr. Amit Dahanukar	Chairman	Member
Mr. C.V. Bijlani	Non-Executive and Independent Director	Chairman
Dr. Ravindra Bapat	Non-Executive and Independent Director	Member

The terms of reference of the Committee are as follows:

- i. identification of persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommending to the Board their appointment and removal and to carry evaluation of every Director's performance;
- ii. formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommending a policy to the Board, relating to the remuneration for the Directors, Key Managerial Personnel and other employees ensuring that:
 - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate them;
 - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - remuneration to Directors, Key Managerial Personnel and Senior Management Personnel involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

In accordance with the provisions of Section 178 of the Companies Act, 2013, the Company has a Nomination, Remuneration and Evaluation Policy which lays down criteria for

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- i. determining qualifications, positive attributes required for appointment of Directors, Key Managerial Personnel and Senior Management and also the criteria for determining the independence of a Director;
- ii. appointment, tenure, removal/retirement of Directors, Key Managerial Personnel and Senior Management;
- iii. determining remuneration (fixed and performance linked) payable to the Directors, Key Managerial Personnel and Senior Management; and
- iv. evaluation of the performance of the Board and its constituents.

In accordance with the provisions of Section 149(9) read with Section 197 of the Companies Act, 2013, the Members of the Company had, by way of ordinary resolution passed in their Annual General Meeting held on September 27, 2014, authorized the Board to pay remuneration by way of commission to the Non-Executive Directors (including Independent Directors) for a period of 5 financial years commencing from April 01, 2014, subject to overall ceiling of 1% of the net profits of the Company computed in the manner prescribed in Section 198 of the Companies Act, 2013, in addition to the sitting fees and reimbursement of expenses for participation in the Board meeting.

During the financial year 2016-17, no commission was paid to the Independent Directors and only sitting fees, within the ceiling prescribed by the Central Government, was paid to them for attending the Board meetings. There is no pecuniary or business relationship between the Independent Directors and the Company except for the sitting fees paid to them during the year.

Powers of the abovementioned Committee have also been suspended consequent upon the suspension of powers of the Board of Directors pursuant to order No.: CP. No. 1067/I&BP/NCLT/MAH/2017 dated June 27, 2017 passed by National Company Law Tribunal.

9. BOARD EVALUATION

In accordance with the provisions of Section 178(2) and Schedule IV of the Companies Act, 2013 read with Clause 5 of the Nomination, Remuneration and Evaluation Policy of the Company, the annual performance evaluation of the Independent Directors, Non-Independent Directors and Board as a whole (including its Committees) was carried out on January 20, 2017 in the manner given below:

- i. The performance evaluation of Independent Directors was done by the entire Board of Directors (excluding the Director being evaluated);
- ii. Independent Directors in their separate meeting reviewed the performance of Non-Independent Directors and the Board as a whole (including its Committees); and
- iii. Independent Directors in their separate meeting also reviewed the performance of the Chairman after taking into account the views of all the Directors.

After taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance, a structured questionnaire was prepared and circulated among the Directors for the abovementioned evaluation.

The Nomination and Remuneration Committee reviewed the results of the annual performance evaluation in its Meeting held on May 16, 2017 and expressed overall satisfaction on the performance of the Independent Directors, Non-Executive Directors, Chairman and Board as a whole (including its Committees).

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10. KEY MANAGERIAL PERSONNEL

During the financial year 2016-17, there was no change in Key Managerial Personnel of the Company except that Ms. Trishila Agrahari was appointed as Company Secretary of the Company with effect from January 20, 2017.

11. AUDITORS

Statutory Auditors and Statutory Audit Report

M/s Deepak Jhanwar & Co., Chartered Accountants, (Firm Registration No. 023982N) who have been acting as Statutory Auditors for more than 5 years, were appointed as Statutory Auditors of the Company in the 9th Annual General Meeting held on September 27, 2014 (for the transition period of 3 years for rotation of audit firms) from the conclusion of the 9th annual General Meeting till the conclusion of the 12th Annual General Meeting. Accordingly, they hold office till the conclusion of the ensuing 12th Annual General Meeting.

In accordance with the provisions of Section 139(2) read with the Companies (Audit and Auditors) Rules, 2014, it is proposed to appoint M/s Batliboi & Purohit, Chartered Accountants (Firm Registration No. 101048W) as Statutory Auditors of the Company at the ensuing 12th Annual General Meeting in place of retiring Statutory Auditors i.e. M/s Deepak Jhanwar & Co., Chartered Accountants, whose term is expiring at the said Meeting. The Company has received consent/certificate pursuant to the provisions of Sections 139 and 141 of the Companies Act, 2013 read with Rules made thereunder from them with respect to the abovementioned proposal. The Members may take note of its sincere appreciation for the services rendered by M/s Deepak Jhanwar & Co., Chartered Accountants, during their long association with the Company.

A proposal seeking Members' approval for the appointment of M/s Batliboi & Purohit, Chartered Accountants and for fixing their remuneration forms part of the Notice convening the ensuing Annual General Meeting.

Since, the powers of the Board have been suspended by National Company Law Tribunal vide its Order No.: CP. No. 1067/I&BP/NCLT/MAH/2017 and vested in the Resolution Professional, hence, Mrs. Dipti Mehta, Resolution Professional has considered and recommended the appointment of M/s Batliboi & Purohit, Chartered Accountants, as Statutory Auditors of the Company.

No frauds have been reported by the Statutory Auditors during the financial year 2016-17 pursuant to the provisions of Section 143(12) of the Companies Act, 2013.

With reference to observations contained in Annexure A to the Auditors' Report for the financial year ended March 31, 2017 with respect to default in repayment of loans to banks and financial institution by the Company, Members may take note that same was due to the liquidity constraints faced by the Company during the financial year 2016-17 on account of moderation in revenues and increased raw material costs. The National Company Law Tribunal ("NCLT") vide its order dated June 27, 2017 has initiated Corporate Insolvency Resolution Process under the provisions of the Insolvency and Bankruptcy Code, 2016.

Internal Auditors and Internal Audit Report

The Company is having M/s Devdhar Joglekar & Srinivasan, Chartered Accountants as its Internal Auditors. The Audit Committee reviews the observations made by the Internal Auditors in their Report on quarterly basis and makes necessary recommendations to the management.

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11. DETAILS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Details with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are set out in Annexure 'B' to this Report.

12. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Particulars of employees and related disclosures as required under the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out in Annexure 'C' to this Report.

13. EXTRACT OF ANNUAL RETURN

An extract of Annual Return in Form MGT-9 as required under the provisions of Section 134(3)(a) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is set out in Annexure 'D' to this Report.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the financial year 2016-17, the Company has neither given any loans or made any investments, nor given any guarantees or provided any securities falling under the purview of Section 186 of the Companies Act, 2013. Hence, disclosure under Section 134(3)(g) of the Companies Act, 2013 is not applicable.

15. FIXED DEPOSITS

As on April 01, 2016, the Company was not having any outstanding deposits falling under the scope of Chapter V of the Companies Act, 2013 and it has not accepted any deposits covered under said Chapter during the financial year 2016-17. As on March 31, 2017, the Company was not having any outstanding deposit falling under the scope of said Chapter.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2016-17, the Company has not entered into any contracts or arrangements with related parties requiring disclosure in Form AOC-2 under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

17. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has laid down standards, processes and procedures for implementing the internal financial controls across the organization. After considering the framework of existing internal financial controls and compliance systems; work performed by the Internal and Statutory Auditors; reviews performed by the Management and relevant Board Committees including the Audit Committee, the Members may take note that the Company's internal financial controls with reference to the financial statements were adequate and effective during the financial year 2016-17.

18. VIGIL MECHANISM

In accordance with the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has adopted a Whistle Blower Policy to provide a mechanism to its directors, employees and other stakeholders to raise concerns about any violation of legal or regulatory requirements, misrepresentation of any financial statement, etc.

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The Policy allows the whistleblowers to have direct access to the Chairman of the Audit Committee in exceptional circumstances and also protects them from any kind of discrimination or harassment.

19. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirements of Section 134(3)(c) of the Companies Act, 2013, and on the basis of the information furnished to them by the Statutory Auditors and Management, the Directors state that:

- a. in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there are no material departures;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. RESIDUARY DISCLOSURES

- i. In view of the loss incurred by the Company during the financial year 2016-17, no amount is proposed to be carried to reserves;
- ii. As required under the provisions of Section 134(3)(l) of the Companies Act, 2013 during the financial year 2016-17, members may take note that there have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report. Except, The National Company Law Tribunal ("NCLT") vide its order dated June 27, 2017 has initiated Corporate Insolvency Resolution Process under the provisions of the Insolvency and Bankruptcy Code, 2016;
- iii. The key business risks, which in the opinion of the Board of Directors may threaten the existence of the Company, along with mitigation strategies adopted by the Company are enumerated herein below:

- i. **Regulatory Risk**

The IMFL industry is a high-risk industry, primarily on account of high taxes and innumerable regulations governing it. As a result, liquor companies suffer from low pricing flexibility and have underutilized capacities, which, in turn, may lead to low margins. To mitigate this risk, the Company complies with all the applicable rules and regulations in all the States where it is present.

- ii. **Strategic Risk**

The Company's strategy and its execution are dependent on uncertainties and untapped opportunities. To mitigate this risk, the Company has adopted resilient policies which not only allow the Company to maximize opportunities under normal conditions but also ensure that acceptable results are achieved under extra-ordinary adverse conditions.

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In order to establish various levels of accountability for risk management/mitigation within the Company and provide for reviewing, documentation and reporting mechanism for such risks, a risk management policy has been formulated.

- iv. During the financial year 2016-17, the Company has not issued equity shares with differential rights as to dividend, voting or otherwise. Hence, disclosure under Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;
- v. During the financial year 2016-17, there has been no change in the nature of business of the Company. Hence, disclosure under Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014 is not applicable;
- vi. During the financial year 2016-17, no company has become or ceased to be subsidiary, joint venture or associate of the Company. Hence, disclosure under Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 is not applicable;
- vii. During the financial year 2016-17, no significant material orders have been passed by any regulators or courts or tribunals which may impact the going concern status of the Company and its future operations. Hence, disclosure under Rule 8(5)(vii) of the Companies (Accounts) Rules, 2014 except that the National Company Law Tribunal (“NCLT”) vide its Order No.: CP. No. 1067/I&BP/NCLT/MAH/2017 dated June 27, 2017 has initiated Corporate Insolvency Resolution Process under the provisions of the Insolvency and Bankruptcy Code, 2016; and
- viii. During the financial year 2016-17, the Company has not issued sweat equity shares to its employees. Hence, disclosure under Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable; and
- ix. During the financial year 2016-17, the Company has not received any complaint of sexual harassment pursuant to the provisions of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

21. ACKNOWLEDGEMENTS

The Directors wish to acknowledge and place on record their sincere appreciation for the assistance and co-operation received from all the members, bankers and other stakeholders.

The Directors also recognize and appreciate all the employees for their commitment, commendable efforts, team work, professionalism and continued contribution.

Place : Mumbai

Date : September 22, 2017

*Amit Dahanukar

Member of suspended Board of Directors

**Signed under the authority of Resolution Professional as the powers of the Board have been suspended by National Company Law Tribunal vide its Order No.: CP. No. 1067/I&BP/NCLT/MAH/2017 dated June 27, 2017*

ANNEXURE 'A' TO THE DIRECTORS' REPORT

Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to Section 134(3)(o) of the Companies Act, 2013 read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

A brief outline of the Company's CSR Policy is as follows:

- Ø This policy shall apply to all CSR initiatives and activities taken up in and around the area of operation i.e. registered office/manufacturing unit/corporate office etc., for the benefit of different segments of the society with focus on giving back to the community in which it operates while adding value to the society around it.
- Ø Only CSR activities as specified in Schedule VII of the Companies Act, 2013, as amended from time to time, shall be allowed to be undertaken by the Company;
- Ø For achieving the CSR objectives, the Company shall allocate every financial year an amount as per the CSR Budget approved by the Board of Directors subject to such amount not being less than 2% and not more than 5% of the average net profits calculated as per the provisions of the Companies Act, 2013;
- Ø The Company shall spend minimum 2% of the average net profits every financial year on CSR activities. Committee shall be empowered to carry forward such percentage of the unspent/unutilized CSR allocation of a particular year to the following year(s) as it may deem fit and subject to applicable regulations in force in this regard. The surplus arising out of the CSR projects/programs/activities shall not form part of the business profits of the Company;
- Ø The Company may undertake CSR activities through registered trusts/registered societies/companies meeting the eligibility criteria under the Companies Act, 2013 and can also collaborate with other companies for undertaking CSR activities;
- Ø The Company shall ensure that CSR initiatives are undertaken as projects/programs/activities(either new or ongoing) in the identified thrust area more specified in the CSR Policy excluding activities undertaken in the normal course of business;
- Ø CSR Committee shall be empowered to administer and monitor the Company's CSR activities and shall also be responsible for executing the CSR projects as per the CSR Policy within the approved CSR Budget;
- Ø CSR Committee will monitor the effectiveness of the CSR programs/activities periodically and submit their report to the CSR Committee on a periodic basis; and
- Ø In case of conflict in the provisions of the CSR Policy and applicable provisions of the Companies Act, 2013, the provisions of Companies Act, 2013 shall prevail.

2. The Composition of the CSR Committee:

The Composition of the CSR Committee as on March 31, 2017 was as follows:

Name of the Member	Category	Designation
Mrs. Shivani Amit Dahanukar	Non-Executive Director	Chairperson
Dr. Keshab Nandy	Non-Executive Director	Member
Dr. Ravindra Bapat	Non-Executive and Independent Director	Member

Powers of the abovementioned Committee have also been suspended consequent upon the suspension of powers of the Board of Directors pursuant to order No.: CP. No. 1067/I&BP/NCLT/MAH/2017 dated June 27, 2017 passed by National Company Law Tribunal.

3. Average net profit/(loss) of the Company for last three financial years: Rs. (0.04) million (rounded off)

4. Prescribed CSR Expenditure [Rounded Off] (two percent of the amount as in item 3 above): Nil

5. Details of CSR spent for the financial year:

a. Total amount spent for the financial year: Nil

b. Amount unspent, if any: Nil

c. Manner in which the amount spent during the financial year is detailed below:

Sr. No	CSR Projects /Activities identified	Sector in which the project is covered	Projects or Programs Local area or other	Amount Outlay (Budget) Project or Programs wise (Rs. in million)	%	Amount spent on the projects or programs		Cumulative expenditure up to reporting period	Amount spent: Direct or through implementing agency.
						Direct Expenditure on projects or programs	Overheads		
1.	Nil	Nil	State and District where projects or programs was undertaken	Nil	Nil	Nil	Nil	Nil	N.A.

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reason for not spending the amount: Not Applicable

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with the CSR objectives and Policy of the Company:

The CSR Committee confirms that the implementation and monitoring of the CSR Policy of the Company is in compliance with the CSR objectives and CSR Policy of the Company.

***Amit Dahanukar**
Members of suspended Board of Directors

***Shivani Amit Dahanukar**
Members of suspended CSR Committee

Place: Mumbai

Date: September 22, 2017

****Signed under the authority of Resolution Professional as the powers of the Board have been suspended by National Company Law Tribunal vide its Order No.: CP. No. 1067/I&BP/NCLT/MAH/2017 dated June 27, 2017.***

ANNEXURE 'B' TO THE DIRECTORS' REPORT

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

(A) CONSERVATION OF ENERGY

(i) Steps Taken or Impact on Conservation of Energy:

Due to the current financial constraints of the Company, it had not made any investment for conservation of energy.

(ii) Steps Taken by the Company for Utilizing Alternate Sources of Energy:

Rising domestic energy prices and concerns about long term sustainability have once again brought alternate energy sources to the forefront. As a part of its commitment, the Company is making continuous use of its solar power plant as an alternate green power source.

(iii) Capital Investment on Energy Conservation Equipments:

During the financial year 2016-17, no capital investment has been made by the Company on energy conservation equipments.

(B) TECHNOLOGY ABSORPTION

(i) Efforts made towards Technology Absorption: Nil

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution: Nil

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

a) **the details of technology imported:** The Company has not imported any technology during the last three financial years.

b) **the year of import:** Not Applicable

c) **whether the technology has been fully absorbed:** Not Applicable

d) **if not fully absorbed, areas where absorption has not taken place, and the reasons thereof:** Not Applicable

(iv) Expenditure incurred on Research and Development:

During the financial year 2016-17, neither capital nor revenue expenditure has been incurred by the Company on Research and Development activities.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, the foreign exchange outgo was Rs. Nil (P.Y. Rs. 6.54 million) and the Company has not earned any income in foreign exchange in the current year (P.Y. Nil).

Place: Mumbai
Date: September 22, 2017

*Amit Dahanukar
Member of suspended Board of Directors

**Signed under the authority of Resolution Professional as the powers of the Board have been suspended by National Company Law Tribunal vide its Order No.: CP. No. 1067/I&BP/NCLT/MAH/2017 dated June 27, 2017*

ANNEXURE 'C' TO THE DIRECTORS' REPORT

Statement pursuant to Rules 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

PART - A : List of top ten employees of the Company as on March 31, 2017

Sr No	Name	Designation	Remuneration (inclusive of contribution to PF)(Rs. In million)	Nature of Employment, whether contractual or otherwise	Qualifications	Total Experience	Date Of Commencement of Employment	Age (Years)	Last employment held	Relative of any Director or Manager
1	K.Rajendra Prasad	Manager	0.54	Permanent	ITI	13	09.11.2015	44	First Employment	NO
2	T.V.V.N.Koteswara Rao	Accountant	0.22	Permanent	M.Com	14	12.08.2008	33	Sri Maheswara Industries	NO
3	Suresh Daivapu	Assistant Liaison	0.17	Permanent	B.Com	10	16.06.2016	32	Vijaylaxmi Gas Agencies	NO
4	S.Venkat Ratnam	Asst.Chemist	0.17	Permanent	B.Sc, B.Ed	12	12.08.2008	32	D.C.P.L. Pvt.Ltd	NO
5	Brajesh Kumar Singh	Asst.Electrician	0.15	Permanent	ITI	20	07.09.2010	46	Shaw Wallace & Company Ltd.	NO
6	M.Suribabu	Worker	0.15	Permanent	9th	17	28.03.2000	35	First Employment	NO
7	N.Laxmanudu	Worker	0.15	Permanent	9th	15	26.10.2002	40	First Employment	NO
8	Y.Srinivas	Worker	0.15	Permanent	4th	12	14.03.2005	34	First Employment	NO
9	MVSNP Vardhnam	Jr. Executive	0.14	Permanent	BA	10	12.08.2008	39	First Employment	NO
10	K.Manga	Worker	0.14	Permanent	6th	17	28.03.2000	42	First Employment	NO

PART - B : List of employees in receipt of remuneration in excess of limits prescribed under Rule 5(2) of the Company during the financial year 2016-17 : Nil

Place: Mumbai
Date : September 22, 2017

***Amit Dahanukar**
Member of suspended Board of Directors

*Signed under the authority of Resolution Professional as the powers of the Board have been suspended by National Company Law Tribunal vide its Order No.: CP. No. 1067/I&BP/NCLT/MAH/2017 dated June 27, 2017

ANNEXURE 'D' TO THE DIRECTORS' REPORT

Form No. MGT-9

**Extract of Annual Return as on the financial year ended on March 31, 2017
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]**

I. REGISTRATION AND OTHER DETAILS	
CIN	U15512PN2005PTC133636
Registration Date	March 04, 2005
Name of the Company	Prag Distillery (P) Ltd.
Category/Sub-Category of the Company	Company limited by Shares/Indian Non-Government Company
Address of the Registered office and contact details	P. O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra - 413 720 Tel.: (02422) 265123/265032
Whether listed Company	No
Name, Address and contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
1.	Manufacturing of Indian Made Foreign Liquor (IMFL)	11011	100

III. PARTICULARS OF HOLDINGS, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Tilaknagar Industries Ltd. P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Shrirampur, Maharashtra - 413 720	L15420PN1933PLC133303	Holding	100	2(46)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	3,681,000	3,681,000	100	3,681,000	-	3,681,000	100	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	-	3,681,000	3,681,000	100	3,681,000	-	3,681,000	100	-
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	-	3,681,000	3,681,000	100	3,681,000	-	3,681,000	100	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-

h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Other (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	-	-	-	-	-	-	-	-	-
1. Non- Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) other									
i) Clearing Member	-	-	-	-	-	-	-	-	-
ii) NRI	-	-	-	-	-	-	-	-	-
iii) Trust	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B)(1) + (B) (2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	3,681,000	3,681,000	100	3,681,000	-	3,681,000	100	-

ii) Shareholding of Promoters

Sr. Nos.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered of total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered of total Shares	
1.	Tilaknagar Industries Ltd.	3,677,400	99.90	-	3,677,400	99.90	-	-

2.	Mr. Amit Dahanukar (Holding shares as Nominee of Tilaknagar Industries Ltd.)	3,600	0.10	-	3,600	0.10	-	-
	Total	3,681,000	100	-	3,681,000	100	-	-

iii) Change in Promoter's Shareholding (please specify, if there is no change):

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	During the financial year 2016-17, there was no change in the shareholding of the Promoters.			
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the End of the year				

iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	Top Ten Shareholders				
	Nil	-	-	-	-

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	Directors and KMP				
1	Mr. Amit Dahanukar* (Chairman) *Holding shares as Nominee of Tilaknagar Industries Ltd.	3,600	0.10	3,600	0.10

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	321.21	749.54	-	1070.75
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.29	-	-	0.29
Total (i+ ii + iii)	321.50	749.54		1071.04
Change in Indebtedness during the financial year				
· Addition	171.95	1291.15	-	1463.11
· Reduction	162.69	1097.61	-	1260.30
Net Change	9.26	193.54	-	202.81
Indebtedness at the end of the financial year				
i) Principal Amount	330.47	943.09	-	1273.56
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	5.55	-	-	5.55
Total (i+ ii + iii)	336.02	943.09	-	1279.11

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in million)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
1	Gross Salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- As % of profit	-	-	-

	- Other, specify..	-	-	-
5	Other, please specify	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act	-	-	-

B. Remuneration to other Directors:

(Rs. in million)

Sr. No.	Particulars of Remuneration	Name of Independent Directors						Total Amount
		Mr.C.V. Bijlani	Dr. Ravindra Bapat					
1.	Independent Directors							
	Fees for attending Board/Committee Meetings	0.02	0.02	-	-	-	-	0.04
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total(1)	0.02	0.02	-	-	-	-	0.04
2.	Other Non-Executive Directors	Name of Directors						Total Amount
	Fees for attending Board/Committee Meetings	-	-	-	-	-	-	
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total(2)	-	-	-	-	-	-	-
	Total (B) = (1+2)	0.02	0.02	-	-	-	-	0.04
	Total Managerial Remuneration*	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-	-

* Sitting fees paid to the Independent Directors are not included in Total Managerial Remuneration in line with the provisions of Section 197(2) of the Companies Act, 2013

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(Rs. in million)

SrNo.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
		Ms. Trishila Agrahari (Company Secretary)		
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-

	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- As % of profit	-	-	-
	- Other, specify..	-	-	-
5	Other, please specify	-	-	-
	Total (A)	-	-	-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give details)
(A) COMPANY					
Penalty					
Punishment					
Compounding					
(B) DIRECTORS					
Penalty					
Punishment					
Compounding					
(C) OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

There were no penalties/punishment/compounding of offences for breach of any section of the Companies Act against the Company or its Directors or other Officers in Default during the financial year 2016-17.

Place : Mumbai
Date : September 22, 2017

*Amit Dahanukar
Member of suspended Board of Directors

**Signed under the authority of Resolution Professional as the powers of the Board have been suspended by National Company Law Tribunal vide its Order No.: CP. No. 1067/I&BP/NCLT/MAH/2017 dated June 27, 2017*

VAHNI DISTILLERIES PRIVATE LIMITED

Regd. Office: P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra - 413 720

Tel No: (02422) 265 092/265 123, Fax No: (02422) 265 135

CIN No: [U24119PN1993PTC133461]

DIRECTORS' REPORT

Dear Members,

The Directors hereby present their 25th Annual Report along with the audited financial statements of the Company for the financial year ended March 31, 2017.

1. FINANCIAL & OPERATIONAL REVIEW

During the financial year 2016-17, the revenue from operations of the Company stood at Rs. 580.99 million as compared to Rs. 372.65 million in the previous year. It has incurred net loss of Rs. 75.85 million during the financial year 2016-17 as compared to net loss of Rs. 59.66 million in the previous year.

The Company was granted exclusive license for use of its Holding Company's certain brands on royalty basis in the territories of Karnataka and Puducherry for a period of 15 years commencing from October 27, 2016, which was later restricted to the territory of Karnataka and the above arrangement was made effective from April 10, 2017.

The production capacity of the Company's plant has been fully utilized in the financial year 2016-17. The Company is considering raising of additional capital from strategic investors for meeting its working capital expenditure and general corporate purposes.

2. DIVIDEND

In view of the loss incurred by the Company during the year, the Directors have not recommended any dividend for the financial year ended March 31, 2017.

3. HOLDING COMPANY

Your Company is wholly owned subsidiary of Tilaknagar Industries Ltd.

4. DIRECTORS

Mr. Amit Dahanukar, Chairman & Managing Director of the Company, whose term had expired on March 30, 2017, was re-appointed as Chairman & Managing Director of the Company (liable to retire by rotation) for a period of 3 (three) years with effect from March 31, 2017, pursuant to the approval granted by the Members in their Extra Ordinary General Meeting held on March 24, 2017.

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Mr. Amit Dahanukar, Director of the Company is retiring by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board of Directors recommends his re-appointment.

All the Independent Directors have furnished declaration stating that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013.

5. NUMBER OF MEETINGS OF THE BOARD

The Board has met 6 (six) times during the financial year 2016-17 on May 24, 2016; August 11, 2016; September 14, 2016; November 10, 2016; January 20, 2017 and February 09, 2017 and the intervening period between the two meetings did not exceed 120 days.

6. AUDIT COMMITTEE

The composition of the Audit Committee, constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on March 31, 2017 was as follows:

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CIN No: [U24119PN1993PTC133461]

Name of the Member	Category	Designation
Mr. C.V. Bijlani	Non-Executive and Independent Director	Chairman
Dr. Keshab Nandy	Non-Executive Director	Member
Dr. Ravindra Bapat	Non-Executive and Independent Director	Member

The terms of reference of the Committee are as follows:

- a) to recommend to the Board the appointment, remuneration and terms of appointment of auditors of the Company;
- b) to review and monitor the auditor's independence and performance, and effectiveness of audit process;
- c) examination of the financial statement and the auditors' report thereon;
- d) approval or any subsequent modification of transactions of the company with related parties;
- e) scrutiny of inter-corporate loans and investments;
- f) valuation of undertakings or assets of the company, wherever it is necessary;
- g) evaluation of internal financial controls and risk management systems;
- h) monitoring the end use of funds raised through public offers and related matters.

There have not been any instances during the year when recommendations of the Audit Committee were not accepted by the Board of Directors.

7. NOMINATION AND REMUNERATION COMMITTEE

The composition of the Nomination and Remuneration Committee, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on March 31, 2017 was as follows:

Name of the Director	Category	Designation
Mr. C.V. Bijlani	Non-Executive and Independent Director	Chairman
Mr. Amit Dahanukar	Chairman & Managing Director	Member
Mrs. Shivani Amit Dahanukar	Non-Executive Director	Member
Dr. Ravindra Bapat	Non-Executive and Independent Director	Member

The terms of reference of the Committee are as follows:

- i. identification of persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommending to the Board their appointment and removal and to carry evaluation of every Director's performance;
- ii. formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommending a policy to the Board, relating to the remuneration for the Directors, Key Managerial Personnel and other employees ensuring that:
 - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate them;
 - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - remuneration to Directors, Key Managerial Personnel and Senior Management Personnel involves a balance between fixed and incentive pay reflecting short

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and long term performance objectives appropriate to the working of the Company and its goals.

In accordance with the provisions of Section 178 of the Companies Act, 2013, the Company has a Nomination, Remuneration and Evaluation Policy which lays down criteria for

- i. determining qualifications, positive attributes required for appointment of Directors, Key Managerial Personnel and Senior Management and also the criteria for determining the independence of a Director;
- ii. tenure, removal/retirement of Directors, Key Managerial Personnel and Senior Management;
- iii. determining remuneration (fixed and performance linked) payable to the Directors, Key Managerial Personnel and Senior Management; and
- iv. evaluation of the performance of the Board and its constituents.

In accordance with the provisions of Section 149(9) read with Section 197 of the Companies Act, 2013, the Members of the Company had, by way of ordinary resolution passed in their Annual General Meeting held on September 27, 2014, authorized the Board to pay remuneration by way of commission to the Non-Executive Directors (including Independent Directors) for a period of 5 financial years commencing from April 01, 2014, subject to overall ceiling of 1% of the net profits of the Company computed in the manner prescribed in Section 198 of the Companies Act, 2013, in addition to the sitting fees and reimbursement of expenses for participation in the Board meeting.

During the financial year 2016-17, no commission and sitting fees have been paid to the Independent Directors. There is no pecuniary or business relationship between the Independent Directors and the Company.

8. BOARD EVALUATION

In accordance with the provisions of Section 178(2) and Schedule IV of the Companies Act, 2013 read with Clause 5 of the Nomination, Remuneration and Evaluation Policy of the Company, the annual performance evaluation of the Independent Directors, Non-Independent Directors, Chairman and Board as a whole (including its Committees) was carried out on January 20, 2017 in the manner given below:

- i. The performance evaluation of Independent Directors was done by the entire Board of Directors (excluding the Director being evaluated);
- ii. Independent Directors in their separate meeting reviewed the performance of Non-Independent Directors and the Board as a whole (including its Committees); and
- iii. Independent Directors in their separate meeting also reviewed the performance of the Chairman after taking into account the views of all the Directors.

After taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance, a structured questionnaire was prepared and circulated among the Directors for the abovementioned evaluation.

The Nomination and Remuneration Committee reviewed the results of the annual performance evaluation in its Meeting held on February 09, 2017 and expressed overall satisfaction on the performance of the Independent Directors, Non-Independent Directors, Chairman and the Board as a whole (including its Committees).

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9. KEY MANAGERIAL PERSONNEL

During the financial year 2016-17, Mr. Amit Dahanukar, Chairman & Managing Director, Mr. Srijit Mullick, Chief Financial Officer and Mr. Tejas Mehta, Company Secretary were the Key Managerial Personnel of Company under the provisions of Section 2(51) and 203 of the Companies Act, 2013 read with the Companies(Appointment and Qualifications of Managerial Personnel) Rules, 2014. There was no change in the Key Managerial Personnel during the financial year 2016-17.

10. AUDITORS

Statutory Auditors and Statutory Audit Report

M/s Deepak Jhanwar & Co., Chartered Accountants, (Firm Registration No. 023982N) who have been acting as Statutory Auditors for more than 5 years, were appointed as Statutory Auditors of the Company in the 22nd Annual General Meeting held on September 27, 2014 (for the transition period of 3 years for rotation of audit firms) from the conclusion of the 22nd Annual General Meeting till the conclusion of the 25th Annual General Meeting. Accordingly, they hold office till the conclusion of the ensuing 25th Annual General Meeting.

In accordance with the provisions of Section 139(2) read with the Companies (Audit and Auditors) Rules, 2014, it is proposed to appoint M/s Batliboi & Purohit, Chartered Accountants (Firm Registration No. 101048W) as Statutory Auditors of the Company at the ensuing 25th Annual General Meeting in place of retiring Statutory Auditors i.e. M/s Deepak Jhanwar & Co., Chartered Accountants, whose term is expiring at the said Meeting. The Company has received consent/certificate pursuant to the provisions of Sections 139 and 141 of the Companies Act, 2013 read with Rules made thereunder from them with respect to the abovementioned proposal. The Board places on record its sincere appreciation for the services rendered by M/s Deepak Jhanwar & Co., Chartered Accountants, during their long association with the Company.

A proposal seeking Members' approval for the appointment of M/s Batliboi & Purohit, Chartered Accountants and for fixing their remuneration forms part of the Notice convening the ensuing Annual General Meeting.

The Audit Committee and Board of Directors have reviewed the eligibility criteria as laid down under Section 141 of the Companies Act, 2013 and recommended the appointment of M/s Batliboi & Purohit, Chartered Accountants as Statutory Auditors of the Company from the conclusion of the 25th Annual General Meeting till the conclusion of the 30th Annual General Meeting.

No frauds have been reported by the Statutory Auditors during the financial year 2016-17 pursuant to the provisions of Section 143(12) of the Companies Act, 2013.

The Auditors' Report for the financial year ended March 31, 2017 does not contain any qualification, reservation, adverse remark or disclaimer. The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Internal Auditors and Internal Audit Report

The Company is having M/s Devdhar Joglekar & Srinivasan, Chartered Accountants as its Internal Auditors. The Audit Committee reviews the observations made by the Internal Auditors in their Report on quarterly basis and makes necessary recommendations to the management.

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CIN No: [U24119PN1993PTC133461]

11. DETAILS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Details with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are set out in Annexure 'A' to this Report.

12. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

There are no particulars to be furnished in this Report as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014.

13. EXTRACT OF ANNUAL RETURN

An extract of Annual Return in Form MGT-9 as required under the provisions of Section 134(3)(a) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is set out in Annexure 'B' to this Report.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the financial year 2016-17, the Company has neither given any loans or made any investments, nor given any guarantees or provided any securities falling under the purview of Section 186 of the Companies Act, 2013. Hence, disclosure under Section 134(3)(g) of the Companies Act, 2013 is not applicable.

15. FIXED DEPOSITS

As on April 01, 2016, the Company was not having any outstanding deposits falling under the scope of Chapter V of the Companies Act, 2013 and it has not accepted any deposits covered under said Chapter during the financial year 2016-17. As on March 31, 2017, the Company was not having any outstanding deposit falling under the scope of said Chapter.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2016-17, the Company has not entered into any contracts or arrangements with related parties falling under the purview of Section 188(1) of the Companies Act, 2013. Hence, disclosure in Form AOC-2 as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable.

17. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Board of Directors has laid down standards, processes and procedures for implementing the internal financial controls across the organization. After considering the framework of existing internal financial controls and compliance systems; work performed by the Statutory Auditors, the Board of Directors is of the opinion that the Company's internal financial controls with reference to the financial statements were adequate and effective during the financial year 2016-17.

18. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirements of Section 134(3)(c) of the Companies Act, 2013, and on the basis of the information furnished to them by the Statutory Auditors and Management, the Directors state that:

- a. in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there are no material departures;

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CIN No: [U24119PN1993PTC133461]

- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19. RESIDUARY DISCLOSURES

- i. In view of the loss incurred by the Company during the financial year 2016-17, no amount is proposed to be carried to reserves;
- ii. There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report. Hence, disclosure under the provisions of Section 134(3)(l) of the Companies Act, 2013 is not applicable;
- iii. The key business risks, which in the opinion of the Board of Directors may threaten the existence of the Company, along with mitigation strategies adopted by the Company are enumerated herein below:

- i. **Regulatory Risk**

The IMFL industry is a high-risk industry, primarily on account of high taxes and innumerable regulations governing it. As a result, liquor companies suffer from low pricing flexibility and have underutilized capacities, which, in turn, may lead to low margins. To mitigate this risk, the Company complies with all the applicable rules and regulations in all the States where it is present.

- ii. **Strategic Risk**

The Company's strategy and its execution are dependent on uncertainties and untapped opportunities. To mitigate this risk, the Company has adopted resilient policies which not only allow the Company to maximize opportunities under normal conditions but also ensure that acceptable results are achieved under extra-ordinary adverse conditions.

In order to establish various levels of accountability for risk management/mitigation within the Company and provide for reviewing, documentation and reporting mechanism for such risks, a risk management policy has been formulated.

- iv. During the financial year 2016-17, provisions of Section 135 of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(o) of the Companies Act, 2013 read with Rule 8 of the Companies (CSR Policy) Rules, 2014 is not applicable;

VAHNI DISTILLERIES PRIVATE LIMITED

Regd. Office: P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra - 413 720

Tel No: (02422) 265 092/265 123, Fax No: (02422) 265 135

CIN No: [U24119PN1993PTC133461]

- v. During the financial year 2016-17, the Company has not issued equity shares with differential rights as to dividend, voting or otherwise. Hence, disclosure under Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;
- vi. During the financial year 2016-17, there has been no change in the nature of business of the Company. Hence, disclosure under Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014 is not applicable;
- vii. During the financial year 2016-17, no company has become or ceased to be subsidiary, joint venture or associate of the Company. Hence, disclosure under Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 is not applicable;
- viii. During the financial year 2016-17, no significant material orders have been passed by any regulators or courts or tribunals which may impact the going concern status of the Company and its future operations. Hence, disclosure under Rule 8(5)(vii) of the Companies (Accounts) Rules, 2014 except as disclosed in this Report; and
- ix. During the financial year 2016-17, the Company has not issued sweat equity shares to its employees. Hence, disclosure under Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable; and
- x. During the financial year 2016-17, the Company has not received any complaint of sexual harassment pursuant to the provisions of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

20. ACKNOWLEDGEMENTS

The Directors wish to acknowledge and place on record their sincere appreciation for the assistance and co-operation received from all the members, bankers and other stakeholders.

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 07, 2017

Amit Dahanukar
Chairman

ANNEXURE 'A' TO THE DIRECTORS' REPORT

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

(A) CONSERVATION OF ENERGY

(i) Steps Taken or Impact on Conservation of Energy:

Due to the current financial constraints of the Company, it had not made any investment for conservation of energy.

(ii) Steps Taken by the Company for Utilizing Alternate Sources of Energy:

With current local power cost, other than use of gen-set as an alternate source of energy under emergency, no other steps are economically viable, though search for an economically viable alternate source is on.

(iii) Capital Investment on Energy Conservation Equipments:

During the financial year 2016-17, no capital investment has been made by the Company on energy conservation equipments.

(B) TECHNOLOGY ABSORPTION

(i) Efforts made towards Technology Absorption: NIL

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution: NIL

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

a) **the details of technology imported:** The Company has not imported any technology during the last three financial years.

b) **the year of import:** Not Applicable

c) **whether the technology has been fully absorbed:** Not Applicable

d) **if not fully absorbed, areas where absorption has not taken place, and the reasons thereof:** Not Applicable

(iv) Expenditure incurred on Research and Development:

During the financial year 2016-17, neither capital nor revenue expenditure has been incurred by the Company on Research and Development activities.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

There were no earnings and expenditure in foreign currency during the year.

For and on behalf of the Board of Directors

Place: Mumbai
Date: August 07, 2017

Amit Dahanukar
Chairman & Managing Director

ANNEXURE 'B' TO THE DIRECTORS' REPORT

Extract of Annual Return as on the financial year ended March 31, 2017
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]
Form No. MGT-9

I. REGISTRATION AND OTHER DETAILS	
CIN	U24119PN1993PTC133461
Registration Date	March 15, 1993
Name of the Company	Vahni Distilleries Private Limited
Category/Sub-Category of the Company	Company limited by Shares/Indian Non-Government Company
Address of the Registered office and contact details	P. O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra - 413 720 Tel.: (02422) 265123/265032
Whether listed Company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
1.	Manufacturing of Indian Made Foreign Liquor (IMFL)	11011	100

III. PARTICULARS OF HOLDINGS, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Tilaknagar Industries Ltd. P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Shrirampur, Maharashtra - 413 720	L15420PN1933PLC133303	Holding	100	2(46)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	14,98,050	14,98,050	100	14,98,050	-	14,98,050	100	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	-	14,98,050	14,98,050	100	14,98,050	-	14,98,050	100	-
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	-	14,98,050	14,98,050	100	14,98,050	-	14,98,050	100	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-

b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Other (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	-	-	-	-	-	-	-	-	-
2. Non- Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) other									
i) Clearing Member	-	-	-	-	-	-	-	-	-
ii) NRI	-	-	-	-	-	-	-	-	-
iii) Trust	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B)(1) + (B) (2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	14,98,050	14,98,050	100	14,98,050	-	14,98,050	100	-

ii) Shareholding of Promoters

Sr. Nos.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered of total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered of total Shares	
1.	Tilaknagar Industries Ltd.	1,498,040	100.00	-	1,498,040	100.00	-	-
2.	Mr. Amit Dahanukar (Holding shares as Nominee of Tilaknagar Industries Ltd.)	10	0.00	-	10	0.00	-	-
	Total	1,498,050	100.00	-	1,498,050	100.00	-	-

iii) Change in Promoter's Shareholding (please specify, if there is no change):

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year				
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	During the financial year 2016-17, there was no change in the shareholding of the Promoters.			
	At the End of the year				

iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	For each of Top Ten Shareholders				
	Nil	-	-	-	-

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	For each of Directors and KMP				
1	Mr. Amit Dahanukar* (Chairman) *Holding shares as Nominee of Tilaknagar Industries Ltd.	10	0.00	10	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	121.82	59.50	-	181.32
ii) Interest due but not paid	4.15	1.09	-	5.24
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii + iii)	125.97	60.59		186.56
Change in Indebtedness during the financial year				
· Addition	7.92	14.28	-	22.20
· Reduction	89.73	13.79	-	103.52
Net Change	(81.81)	0.49	-	(81.32)
Indebtedness at the end of the financial year				
i) Principal Amount	44.16	59.50	-	103.66
ii) Interest due but not paid	-	1.58	-	1.58
iii) Interest accrued but not due	-			
Total (i+ ii + iii)	44.16	61.08		105.24

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in million)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mr. Amit Dahanukar (Chairman & Managing Director)			
1	Gross Salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- other, specify..	-	-	-	-
5	Other, please specify	-	-	-	-
	Total (A)	-	-	-	-
	Ceiling as per the Act	16.80	-	-	16.80

B. Remuneration to other directors:

1. Independent Directors

(Rs. in million)

Sr. No.	Particulars of Remuneration	Name of Independent Directors						Total Amount
		Mr. C.V. Bijlani	Dr. Ravindra Bapat					
	Fees for attending Board/Committee Meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (B)(1)	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-	-

2. Other Non Executive Director

(Rs. in million)

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
	Fees for attending Board/Committee Meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (B)(2)	-	-	-	-	-	-	-
	Total (B) = (B)(1) + (B)(2)							
	Total Managerial Remuneration	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	Rs. 16.80 million calculated as per the provisions of Section 197 read with Section II of Part II of Schedule V of the Companies Act, 2013 in view of the loss incurred by the Company during the financial year 2016-17.						

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(Rs. in million)

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
		Mr. Srijit Mullick (Chief Financial Officer)	Mr. Tejas Mehta (Company Secretary)	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- other, specify..	-	-	-
5	Other, please specify	-	-	-
	Total (A)	-	-	-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give details)
(A) COMPANY					
Penalty					
Punishment					
Compounding					
(B) DIRECTORS					
Penalty					
Punishment					
Compounding					
(C) OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

There were no penalties/punishment/compounding of offences for breach of any section of the Companies Act, 2013 against the Company or its Directors or other Officers in Default during the financial year 2016-17.

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 07, 2017

Amit Dahanukar
Chairman



DEEPAK JHANWAR & CO.

Chartered Accountants

Shop No. 9, First Floor, Goal Market, Sai Road, Baddi, Distt. Solan (HP) -173205

Phone: 9466950497, 9736850597 e-mail: cadeepakjhanwar@yahoo.in

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Vahni Distilleries Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Vahni Distilleries Private Limited** ("the Company") which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.



DEEPAK JHANWAR & CO.

Chartered Accountants

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We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to 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, of the state of affairs of the Company as at March 31, 2017 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditors Report) Order 2016 ('the Order') issued by Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order
- 2) As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



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- 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 aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) the Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 29 to the financial statements.

For **DEEPAK JHANWAR & CO.**

Chartered Accountants

Firm Registration No. 023982N

Deepak Jhanwar



DEEPAK JHANWAR & CO.

Chartered Accountants

Shop No. 9, First Floor, Goal Market, Sai Road, Baddi, Distt. Solan (HP) -173205

Phone: 9466950497, 9736850597 e-mail: cadeepakjhanwar@yahoo.in

Proprietor

Membership No. 509398

Place : Mumbai

Date : May 16, 2017



DEEPAK JHANWAR & CO.

Chartered Accountants

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Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements section of our report of even date)

Report on Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ("the Act") of Vahni Distilleries Private Limited ("the Company")

Annexure A to the Independent Auditor's Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2017, we report that:

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) All fixed assets have not been physically verified by the management during the year but there is a regular program of verification over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) The management has conducted physical verification of inventory at the year end and no material discrepancies between physical inventory and book records were noticed on physical verification.
- iii) The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the investments made, loan, securities and guarantee given.
- v) The Company has not accepted any deposits during the year within the meaning of the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.



DEEPAK JHANWAR & CO.

Chartered Accountants

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- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities though there are few delays.
- According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, which were outstanding, at the year-end for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us there is no outstanding dues of income tax, duty of excise, value added tax, cess and any other statutory dues.
- viii) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans to banks and financial Institutions. There were no outstanding dues to any debenture holders anytime during the year.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us the Company has utilized the money raised by way of term loans during the year for the purpose for which it was raised.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) No managerial remuneration has been paid during the year.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not



DEEPAK JHANWAR & CO.

Chartered Accountants

Shop No. 9, First Floor, Goal Market, Sai Road, Baddi, Distt. Solan (HP) -173205

Phone: 9466950497, 9736850597 e-mail: cadeepakjhanwar@yahoo.in

applicable.

- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

For **DEEPAK JHANWAR & CO.**

Chartered Accountants

Firm Registration No. 023982N

Deepak Jhanwar

Proprietor

Membership No. 509398

Place : Mumbai

Date : May 16, 2017



DEEPAK JHANWAR & CO.

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Annexure B to the Independent Auditors' Report

(Referred to in paragraph 2 (f) under 'Report on other Legal and Regulatory Requirements section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Vahni Distilleries Private Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



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for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.



DEEPAK JHANWAR & CO.

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For **DEEPAK JHANWAR & CO.**

Chartered Accountants

Firm Registration No. 023982N

Deepak Jhanwar

Proprietor

Membership No. 509398

Place : Mumbai

Date : May 16, 2017

VAHNI DISTILLERIES PRIVATE LIMITED

Balance Sheet as at March 31, 2017

	Note No.	As at March 31, 2017	(` in million) As at March 31, 2016
I EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	149.81	149.81
Reserves & Surplus	3	(88.97)	(13.12)
		60.84	136.69
Current Liabilities			
Short-Term Borrowings	4	103.66	181.32
Trade Payables	5	236.55	217.15
Other Current Liabilities	6	3.84	7.50
Short-Term Provisions	7	7.99	12.43
		352.04	418.40
Total		412.88	555.09
II ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	8	28.05	32.17
Capital Work-In-Progress		103.67	104.82
Long-Term Loans and Advances	9	12.10	24.91
		143.82	161.90
Current Assets			
Inventories	10	63.27	87.38
Trade Receivables	11	166.21	152.15
Cash and Bank Balances	12	4.08	8.67
Short-Term Loans and Advances	13	35.50	144.99
		269.06	393.19
Total		412.88	555.09
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our Report of even date annexed.

For Deepak Jhanwar & Co.

Chartered Accountants
Firm Reg No . 023982N

For and on behalf of the Board

Deepak Jhanwar
Proprietor
Membership No. 509398

Amit Dahanukar
Chairman & Managing Director
(DIN:00305636)

Dr. Keshab Nandy
Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017

Srijit Mullick
Chief Financial Officer

Tejas Mehta
Company Secretary

VAHNI DISTILLERIES PRIVATE LIMITED

Statement of Profit and Loss for the year ended March 31, 2017

	Note No.	Year ended March 31, 2017	<i>(` in million)</i> Year ended March 31, 2016
INCOME			
Revenue from Operations			
Sale of products (Gross)	14	3,128.38	1,913.74
Less: Excise duty		<u>2,557.62</u>	<u>1,547.81</u>
Sale of products (Net)		570.76	365.93
Other Operating Income	14.1	<u>10.23</u>	<u>6.72</u>
		580.99	372.65
Other Income	15	0.10	-
		<u>581.09</u>	<u>372.65</u>
EXPENSES			
Cost of Materials Consumed	16	234.33	118.78
(Increase) / Decrease in Stock	17	20.91	69.57
Other Expenses	18	379.15	204.44
Finance Cost	19	18.08	30.95
Depreciation for the year		4.13	4.20
		<u>656.60</u>	<u>427.94</u>
Profit / (Loss) before taxation		(75.51)	(55.29)
Tax expenses			
For earlier years		<u>0.34</u>	<u>4.37</u>
		0.34	4.37
Profit / (Loss) after taxation		(75.85)	(59.66)
Earnings Per Share (`) Basic & Diluted	26	(50.64)	(39.82)
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our Report of even date annexed.

For Deepak Jhanwar & Co.
Chartered Accountants
Firm Reg No . 023982N

For and on behalf of the Board

Deepak Jhanwar
Proprietor
Membership No. 509398

Amit Dahanukar
Chairman & Managing Director
(DIN:00305636)

Dr. Keshab Nandy
Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017

Srijit Mullick
Chief Financial Officer

Tejas Mehta
Company Secretary

VAHNI DISTILLERIES PRIVATE LIMITED

Cash flow statement for the year ended March 31, 2017

(` in million)

	2016-2017		2015-2016	
A) Cash Flow from Operating Activities				
Net profit before tax		(75.51)		(55.29)
Adjustment for:				
Depreciation	4.12		4.18	
Advances written off	29.21		7.80	
Interest expenses	18.07		30.95	
Interest income	(0.10)		-	
Operating Profit before working capital changes		51.30		42.93
Adjustment for:				
(Decrease) / Increase in current trade payables, current liabilities & provisions	9.72		14.69	
(Increase) / Decrease in loans and advances	95.21		127.69	
(Increase) / Decrease in inventory	24.11		48.58	
(Increase) / Decrease in trade receivables	(14.07)		(123.13)	
		114.97		67.83
Direct taxes paid (received)		(1.30)		(0.12)
Net Cash from Operating Activities		89.46		55.35
B) Cash Flow from Investing Activities				
Interest received	0.10		-	
		0.10		-
Net Cash from Investing Activities		0.10		-
C) Cash Flow from Financing Activities				
Proceeds (repayment) from borrowings	(77.66)		(50.15)	
Interest paid	(16.49)		(25.72)	
Net Cash from Financing Activities		(94.15)		(75.87)
Net increase in Cash & Cash equivalents		(4.59)		(20.52)
Opening cash & cash equivalents		8.67		29.19
Closing cash & cash equivalents		4.08		8.67

Figures of previous year have been regrouped, reclassified and recast, wherever considered necessary.

As per our Report of even date annexed

For Deepak Jhanwar & Co.

Chartered Accountants
Firm Reg No . 023982N

For and on behalf of the Board

Deepak Jhanwar

Proprietor
Membership No. 509398

Amit Dahanukar

Chairman & Managing Director
(DIN:00305636)

Dr. Keshab Nandy

Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017

Srijit Mullick
Chief Financial Officer

Tejas Mehta
Company Secretary

Notes to Financial Statements for the year ended March 31, 2017

1 Significant Accounting Policies

i) Basis of Preparation of Financial Statements :

The Financial Statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013 and other accounting pronouncements of the Institute of Chartered Accountants of India. The financial statements have been prepared under historical cost convention and on accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

ii) Use of Estimates :

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

iii) Revenue Recognition:

All revenue and expenses are accounted for on accrual basis. Revenue is recognized when no significant uncertainties exist in relation to the amount of eventual receipt.

- a) Sales are recognized on dispatch of goods to customers and are inclusive of central / state excise duty.
- b) Insurance and other claims are accounted for as and when admitted by the appropriate authorities.

iv) Inventories :

Inventories are stated at the lower of cost and net realizable value. Cost is determined on the basis of Weighted Average Method.

- a) Raw materials, Stores & Components and Work-In-Progress are valued at material cost.
- b) Finished goods are valued at manufacturing cost, which comprise direct material, direct labour, other direct cost and other related manufacturing overheads. Excise duty payable on finished goods stock at the year end is added to the cost.
- c) Obsolete/ slow moving inventories are adequately provided for.

v) Fixed Assets :

- a) Fixed assets are stated at their original cost of acquisition /installation, net of accumulated depreciation, amortization and impairment losses.
- b) Capital Work-In-Progress is stated at the amount incurred up to the date of the Balance Sheet.
- c) Expenditures incurred during construction/erection period on project under implementation are included under "Capital Work-In-Progress". These expenses are appropriated to fixed assets on commencement of commercial production.

vi) Depreciation :

- a) Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes etc.
- b) Depreciation is provided on assets acquired during the year from the date on which assets were put to use.

vii) Impairment of Assets :

The carrying amount of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors.

Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the Statement of Profit and Loss and the carrying amount of the said asset is reduced to its recoverable amount.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased.

viii) Provisions and Contingencies :

Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure on contingent liability is made when there is a possible obligation or present obligation that probably will not require an out flow of resources or where reliable estimate of the amount of the obligation cannot be made. However contingent assets are neither provided for nor disclosed.

ix) Taxation :

- a) Provision for Income Tax is determined on the basis of the estimated taxable income and amount expected to be paid to the tax authorities in accordance with the Provisions of the Income Tax Act, 1961.
- b) Deferred Tax is recognized in respect of deferred tax assets (subject to the consideration of prudence) and to the extent there is virtual certainty that the asset will be realized in future and deferred tax liabilities on timing differences, being the difference between taxable income and accounting income that originate in one year and are capable of reversal in subsequent years.

x) Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity share holders by the weighted average number of equity shares outstanding during the period.

xi) Cash and Cash Equivalents:

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

VAHNI DISTILLERIES PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	(<i>in million</i>) As at March 31, 2016
2 Share Capital		
Authorised Shares		
1,500,000 equity shares of ` 100/- each (P.Y. 1,500,000 equity shares of ` 100/- each)	150.00	150.00
Issued, subscribed and paid up shares		
1,498,050 equity shares of ` 100/- each fully paid up (P.Y. 1,498,050 equity shares of ` 100/- each fully paid up)	149.81	149.81
	149.81	149.81

a) Reconciliation of the number of shares outstanding

(Nos. in million)

Number of shares at the beginning	1.49	1.49
Equity Shares issued during the period	-	-
Number of shares at the end	1.49	1.49

b) Terms / rights attached to equity shares

Each holder of equity share is entitled to one vote per share with a right to receive per share dividend by the Company, when declared. In the event of liquidation, the equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amounts in the proportion to the number of equity shares held by them.

c) Shares held by holding company

Tilaknagar Industries Ltd.	1.49	1.49
----------------------------	------	------

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

Name of the shareholder	As at March 31, 2017		As at March 31, 2016	
	No. of equity shares in million	As a % of total holding	No. of equity shares in million	As a % of total holding
Tilaknagar Industries Ltd.	1.49	100	1.49	100
Total	1.49	100	1.49	100

VAHNI DISTILLERIES PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	(<i>in million</i>) As at March 31, 2016
3 Reserves & Surplus		
a) Securities Premium Account		
As per last Balance Sheet	35.62	35.62
b) Capital Reserve		
Share Application Money forfeited As per last Balance Sheet	1.90	1.90
c) Surplus / (deficit) in the Statement of Profit and Loss		
As per last Balance Sheet	(50.64)	9.02
Add : (Loss) after tax for the year	(75.85)	(59.66)
	(126.49)	(50.64)
	(88.97)	(13.12)

VAHNI DISTILLERIES PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2017

	<i>(` in million)</i>	
	As at	As at
	March 31, 2017	March 31, 2016
4 Short-Term Borrowings		
Secured		
Cash Credit (including Working Capital Demand Loan)	44.16	121.82
Unsecured		
From Others	59.50	59.50
	103.66	181.32
5 Trade Payables		
Trade Payables [Refer Note No.25]	236.55	217.15
	236.55	217.15
6 Other Current Liabilities		
Interest accrued and due on borrowings	-	4.15
Interest accrued but not due on borrowings from other parties	1.58	1.09
Payable towards Statutory Liabilities	2.05	1.83
Payable for purchase of Fixed Assets	0.04	0.37
Other Payables	0.17	0.06
	3.84	7.50
7 Short-Term Provisions		
Provision for Excise Duty on Finished Goods	7.99	12.43
	7.99	12.43

VAHNI DISTILLERIES PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2017

8 Fixed Assets

(` in million)

Fixed Assets	Gross Block				Depreciation						Net Block	
	As on April 01, 2016	Additions	Deductions	As on March 31, 2017	As on April 01, 2016	Reversal of Depreciation	Transition Adjustment	Deductions	For the year	As on March 31, 2017	As on March 31, 2017	As on March 31, 2016
TANGIBLE ASSETS												
Land	0.02	-	-	0.02	-	-	-	-	-	-	0.02	0.02
Factory Building	5.24	-	-	5.24	4.28	-	-	-	0.07	4.35	0.89	0.96
Residence Building	0.53	-	-	0.53	0.50	-	-	-	-	0.50	0.03	0.03
Plant and Equipment	43.28	-	-	43.28	14.45	-	-	-	2.47	16.92	26.36	28.83
Furniture and Fixtures	0.04	-	-	0.04	0.04	-	-	-	-	0.04	-	-
Office Equipment	0.07	-	-	0.07	0.04	-	-	-	0.01	0.05	0.02	0.03
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-
Electrical Installation	0.85	-	-	0.85	0.29	-	-	-	0.10	0.39	0.46	0.56
Road & Bridge	5.00	-	-	5.00	3.27	-	-	-	1.47	4.74	0.26	1.73
Computer	0.02	-	-	0.02	0.01	-	-	-	0.01	0.02	-	0.01
Total Tangible Assets	55.05	-	-	55.05	22.88	-	-	-	4.13	27.01	28.04	32.17
<i>Previous Year</i>	<i>55.05</i>	<i>-</i>	<i>-</i>	<i>55.05</i>	<i>18.68</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>4.20</i>	<i>22.88</i>	<i>32.17</i>	

8 Fixed Assets [Schedule of Fixed Assets for the previous year 2015-2016]

Fixed Assets	Gross Block				Depreciation						Net Block	
	As on April 01, 2015	Additions	Deductions	As on March 31, 2016	As on April 01, 2015	Reversal of Depreciation *	Transition Adjustment **	Deductions	For the year	As on March 31, 2016	As on March 31, 2016	As on March 31, 2015
TANGIBLE ASSETS												
Land	0.02	-	-	0.02	-	-	-	-	-	-	0.02	0.02
Factory Building	5.24	-	-	5.24	4.15	-	-	-	0.13	4.28	0.96	1.09
Residence Building	0.53	-	-	0.53	0.50	-	-	-	-	0.50	0.03	0.03
Plant and Equipment	43.28	-	-	43.28	11.98	-	-	-	2.47	14.45	28.83	31.30
Furniture and Fixtures	0.04	-	-	0.04	0.04	-	-	-	-	0.04	-	-
Office Equipment	0.07	-	-	0.07	0.02	-	-	-	0.02	0.04	0.03	0.05
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-
Electrical Installation	0.85	-	-	0.85	0.19	-	-	-	0.10	0.29	0.56	0.66
Road & Bridge	5.00	-	-	5.00	1.80	-	-	-	1.47	3.27	1.73	3.20
Computer	0.02	-	-	0.02	-	-	-	-	0.01	0.01	0.01	0.02
Total Tangible Assets	55.05	-	-	55.05	18.68	-	-	-	4.20	22.88	32.17	36.37

VAHNI DISTILLERIES PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	(<i>in million</i>) As at March 31, 2016
9 Long-Term Loans and Advances		
Unsecured, considered good		
Capital advances	-	11.26
Advance Tax (net of Provision for Taxation)	0.30	1.85
MAT Credit entitlement	11.80	11.80
	12.10	24.91
10 Inventories (At lower of cost and net realisable value)		
Raw materials	0.16	0.06
Stores, Spares and Packing Materials	39.50	42.80
Work-In-Progress	14.77	30.35
Finished goods	8.84	14.17
	63.27	87.38
11 Trade Receivables		
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	-	-
	-	-
Other receivables		
Unsecured, considered good	166.21	152.15
	166.21	152.15
	166.21	152.15
12 Cash and Bank Balances		
Cash and Cash Equivalents		
(i) Balances with Banks		
In Current Accounts	4.00	8.45
(ii) Cash on Hand	0.08	0.22
	4.08	8.67
13 Short-Term Loans and Advances		
Unsecured, considered good		
Advances recoverable in cash or kind or for value to be received	12.64	33.45
Advance with Holding Company	10.34	119.34
Balance with Excise Authorities	12.52	-
Deposits	-	-
Less : Provision for doubtful advances	-	(7.80)
	35.50	144.99

VAHNI DISTILLERIES PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2017

(` in million)

Year ended

March 31, 2016

Year ended

March 31, 2017

14 Revenue from Operations

Sales of products	3,128.38	1,913.74
	3,128.38	1,913.74
	3,128.38	1,913.74

Details of sale of products

Indian Made Foreign Liquor & Others	3,127.28	1,913.48
Industrial Alcohol, Spirits & Others	1.11	0.26
	3,128.39	1,913.74
	3,128.39	1,913.74

14.1 Other Operating Income

Sale of scrap	1.10	0.75
Income from contract manufacturing	9.13	5.97
	10.23	6.72
	10.23	6.72

15 Other Income

Interest income	0.10	-
	0.10	-
	0.10	-

VAHNI DISTILLERIES PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2017

(` in million)

	Year ended March 31, 2017	Year ended March 31, 2016
16 Cost of Materials Consumed		
i) Raw Material Consumption		
Opening Stock	0.06	0.07
Add: Purchases	96.12	52.55
Less: Closing Stock	0.16	0.06
	<u>96.02</u>	<u>52.56</u>
ii) Packing Materials & Consumables	138.31	66.22
	<u>234.33</u>	<u>118.78</u>
Details of Raw Materials Consumed		
Industrial Alcohol & Others	96.02	52.56
	<u>96.02</u>	<u>52.56</u>
Value of Imported & Indigenous Raw Materials Consumed	% to Total Consumption	% to Total Consumption
Indigenous	100	100
	<u>100</u>	<u>100</u>
	<u>96.02</u>	<u>52.56</u>
17 (Increase) / Decrease in Stock		
Opening Stock		
i) Work-In-Progress	30.35	43.75
ii) Finished goods	14.17	70.34
	<u>44.52</u>	<u>114.09</u>
Less : Closing Stock		
i) Work-In-Progress	14.77	30.35
ii) Finished goods	8.84	14.17
	<u>23.61</u>	<u>44.52</u>
(Increase) / Decrease in Stock	<u>20.91</u>	<u>69.57</u>

VAHNI DISTILLERIES PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2017

	Year ended March 31, 2017	<i>(` in million)</i> Year ended March 31, 2016
18 Other Expenses		
Power and fuel	1.01	1.47
Provision for Excise Duty on Finished Goods [Refer Note No.23]	(4.44)	(50.98)
Repairs & maintenance :-		
Others	0.27	0.20
Insurance	0.10	0.07
Rent	-	1.35
Legal and professional charges	0.48	0.26
Auditor's Remuneration [Refer Note No.24]	0.09	0.09
Rates and taxes	10.56	7.56
Freight, transport charges & other expenses	22.80	9.33
Selling expenses [Discounts,Sales Promotion & Advertising etc.]	61.88	101.72
Surplus to brandowners	230.77	117.58
Travelling and conveyance expenses	0.18	0.13
Printing and stationery	0.06	0.05
Communication expenses	0.10	0.12
Vehicle running expenses	0.21	0.51
Corporate Social Responsibility	0.55	0.48
Provision for advances	-	7.80
Advances written off	29.21	-
Miscellaneous expenses	25.32	6.70
	379.15	204.44
19 Finance Cost		
Interest - Others	18.06	30.94
Bank Charges	0.02	0.01
	18.08	30.95

VAHNI DISTILLERIES PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2017

20 Operating Lease:

- The Company has taken various residential / commercial premises under cancellable operating lease. Lease rental expenses included in the Statement of Profit and Loss for the financial year is ` NIL (P.Y. ` NIL).
- Except for escalation clauses contained in certain lease arrangements providing for increase in the lease payment by a specified percentage / amounts after completion of specified period, the lease terms do not contain any exceptional / restrictive covenants other than the prior approval of the lessee before the renewal of lease.
- There are no restrictions such as those concerning dividend and additional debt other than in some cases where prior approval of lessor is required for further leasing. There is no contingent rent payment.

21 The Company has unabsorbed depreciation and carry forward of losses under Income Tax Laws and hence deferred tax assets have not been recognized as there is no virtual certainty supported by convincing evidence that there will be sufficient future taxable income against which such deferred tax assets can be realized.

22 Related Party Disclosures:

The disclosures pertaining to the related parties as required by the Accounting Standard 18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India, as applicable, are as under:

- Holding Company :Tilaknagar Industries Ltd.
- Fellow Subsidiary (where there are transactions) :Prag Distillery (P) Ltd.

(` in million)

Nature of Transaction (excluding reimbursements)	Parties referred in above	
	March 31, 2017	March 31, 2016
Sales		
Tilaknagar Industries Ltd.	0.68	0.27
Total	0.68	0.27
Purchase		
Tilaknagar Industries Ltd.	3.82	4.83
Prag Distillery (P) Ltd.	-	0.04
Total	3.82	4.87
Other Income (Bottling & Commission)		
Tilaknagar Industries Ltd.	10.50	6.66
Total	10.50	6.66
Surplus to Brand Owners (Expenses)		
Tilaknagar Industries Ltd.	230.77	117.58
Total	230.77	117.58
Net Loans & Advances given / (taken)		
Tilaknagar Industries Ltd.	(109.00)	(128.01)
Outstanding Receivable		
Tilaknagar Industries Ltd.	10.34	119.34

23 Provision of excise duty on finished goods manufactured but yet to be cleared from the factory as at March 31, 2017 estimated at ` 7.99 million (P.Y. ` 12.43 million) has been provided in the books and also been considered in valuation of closing stock of finished goods. Provision for excise duty on finished goods charged in the Statement of Profit and Loss for the financial year is as follows:

(` in million)

	March 31, 2017	March 31, 2016
Provision for excise duty on finished goods at the beginning of the year	12.43	63.41
Provision for excise duty on finished goods at the end of the year	7.99	12.43
Provision for excise duty on finished goods charged in the Statement of Profit and Loss	(4.44)	(50.98)

24 Auditor's remuneration charged to accounts:

	March 31, 2017	March 31, 2016
Audit fees	0.09	0.09
	0.09	0.09

25 The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to Micro and Small Enterprises have not been made.

26 Earnings Per Share:

	March 31, 2017	March 31, 2016
Profit After Tax	(75.85)	(59.66)
Weighted average number of shares	1.49	1.49
Basic Earnings Per Share	(50.64)	(39.82)
Face Value per Equity Share	100	100

27 Earnings in Foreign Exchange

Nil Nil

28 Expenditure in Foreign Exchange

Nil Nil

29 The details of Specified Bank Notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016 are as follows :

(` in million)

	SBN	Other Denomination notes	Total
Closing cash on hand as on November 08, 2016	-	0.17	0.17
Add: Permitted receipts	-	0.36	0.36
Less: Permitted payments	-	-	-
Less: Amounts deposited in Banks	-	-	-
Closing cash on hand as on December 30, 2016	-	0.53	0.53

VAHNI DISTILLERIES PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2017

30 Figures of previous year have been regrouped, reclassified and recast, wherever considered necessary.

For Deepak Jhanwar & Co.

Chartered Accountants
Firm Reg No . 023982N

For and on behalf of the Board

Deepak Jhanwar

Proprietor
Membership No. 509398

Amit Dahanukar

Chairman & Managing Director
(DIN:00305636)

Dr. Keshab Nandy

Director
(DIN:02163480)

Place : Mumbai

Date : May 16, 2017

Srijit Mullick

Chief Financial Officer

Tejas Mehta

Company Secretary

KESARVAL SPRINGS DISTILLERS PVT. LTD.

Regd. Office: P.O. Tilaknagar, Tal. Shirampur, Dist. Ahmednagar, Maharashtra - 413720

Tel No: (02422) 265 092/265 123, Fax No: (02422) 265 135

CIN: U15511PN1993PTC140561

DIRECTORS' REPORT

Dear Members,

The Directors hereby present their 24th Annual Report along with the audited financial statements of the Company for the financial year ended March 31, 2017.

1. FINANCIAL & OPERATIONAL REVIEW

During the financial year 2016-17, no activities have been carried out by the Company and it has incurred net loss of Rs. 0.84 million during the year as compared to net loss of Rs. 17.03 million in the previous year.

2. DIVIDEND

In view of the loss incurred by the Company during the year, the Directors have not recommended any dividend for the financial year ended March 31, 2017.

3. HOLDING COMPANY

Your Company is wholly owned subsidiary of Tilaknagar Industries Ltd.

4. DIRECTORS

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Mr. Amit Dahanukar, Director of the Company is retiring by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board of Directors recommends his re-appointment.

5. NUMBER OF MEETINGS OF THE BOARD

The Board has met 4 (four) times during the financial year 2016-17 on May 25, 2016; August 11, 2016; November 10, 2016 and January 20, 2017 and the intervening period between the two meetings did not exceed 120 days.

6. AUDITORS

Statutory Auditors and Statutory Audit Report

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014, M/s Deepak Jhanwar & Co., Chartered Accountants were appointed as Statutory Auditors of the Company in the 21st Annual General Meeting held on September 27, 2014 to hold office from the conclusion of the 21st Annual General Meeting till the conclusion of the 26th Annual General Meeting of the Company, subject to ratification of their appointment by the Members at every Annual General Meeting held after the 21st Annual General Meeting.

Accordingly, a proposal seeking Members' ratification for the appointment of M/s Deepak Jhanwar & Co., Chartered Accountants, (ICAI Firm Registration No. 023982N) as the Statutory Auditors of the Company and for fixing their remuneration for the remaining tenure forms part of the Notice convening the ensuing Annual General Meeting. Pursuant to the provisions of Sections 139 and 141 of the Companies Act, 2013 read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014, the Company has received consent from them to the proposal for ratification of their appointment in the ensuing Annual General Meeting for the remaining tenure

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along with a certificate to the effect that their appointment, if made, will be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified for appointment.

The Board of Directors has reviewed their eligibility criteria as laid down under Section 141 of the Companies Act, 2013 and recommended the ratification of their appointment as Statutory Auditors for the remaining tenure.

No frauds have been reported by the Statutory Auditors during the financial year 2016-17 pursuant to the provisions of Section 143(12) of the Companies Act, 2013.

The Auditors' Report for the financial year ended March 31, 2017 does not contain any qualification, reservation, adverse remark or disclaimer. The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

7. DETAILS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

There are no particulars to be furnished in this Report as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014. There were no earnings and expenditure in foreign currency during the year.

8. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

There are no particulars to be furnished in this Report as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014.

9. EXTRACT OF ANNUAL RETURN

An extract of Annual Return in Form MGT-9 as required under the provisions of Section 134(3)(a) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is set out in Annexure 'A' to this Report.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the financial year 2016-17, the Company has neither given any loans or made any investments, nor given any guarantees or provided any securities falling under the purview of Section 186 of the Companies Act, 2013. Hence, disclosure under Section 134(3)(g) of the Companies Act, 2013 is not applicable.

11. FIXED DEPOSITS

As on April 01, 2016, the Company was not having any outstanding deposits falling under the scope of Chapter V of the Companies Act, 2013 and it has not accepted any deposits covered under said Chapter during the financial year 2016-17. As on March 31, 2017, the Company was not having any outstanding deposit falling under the scope of said Chapter.

12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2016-17, the Company has not entered into any contracts or arrangements with related parties falling under the purview of Section 188(1) of the Companies Act, 2013. Hence, disclosure in Form AOC-2 as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable.

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13. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Board of Directors has laid down standards, processes and procedures for implementing the internal financial controls across the organization. After considering the framework of existing internal financial controls and compliance systems; work performed by the Statutory Auditors, the Board of Directors is of the opinion that the Company's internal financial controls with reference to the financial statements were adequate and effective during the financial year 2016-17.

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirements of Section 134(3)(c) of the Companies Act, 2013, and on the basis of the information furnished to them by the Statutory Auditors and Management, the Directors state that:

- a. in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there are no material departures;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. RESIDUARY DISCLOSURES

- i. During the financial year 2016-17, provisions of Section 149(4) of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(d) of the Companies Act, 2013 is not applicable;
- ii. During the financial year 2016-17, provisions of Section 178(1) of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(e) the Companies Act, 2013 is not applicable;
- iii. In view of the loss incurred by the Company during the financial year 2016-17, no amount is proposed to be carried to reserves;
- iv. There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report. Hence, disclosure under the provisions of Section 134(3)(l) of the Companies Act, 2013 is not applicable;

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CIN: U15511PN1993PTC140561

- v. No activities have been carried out by the Company during the financial year 2016-17. Hence, disclosure under Section 134(3)(n) of the Companies Act, 2013 is not applicable;
- vi. During the financial year 2016-17, provisions of Section 135 of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(o) of the Companies Act, 2013 read with Rule 8 of the Companies (CSR Policy) Rules, 2014 is not applicable;
- vii. During the financial year 2016-17, provisions of Section 178(2) of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(p) read with Rule 8(4) of the Companies (Accounts) Rules, 2014 is not applicable;
- viii. During the financial year 2016-17, the Company has not issued equity shares with differential rights as to dividend, voting or otherwise. Hence, disclosure under Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;
- ix. During the financial year 2016-17, there has been no change in the nature of business of the Company. Hence, disclosure under Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014 is not applicable;
- x. During the financial year 2016-17, no company has become or ceased to be subsidiary, joint venture or associate of the Company. Hence, disclosure under Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 is not applicable;
- xi. During the financial year 2016-17, no significant material orders have been passed by any regulators or courts or tribunals which may impact the going concern status of the Company and its future operations. Hence, disclosure under Rule 8(5)(vii) of the Companies (Accounts) Rules, 2014 is not applicable; and
- xii. During the financial year 2016-17, the Company has not received any complaint of sexual harassment pursuant to the provisions of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

16. ACKNOWLEDGEMENTS

The Directors wish to acknowledge and place on record their sincere appreciation for the assistance and co-operation received from all the members, bankers and other stakeholders.

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 07, 2017

Amit Dahanukar
Chairman

ANNEXURE 'A' TO THE DIRECTORS' REPORT

Extract of Annual Return as on the financial year ended March 31, 2017
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]
Form No. MGT-9

I. REGISTRATION AND OTHER DETAILS	
CIN	U15511PN1993PTC140561
Registration Date	March 17, 1993
Name of the Company	Kesarval Springs Distillers Pvt. Ltd.
Category/Sub-Category of the Company	Company limited by Shares/Indian Non-Government Company
Address of the Registered office and contact details	P. O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra - 413 720 Tel.: (02422) 265123/265032
Whether listed Company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
-	-	-	-

III. PARTICULARS OF HOLDINGS, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Tilaknagar Industries Ltd. P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Shrirampur, Maharashtra - 413 720	L15420PN1933PLC133303	Holding	100	2(46)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	30,000	30,000	100	30,000	-	30,000	100	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	-	30,000	30,000	100	30,000	-	30,000	100	-
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	-	30,000	30,000	100	-	-	30,000	100	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-

b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Other (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	-	-	-	-	-	-	-	-	-
2. Non- Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) other									
i) Clearing Member	-	-	-	-	-	-	-	-	-
ii) NRI	-	-	-	-	-	-	-	-	-
iii) Trust	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B)(1) + (B) (2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	30,000	30,000	100	30,000	-	30,000	100	-

ii) Shareholding of Promoters

Sr. Nos.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered of total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered of total Shares	
1.	Tilaknagar Industries Ltd.	26,000	86.67	-	26,000	86.67	-	-
2.	Mr. Amit Dahanukar (Holding shares as Nominee of Tilaknagar Industries Ltd.)	4,000	13.33	-	4,000	13.33	-	-
	Total	30,000	100.00	-	30,000	100.00	-	-

iii) Change in Promoter's Shareholding (please specify, if there is no change):

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	During the financial year 2016-17, there was no change in the shareholding of the Promoters.			
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the End of the year				

iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	For each of Top Ten Shareholders				
	Nil	-	-	-	-

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Mr. Amit Dahanukar* (Chairman) *Holding shares as Nominee of Tilaknagar Industries Ltd.	4,000	13.33	4,000	13.33

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	39.44	-	39.44
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii + iii)	-	-	-	-
Change in Indebtedness during the financial year				
· Addition		-	-	-
· Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	39.44	-	39.44
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii + iii)	-	39.44	-	39.44

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
1	Gross Salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- other, specify..	-	-	-
5	Other, please specify	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act			

B. Remuneration to other directors:

1. Independent Directors

Sr. No.	Particulars of Remuneration	Name of Independent Directors						Total Amount
	Fees for attending Board/Committee Meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (B)(1)	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-	-

2. Other Non Executive Director

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
	Fees for attending Board/Committee Meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (B)(2)	-	-	-	-	-	-	-
	Total (B) = (B)(1) + (B)(2)							
	Total Managerial Remuneration	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- other, specify..	-	-	-
5	Other, please specify	-	-	-
	Total (A)	-	-	-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give details)
(A) COMPANY					
Penalty					
Punishment					
Compounding					
(B) DIRECTORS					
Penalty					
Punishment					
Compounding					
(C) OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

There were no penalties/punishment/compounding of offences for breach of any section of the Companies Act, 2013 against the Company or its Directors or other Officers in Default during the financial year 2016-17.

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 07, 2017

Amit Dahanukar
Chairman



DEEPAK JHANWAR & CO.

Chartered Accountants

Shop No. 9, First Floor, Goal Market, Sai Road, Baddi, Distt. Solan (HP) -173205

Phone: 9466950497, 9736850597 e-mail: cadeepakjhanwar@yahoo.in

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Kesarval Springs Distillers Pvt. Ltd.

Report on the Financial Statements

We have audited the accompanying financial statements of **Kesarval Springs Distillers Pvt. Ltd.** ("the Company") which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.



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We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to 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, of the state of affairs of the Company as at March 31, 2017 and its loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to note no 29 of the financial statements in respect of the preparation of accounts on a liquidation basis from the following year as it is no longer a going concern following the disposal of its fixed assets.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditors Report) Order 2016 ('the Order') issued by Central Government of India in terms of sub section (11) of section 143 of the Act, we



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give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order

- 2 As required by Section 143 (3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



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- iv) The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 27 to the financial statements.

For **DEEPAK JHANWAR & CO.**

Chartered Accountants

Firm Registration No. 023982N

Deepak Jhanwar

Proprietor

Membership No. 509398

Place : Mumbai

Date : May 16, 2017



DEEPAK JHANWAR & CO.

Chartered Accountants

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Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements section of our report of even date)

Report on Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ("the Act") of Kesarval Springs Distillers Pvt. Ltd. ("the Company")

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) All fixed assets have not been physically verified by the management during the year but there is a regular program of verification over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) The Company has disposed all fixed assets.
- ii) The management has conducted physical verification of inventory at the year end and no material discrepancies between physical inventory and book records were noticed on physical verification.
- iii) The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the investments made, loan, securities and guarantee given.
- v) The Company has not accepted any deposits during the year within the meaning of the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.



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- vii) a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities though there are few delays.

According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, which were outstanding, at the year-end for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us there is no outstanding dues of income tax, duty of excise, value added tax, cess and any other statutory dues.

- viii) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans to banks and financial Institutions. There were no outstanding dues to any debenture holders anytime during the year.

- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us the Company has utilized the money raised by way of term loans during the year for the purpose for which it was raised.

- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

- xi) No managerial remuneration has been paid during the year.

- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.



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- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **DEEPAK JHANWAR & CO.**

Chartered Accountants

Firm Registration No. 023982N

Deepak Jhanwar
Membership No. 509398

Place: Mumbai

Date : May 16, 2017



DEEPAK JHANWAR & CO.

Chartered Accountants

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Annexure B to the Independent Auditors' Report

(Referred to in paragraph 2 (f) under 'Report on other Legal and Regulatory Requirements section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Kesarval Springs Distillers Pvt. Ltd.** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



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Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



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Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **DEEPAK JHANWAR & CO.**

Chartered Accountants

Firm Registration No. 023982N

Deepak Jhanwar

Proprietor

Membership No. 509398

Place : Mumbai

Date : May 16, 2017

KESARVAL SPRINGS DISTILLERS PVT. LTD.

Balance Sheet as at March 31, 2017

(` in million)

	Note No.	As at March 31, 2017	As at March 31, 2016
I EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	3.00	3.00
Reserves & Surplus	3	(39.86)	(39.02)
		<u>(36.86)</u>	<u>(36.02)</u>
Current Liabilities			
Short-Term Borrowings	4	39.44	39.44
Trade Payables	5	0.14	0.02
Other Current Liabilities	6	0.93	0.97
		<u>40.51</u>	<u>40.43</u>
Total		<u><u>3.65</u></u>	<u><u>4.41</u></u>
II ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	7	-	-
Long-Term Loans and Advances	8	-	0.22
		<u>-</u>	<u>0.22</u>
Current Assets			
Trade Receivables	9	1.71	3.01
Cash and Bank Balances	10	0.45	0.66
Short-Term Loans and Advances	11	1.49	0.52
		<u>3.65</u>	<u>4.19</u>
Total		<u><u>3.65</u></u>	<u><u>4.41</u></u>
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our Report of even date annexed.

For Deepak Jhanwar & Co.
Chartered Accountants
Regn. No . 023982N

For and on behalf of the Board

Deepak Jhanwar
Proprietor
Membership No. 509398

Amit Dahanukar
Chairman
(DIN:00305636)

Dr. Keshab Nandy
Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017

KESARVAL SPRINGS DISTILLERS PVT. LTD.

Statement of Profit and Loss for the year ended March 31, 2017

	Note No.	Year ended March 31, 2017	(` in million) Year ended March 31, 2016
INCOME			
Revenue from Operations			
Sale of products (Gross)	12	-	0.89
Less: Excise duty		-	-
Sale of products (Net)		<u>-</u>	<u>0.89</u>
Other Income	13	0.01	20.72
		<u>0.01</u>	<u>21.61</u>
EXPENSES			
Cost of Materials Consumed	14	0.05	0.98
(Increase) / Decrease in Stock	15	-	0.94
Employee Benefit Expense	16	-	1.21
Other Expenses	17	0.80	34.97
Depreciation for the year		-	0.31
		<u>0.85</u>	<u>38.41</u>
Profit / (Loss) before taxation		(0.84)	(16.80)
Tax expenses			
For earlier years		-	0.23
		<u>-</u>	<u>0.23</u>
Profit / (Loss) after taxation		(0.84)	(17.03)
Earnings Per Share (`) Basic & Diluted	24	(27.85)	(567.79)
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our Report of even date annexed.

For Deepak Jhanwar & Co.

Chartered Accountants
Regn. No. 023982N

For and on behalf of the Board

Deepak Jhanwar
Proprietor
Membership No. 509398

Amit Dahanukar
Chairman
(DIN:00305636)

Dr. Keshab Nandy
Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017

KESARVAL SPRINGS DISTILLERS PVT. LTD.

Cash Flow Statement for the year ended March 31, 2017

(` in million)

	2016-17		2015-16	
A) Cash Flow from Operating Activities				
Net profit before tax		(0.84)		(16.80)
Adjustment for:				
Depreciation	-		0.31	
Advances written off	-		32.98	
(Profit) / Loss on sale of assets	-		(20.72)	
Operating Profit before working capital changes		-		12.57
Adjustment for:				
(Decrease)/ Increase in current trade payables	0.12		(0.06)	
(Decrease)/ Increase in other current liabilities	(0.04)		(1.05)	
(Increase) / Decrease in loans and advances	(0.75)		22.36	
(Increase) / Decrease in inventory	-		1.92	
(Increase) / Decrease in trade receivables	1.30		0.03	
		0.63		23.20
Direct taxes paid		-		(0.41)
Net Cash from Operating Activities		(0.21)		18.56
B) Cash Flow from Investing Activities				
Purchase of fixed assets		-		24.19
Net Cash from Investing Activities		-		24.19
C) Cash Flow from Financing Activities				
Proceeds /(repayment) from borrowings		-		(42.25)
NET CASH FROM FINANCING ACTIVITIES		-		(42.25)
NET INCREASE IN CASH & CASH EQUIVALENTS		(0.21)		0.50
Opening cash & cash equivalents		0.66		0.16
Closing cash & cash equivalents		0.45		0.66

As per our Report of even date annexed

For Deepak Jhanwar & Co.

Chartered Accountants

Firm Reg No. 023982N

For and on behalf of the Board

Deepak Jhanwar

Proprietor

Membership No. 509398

Amit Dahanukar

Chairman

(DIN:00305636)

Dr. Keshab Nandy

Director

(DIN:02163480)

Place : Mumbai

Date : May 16, 2017

Notes to Financial Statements for the year ended March 31, 2017

1 Significant Accounting Policies

i) Basis of Preparation of Financial Statements :

The Financial Statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013 and other accounting pronouncements of the Institute of Chartered Accountants of India. The financial statements have been prepared under historical cost convention and on accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

ii) Use of Estimates :

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

iii) Revenue Recognition:

All revenue and expenses are accounted for on accrual basis. Revenue is recognized when no significant uncertainties exist in relation to the amount of eventual receipt.

- a) Sales are recognized on dispatch of goods to customers and are inclusive of central / state excise duty.
- b) Insurance and other claims are accounted for as and when admitted by the appropriate authorities.

iv) Inventories :

Inventories are stated at the lower of cost and net realizable value. Cost is determined on the basis of Weighted Average method.

- a) Raw materials, Stores & Components and Work-in-Progress are valued at material cost.
- b) Finished goods are valued at manufacturing cost, which comprise direct material, direct labour, other direct cost and other related manufacturing overheads. Excise duty payable on finished goods stock at the year end is added to the cost.
- c) Obsolete/ slow moving inventories are adequately provided for.

v) Fixed Assets :

- a) Fixed assets are stated at their original cost of acquisition /installation, net of accumulated depreciation, amortization and impairment losses.
- b) Capital Work-In-Progress is stated at the amount incurred up to the date of the Balance Sheet.
- c) Expenditures incurred during construction/erection period on project under implementation are included under "Capital Work-In-Progress". These expenses are appropriated to fixed assets on commencement of commercial production.

vi) Depreciation :

- a) Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes etc.
- b) Depreciation is provided on assets acquired during the year from the date on which assets were put to use.

vii) Impairment of Assets :

The carrying amount of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors.

Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the Statement of Profit and Loss and the carrying amount of the said asset is reduced to its recoverable amount.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased.

viii) Provisions and Contingencies :

Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure on contingent liability is made when there is a possible obligation or present obligation that probably will not require an out flow of resources or where reliable estimate of the amount of the obligation cannot be made. However contingent assets are neither provided for nor disclosed.

ix) Taxation :

- a) Provision for Income Tax is determined on the basis of the estimated taxable income and amount expected to be paid to the tax authorities in accordance with the Provisions of the Income Tax Act, 1961.
- b) Deferred Tax is recognized in respect of deferred tax assets (subject to the consideration of prudence) and to the extent there is virtual certainty that the asset will be realized in future and deferred tax liabilities on timing differences, being the difference between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years.

x) Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity share holders by the weighted average number of equity shares outstanding during the period.

xi) Employee Benefits:

Defined Contribution Plan:

Employee benefits in the form of contribution to Provident Fund managed by Government Authorities, Employees State Insurance Corporation and Labour Welfare Fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The same is charged to the Statement of Profit and Loss of the year when the contribution to the respective funds are due. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

xii) Cash and Cash Equivalents:

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

KESARVAL SPRINGS DISTILLERS PVT.LTD.

Notes to Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	<i>(` in million)</i> As at March 31, 2016
2 Share Capital		
Authorised Shares		
30,000 Equity Shares of ` 100/- each (P.Y. 30,000 equity shares of ` 100/- each)	3.00	3.00
Issued, subscribed and paid up shares		
30,000 equity shares of ` 100/- each fully paid up (P.Y. 30,000 equity shares of ` 100/- each fully paid up)	3.00	3.00
	<u>3.00</u>	<u>3.00</u>
a) Reconciliation of the number of shares outstanding		
Number of equity shares at the beginning	0.03	0.03
Equity Shares issued during the period	-	-
Number of equity shares at the end	0.03	0.03
b) Terms / rights attached to equity shares		
Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend by the Company. In the event of liquidation, the equity shareholders will be entitled to receive remaining assets of the company after distribution of all preferential amounts in the proportion to the number of equity shares held by the shareholders.		
c) Shares held by holding company		
Tilaknagar Industries Ltd.	0.03	0.03

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

Name of the shareholder	As at March 31, 2017		As at March 31, 2016	
	No. of equity shares	As a % of total holding	No. of equity shares	As a % of total holding
Tilaknagar Industries Ltd.	0.03	100	0.03	100
Total	0.03	100	0.03	100

KESARVAL SPRINGS DISTILLERS PVT.LTD.

Notes to Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	<i>(in million)</i> As at March 31, 2016
3 Reserves & Surplus		
Surplus / (deficit) in the Statement of Profit and Loss		
As per last Balance Sheet	(39.02)	(21.99)
Add: Profit / (Loss) after tax for the year	(0.84)	(17.03)
	(39.86)	(39.02)
4 Short-Term Borrowings		
Unsecured loans		
From Holding Company	39.44	39.44
	39.44	39.44
5 Trade Payables		
Trade Payables [Refer Note No.23]	0.14	0.02
	0.14	0.02
6 Other Current Liabilities		
Payable towards Statutory Liabilities	-	0.04
Other Payables	0.93	0.93
	0.93	0.97

KESARVAL SPRINGS DISTILLERS PVT. LTD.

Notes to Financial Statements for the year ended March 31, 2017

7 Fixed Assets

(` in million)

FIXED ASSETS	Gross Block				Depreciation / Amortization				Net Block	
	As on April 01, 2016	Additions	Deductions	As at March 31, 2017	As on April 01, 2016	Deductions	For the year	As at March 31, 2017	As At March 31, 2017	As At March 31,2016
TANGIBLE ASSETS										
Land	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-
Plant and Equipment	-	-	-	-	-	-	-	-	-	-
Furniture and Fixtures	-	-	-	-	-	-	-	-	-	-
Office Equipment	-	-	-	-	-	-	-	-	-	-
Computers	-	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-
Total Tangible Assets	-	-	-	-	-	-	-	-	-	-
<i>Previous Year</i>	16.80	-	16.80	-	13.02	13.33	0.31	-	-	-

7 Fixed Assets [Schedule of Fixed Assets for the previous year 2015-2016]

FIXED ASSETS	Gross Block				Depreciation / Amortization				Net Block	
	As on April 01, 2015	Additions	Deductions	As at March 31, 2016	As on April 01, 2015	Deductions	For the year	As at March 31, 2016	As At March 31, 2016	As At March 31,2015
TANGIBLE ASSETS										
Land	1.55	-	1.55	-	-	-	-	-	-	1.55
Buildings	6.71	-	6.71	-	6.07	6.08	0.01	-	-	0.64
Plant and Equipment	6.03	-	6.03	-	5.04	5.09	0.05	-	-	0.99
Furniture and Fixtures	0.03	-	0.03	-	0.03	0.03	-	-	-	-
Office Equipment	0.37	-	0.37	-	0.33	0.34	0.01	-	-	0.04
Computers	1.68	-	1.68	-	1.14	1.38	0.24	-	-	0.54
Vehicles	0.43	-	0.43	-	0.41	0.41	-	-	-	0.02
Total Tangible Assets	16.80	-	16.80	-	13.02	13.33	0.31	-	-	3.78

KESARVAL SPRINGS DISTILLERS PVT.LTD.

Notes to Financial Statements for the year ended March 31, 2017

(` in million)

	As at March 31, 2017	As at March 31, 2016
8 Long- Term Loans and Advances		
Unsecured, considered good		
Advance Tax (Net of Provision for Taxation)	-	0.22
	<u>-</u>	<u>0.22</u>
	<u><u>-</u></u>	<u><u>0.22</u></u>
9 Trade Receivables		
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	-	-
	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>
Other receivables		
Unsecured, considered good	1.71	3.01
	<u>1.71</u>	<u>3.01</u>
	<u><u>1.71</u></u>	<u><u>3.01</u></u>
10 Cash and Bank Balances		
Cash and Cash Equivalent		
i) Balances with Banks	0.44	0.65
In Current Accounts		
ii) Cash on Hand	0.01	0.01
	<u>0.45</u>	<u>0.66</u>
	<u><u>0.45</u></u>	<u><u>0.66</u></u>
11 Short-Term Loans and Advances		
Unsecured, considered good		
Deposits	1.49	0.52
	<u>1.49</u>	<u>0.52</u>
	<u><u>1.49</u></u>	<u><u>0.52</u></u>

KESARVAL SPRINGS DISTILLERS PVT.LTD.

Notes to Financial Statements for the year ended March 31, 2017

(` in million)
**Year ended
March 31, 2016**

12 Revenue from Operations

Sales of products

Indian Made Foreign Liquor & Wine	-	0.89
	<u>-</u>	<u>0.89</u>

Details of sale of products

Indian Made Foreign Liquor	-	0.36
Industrial Alcohol, Spirits & Others	-	0.54
	<u>-</u>	<u>0.90</u>

13 Other Income

Interest income	0.01	-
Profit on Sale of Fixed Asset	-	20.72
	<u>0.01</u>	<u>20.72</u>

14 Cost of Materials Consumed

i) Raw Material Consumption		
Opening Stock	-	0.53
Add: Purchases	-	-
Less: Closing Stock	-	-
	<u>-</u>	<u>0.53</u>
ii) Packing Materials & Consumables	0.05	0.45
	<u>0.05</u>	<u>0.98</u>

Details of Raw Materials Consumed

Industrial Alcohol & Others	-	0.53
	<u>-</u>	<u>0.53</u>

Value of Imported & Indigenous Raw Materials Consumed

	% to Total Consumption	2016-17	% to Total Consumption	2015-16
Indigenous	100	-	100	0.53
	<u>100</u>	<u>-</u>	<u>100</u>	<u>0.53</u>

15 (Increase) / Decrease in Stock

Opening Stock		
i) Work-In-Progress	-	0.94
ii) Finished goods	-	-
	<u>-</u>	<u>0.94</u>
Less : Closing Stock		
i) Work-In-Progress	-	-
ii) Finished goods	-	-
	<u>-</u>	<u>-</u>
(Increase) / Decrease in Stock	<u>-</u>	<u>0.94</u>

KESARVAL SPRINGS DISTILLERS PVT.LTD.

Notes to Financial Statements for the year ended March 31, 2017

(` in million)

	Year ended March 31, 2017	Year ended March 31, 2016
16 Employee Benefit Expense		
Salary and wages	-	1.14
Staff welfare expenses	-	0.01
Contribution to provident fund and family pension fund	-	0.06
	-	1.21
17 Other Expenses		
Power and Fuel	-	0.01
Repairs & maintenance - Others		0.01
Insurance	-	0.01
Legal and professional charges	0.12	0.08
Auditors Remuneration [Refer Note No.22]	0.02	0.02
Rates and taxes	-	0.26
Freight, transport charges & other expenses	-	-
Selling expenses [Discounts,Sales Promotion & Advertising etc.]	0.54	1.13
Travelling and conveyance expenses	-	0.01
Printing and stationery	-	-
Communication expenses	-	0.02
Vehicle running expenses	-	0.02
Corporate Social Responsibility	-	0.06
Advance Written off	-	32.98
Miscellaneous Expenses	0.12	0.36
	0.80	34.97

Notes to Financial Statements for the year ended March 31, 2017

18 There is no contingent liability as on March 31, 2017.

19 The disclosure of Accounting Standard 15 "Employee Benefits" is as follows:

Defined Contribution Plan

The Company has charged in the Statement of Profit and Loss during the financial year an amount of ` Nil (P.Y. ` 0.06 million) under defined contribution plan as employer's contribution to Provident Fund.

20 The Company has unabsorbed depreciation and carry forward of losses under Income Tax Laws and hence deferred tax assets have not been recognized as there is no virtual certainty supported by convincing evidence that there will be sufficient future taxable income against which such deferred tax assets can be realized.

21 Related Party Disclosures:

The disclosures pertaining to the related parties as required by the Accounting Standard 18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India, as applicable, are as under:

Tilaknagar Industries Ltd. being holding company is a related party and details of transaction during the financial year are as under:

Holding Company :Tilaknagar Industries Ltd.

Nature of Transaction	Parties referred in (a) above	
	2016-17	2015-2016
Sales		
Tilaknagar Industries Ltd.	-	0.26
Net Loans & Advances given / (taken)		
Tilaknagar Industries Ltd.	-	42.25
Outstanding Payable		
Tilaknagar Industries Ltd.	39.44	39.44

(` in million)

22 Auditor's remuneration charged to accounts:

	2016-17	2015-2016
Audit Fees	0.02	0.02
	0.02	0.02

23 The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to Micro and Small Enterprises have not been made.

24 Earnings / (Loss) Per Share (EPS)

	2016-17	2015-2016
Profit / (Loss) after Tax	(0.84)	(17.03)
Weighted average number of shares	30,000	30,000
Basic Earnings Per Share	(27.85)	(567.79)
Face Value per Equity Share	100	100

25 Earnings in Foreign Exchange

Nil Nil

26 Expenditure in Foreign Exchange

Nil Nil

27 The details of Specified Bank Notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016 are as follows :

	SBN	Other Denomination notes	Total
Closing cash on hand as on November 08, 2016	-	7,141	7,141
Add: Permitted receipts	-	-	-
Less: Permitted payments	-	-	-
Less: Amounts deposited in Banks	-	-	-
Closing cash on hand as on December 30, 2016	-	7,141	7,141

28 Figures of previous year have been regrouped, reclassified and recast, wherever considered necessary.

29 During the year, the Company has disposed off its fixed assets. The Company shall maintain the accounts from the following year on a liquidation basis as it is no longer a going concern.

For Deepak Jhanwar & Co.

Chartered Accountants
Firm Reg No . 023982N

For and on behalf of the Board

Deepak Jhanwar
Proprietor
Membership No. 509398

Amit Dahanukar
Chairman
(DIN:00305636)

Dr. Keshab Nandy
Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017

PUNJABEXPO BREWERIES PRIVATE LIMITED

Regd. Office: P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra - 413 720

Tel No: (02422) 265 032/265 123, Fax No: (02422) 265 135

CIN No: [U15531PN1997PTC143390]

DIRECTORS' REPORT

Dear Members,

The Directors hereby present their 20th Annual Report along with the audited financial statements of the Company for the financial year ended March 31, 2017.

1. FINANCIAL & OPERATIONAL REVIEW

During the financial year 2016-17, revenue from operations of the Company stood at Rs. 183.89 million as compared to Rs. 195.64 million in the previous year. It has incurred net loss of Rs. 5.72 million during the financial year 2016-17 as compared to net loss of Rs. 6.13 million in the previous year.

The Company is considering raising of additional capital from its Holding Company ie. Tilaknagar Industries Ltd. along with strategic investors for scaling its operations.

The Company has been granted exclusive license for use of its Holding Company's certain brands on royalty basis in the territories of Andhra Pradesh, Telangana, Puducherry, Mahe & Karikal for a period of 15 years commencing from April 10, 2017.

2. DIVIDEND

In view of the loss incurred by the Company during the year, the Directors have not recommended any dividend for the financial year ended March 31, 2017.

3. SHARE CAPITAL

During the financial year 2016-17, Authorized Share Capital was increased from Rs. 3.5 million divided into 0.35 million Equity Shares of Rs. 10/- each to Rs. 120 million divided into 12 million Equity Shares of Rs. 10/- each to enable the Company to garner funds for meeting the working capital requirements, repayment of its existing liabilities and general corporate purposes.

4. HOLDING COMPANY

Your Company is wholly owned subsidiary of Tilaknagar Industries Ltd.

5. DIRECTORS

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Mr. Amit Dahanukar, Director of the Company is retiring by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board of Directors recommends his re-appointment.

6. NUMBER OF MEETINGS OF THE BOARD

The Board has met 4 (four) times during the financial year 2016-17 on May 25, 2016; August 11, 2016; November 10, 2016 and January 20, 2017 and the intervening period between the two meetings did not exceed 120 days.

7. AUDITORS

Statutory Auditors and Statutory Audit Report

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014, M/s Deepak Jhanwar & Co., Chartered Accountants were appointed as Statutory Auditors of the Company in the 17th

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CIN No: [U15531PN1997PTC143390]

Annual General Meeting held on September 27, 2014 to hold office from the conclusion of the 17th Annual General Meeting till the conclusion of the 22nd Annual General Meeting of the Company, subject to ratification of their appointment by the Members at every Annual General Meeting held after the 17th Annual General Meeting.

Accordingly, a proposal seeking Members' ratification for the appointment of M/s Deepak Jhanwar & Co., Chartered Accountants, (ICAI Firm Registration No. 023982N) as the Statutory Auditors of the Company and for fixing their remuneration for the remaining tenure forms part of the Notice convening the ensuing Annual General Meeting. Pursuant to the provisions of Sections 139 and 141 of the Companies Act, 2013 read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014, the Company has received consent from them to the proposal for ratification of their appointment in the ensuing Annual General Meeting for the remaining tenure along with a certificate to the effect that their appointment, if made, will be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified for appointment.

The Board of Directors has reviewed their eligibility criteria as laid down under Section 141 of the Companies Act, 2013 and recommended the ratification of their appointment as Statutory Auditors for the remaining tenure.

No frauds have been reported by the Statutory Auditors during the financial year 2016-17 pursuant to the provisions of Section 143(12) of the Companies Act, 2013.

The Auditors' Report for the financial year ended March 31, 2017 does not contain any qualification, reservation, adverse remark or disclaimer. The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Internal Auditors and Internal Audit Report

The Company is having M/s Devdhar Joglekar & Srinivasan, Chartered Accountants as its Internal Auditors. The Board reviews the observations made by the Internal Auditors in their Report on quarterly basis and makes necessary recommendations to the management.

8. DETAILS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Details with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are set out in Annexure 'A' to this Report.

9. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Particulars of employees and related disclosures as required under the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 are set out in Annexure 'B' of this Report.

10. EXTRACT OF ANNUAL RETURN

An extract of Annual Return in Form MGT-9 as required under the provisions of Section 134(3)(a) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is set out in Annexure 'C' to this Report.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the financial year 2016-17, the Company has neither given any loans or made any investments, nor given any guarantees or provided any securities falling under the

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CIN No: [U15531PN1997PTC143390]

purview of Section 186 of the Companies Act, 2013. Hence, disclosure under Section 134(3)(g) of the Companies Act, 2013 is not applicable.

12. FIXED DEPOSITS

As on April 01, 2016, the Company was not having any outstanding deposits falling under the scope of Chapter V of the Companies Act, 2013 and it has not accepted any deposits covered under said Chapter during the financial year 2016-17. As on March 31, 2017, the Company was not having any outstanding deposit falling under the scope of said Chapter.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2016-17, the Company has not entered into any contracts or arrangements with related parties falling under the purview of Section 188(1) of the Companies Act, 2013. Hence, disclosure in Form AOC-2 as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable.

14. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Board of Directors has laid down standards, processes and procedures for implementing the internal financial controls across the organization. After considering the framework of existing internal financial controls and compliance systems; work performed by the Statutory Auditors, the Board of Directors is of the opinion that the Company's internal financial controls with reference to the financial statements were adequate and effective during the financial year 2016-17.

15. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirements of Section 134(3)(c) of the Companies Act, 2013, and on the basis of the information furnished to them by the Statutory Auditors and Management, the Directors state that:

- a. in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there are no material departures;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. RESIDUARY DISCLOSURES

- i. During the financial year 2016-17, provisions of Section 149(4) of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(d) of the Companies Act, 2013 is not applicable;

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- ii. During the financial year 2016-17, provisions of Section 178(1) of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(e) the Companies Act, 2013 is not applicable;
- iii. In view of the loss incurred by the Company during the financial year 2016-17, no amount is proposed to be carried to reserves;
- iv. There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report. Hence, disclosure under the provisions of Section 134(3)(l) of the Companies Act, 2013 except as disclosed in this Report;
- v. The key business risks, which in the opinion of the Board of Directors may threaten the existence of the Company, along with mitigation strategies adopted by the Company are enumerated herein below:

- i. **Regulatory Risk**

The IMFL industry is a high-risk industry, primarily on account of high taxes and innumerable regulations governing it. As a result, liquor companies suffer from low pricing flexibility and have underutilized capacities, which, in turn, may lead to low margins. To mitigate this risk, the Company complies with all the applicable rules and regulations in all the States where it is present.

- ii. **Strategic Risk**

The Company's strategy and its execution are dependent on uncertainties and untapped opportunities. To mitigate this risk, the Company has adopted resilient policies which not only allow the Company to maximize opportunities under normal conditions but also ensure that acceptable results are achieved under extra-ordinary adverse conditions.

In order to establish various levels of accountability for risk management/mitigation within the Company and provide for reviewing, documentation and reporting mechanism for such risks, a risk management policy is under formulation.

- vi. During the financial year 2016-17, provisions of Section 135 of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(o) of the Companies Act, 2013 read with Rule 8 of the Companies (CSR Policy) Rules, 2014 is not applicable;
- vii. During the financial year 2016-17, provisions of Section 178(2) of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(p) read with Rule 8(4) of the Companies (Accounts) Rules, 2014 is not applicable;
- viii. During the financial year 2016-17, the Company has not issued equity shares with differential rights as to dividend, voting or otherwise. Hence, disclosure under Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;
- ix. During the financial year 2016-17, there has been no change in the nature of business of the Company. Hence, disclosure under Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014 is not applicable;

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CIN No: [U15531PN1997PTC143390]

- x. During the financial year 2016-17, no company has become or ceased to be subsidiary, joint venture or associate of the Company. Hence, disclosure under Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 is not applicable;
- xi. During the financial year 2016-17, no significant material orders have been passed by any regulators or courts or tribunals which may impact the going concern status of the Company and its future operations. Hence, disclosure under Rule 8(5)(vii) of the Companies (Accounts) Rules, 2014 is not applicable; and
- xii. During the financial year 2016-17, the Company has not received any complaint of sexual harassment pursuant to the provisions of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

17. ACKNOWLEDGEMENTS

The Directors wish to acknowledge and place on record their sincere appreciation for the assistance and co-operation received from all the members, employees, bankers and other stakeholders.

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 07, 2017

Amit Dahanukar
Chairman

ANNEXURE 'A' TO THE DIRECTORS' REPORT

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

(A) CONSERVATION OF ENERGY

(i) Steps Taken or Impact on Conservation of Energy:

The manufacturing unit of the Company is too small to consider investment under the present financial constraints and have a healthy return on investment.

(ii) Steps Taken by the Company for Utilizing Alternate Sources of Energy:

With current local power cost, other than use of gen-set as an alternate source of energy under emergency, no other steps are economically viable, though search for an economically viable alternate source is on.

(iii) Capital Investment on Energy Conservation Equipments:

During the financial year 2016-17, no capital investment has been made by the Company on energy conservation equipments.

(B) TECHNOLOGY ABSORPTION

(i) Efforts made towards Technology Absorption: NIL

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution: NIL

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

a) **the details of technology imported:** The Company has not imported any technology during the last three financial years.

b) **the year of import:** Not Applicable

c) **whether the technology has been fully absorbed:** Not Applicable

d) **if not fully absorbed, areas where absorption has not taken place, and the reasons thereof:** Not Applicable

(iv) Expenditure incurred on Research and Development:

During the financial year 2016-17, neither capital nor revenue expenditure has been incurred by the Company on Research and Development activities.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

There were no earnings and expenditure in foreign currency during the year.

For and on behalf of the Board of Directors

Place: Mumbai
Date: August 07, 2017

Amit Dahanukar
Chairman

ANNEXURE 'B' TO THE DIRECTORS' REPORT

Statement pursuant to Rules 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

PART - A : List of top ten employees of the Company as on March 31, 2017 : There were 9 employees as on March 31, 2017 as per details given hereunder:

Sr No	Name	Designation	Remuneration (inclusive of contribution to PF)(Rs. In million)	Nature of Employment, whether contractual or otherwise	Qualifications	Total Experience	Date Of Commencement of Employment	Age (Years)	Last employment held	Relative of any Director or Manager
1	Sonal Singh	Asst. Manager - Production	0.42	Permanent	B.Sc	19	01/10/2011	43	Alcobrew Distilleries India Pvt.Ltd	No
2	Omkar Singh	Asst. Executive - Commercial	0.30	Permanent	12th	9	01/10/2011	32	Gini & Jony Limited	No
3	Aman Kochhar	Commercial Executive	0.30	Permanent	MBA-Finance & Marketing	9	12/07/2012	33	Asian Paints Limited	No
4	Bachitar Singh	Liaison Officer	0.22	Permanent	Matriculation	13	01/10/2011	52	First Employment	No
5	Naresh Kumar Giri	Blending Officer	0.21	Permanent	B.A & B.Ed	16	01/10/2011	36	Alcobrew Distilleries India Pvt.Ltd	No
6	Dharmveer Singh	Asst. Electrician	0.19	Permanent	I.T.I.-Electrical	10	01/10/2011	33	NV Distilleries Limited	No
7	Vikram Singh	Fitter - Mechanical	0.17	Permanent	8th	21	01/10/2011	43	Chitra Engineering Pvt. Ltd	No
8	Subhash Yadav	Asst. Fitter	0.16	Permanent	Matriculation	16	01/10/2011	35	Rajasthan Liquors Ltd.	No
9	Sunil Kumar	Blending Asst.	0.12	Permanent	9th	6	01/10/2011	33	First Employment	No

PART - B : List of employees in receipt of remuneration in excess of limits prescribed under Rule 5(2) of the Company during the financial year 2016-17 : Nil

For and on behalf of the Board of Directors

Place: Mumbai
Date : August 07, 2017

Amit Dahanukar
Chairman

ANNEXURE 'C' TO THE DIRECTORS' REPORT

Extract of Annual Return as on the financial year ended March 31, 2017
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]
Form No. MGT-9

I. REGISTRATION AND OTHER DETAILS	
CIN	U15531PN1997PTC143390
Registration Date	December 01, 1997
Name of the Company	PunjabExpo Breweries Private Limited
Category/Sub-Category of the Company	Company limited by Shares/Indian Non-Government Company
Address of the Registered office and contact details	P. O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra - 413 720 Tel.: (02422) 265123/265032
Whether listed Company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
1.	Manufacturing of Indian Made Foreign Liquor (IMFL)	11011	100

III. PARTICULARS OF HOLDINGS, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Tilaknagar Industries Ltd. P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Shrirampur, Maharashtra - 413 720	L15420PN1933PLC133303	Holding	100	2(46)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	2,96,002	2,96,002	100	296,002	-	2,96,002	100	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	-	2,96,002	2,96,002	100	2,96,002	-	2,96,002	100	-
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	-	2,96,002	2,96,002	100	2,96,002	-	2,96,002	100	-
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-

b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Other (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	-	-	-	-	-	-	-	-	-
2. Non- Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) other									
i) Clearing Member	-	-	-	-	-	-	-	-	-
ii) NRI	-	-	-	-	-	-	-	-	-
iii) Trust	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B)(1) + (B) (2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	2,96,002	2,96,002	100	2,96,002	-	2,96,002	100	-

ii) Shareholding of Promoters

Sr. Nos.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered of total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered of total Shares	
1.	Tilaknagar Industries Ltd.	2,96,000	100.00	-	2,96,000	100.00	-	-
2.	Mr. Amit Dahanukar (Holding shares as Nominee of Tilaknagar Industries Ltd.)	2	0.00	-	2	0.00	-	-
	Total	2,96,002	100.00	-	2,96,002	100.00	-	-

iii) Change in Promoter's Shareholding (please specify, if there is no change):

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	During the financial year 2016-17, there was no change in the shareholding of the Promoters.			
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the End of the year				

iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	For each of Top Ten Shareholders				
	Nil	-	-	-	-

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Mr. Amit Dahanukar* (Chairman) *Holding shares as Nominee of Tilaknagar Industries Ltd.	2	0.00	2	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	158.92	-	158.92
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii + iii)	-	158.92	-	158.92
Change in Indebtedness during the financial year				
· Addition	-	194.05	-	194.05
· Reduction	-	204.15	-	204.15
Net Change	-	(10.10)	-	(10.10)
Indebtedness at the end of the financial year				
i) Principal Amount	-	148.82	-	148.82
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii + iii)	-	148.82	-	148.82

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
1	Gross Salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- other, specify..	-	-	-
5	Other, please specify	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act			

B. Remuneration to other directors:

1. Independent Directors

Sr. No.	Particulars of Remuneration	Name of Independent Directors						Total Amount
	Fees for attending Board/Committee Meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (B)(1)	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-	-

2. Other Non Executive Director

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
	Fees for attending Board/Committee Meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (B)(2)	-	-	-	-	-	-	-
	Total (B) = (B)(1) + (B)(2)							
	Total Managerial Remuneration	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- other, specify..	-	-	-
5	Other, please specify	-	-	-
	Total (A)	-	-	-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give details)
(A) COMPANY					
Penalty					
Punishment					
Compounding					
(B) DIRECTORS					
Penalty					
Punishment					
Compounding					
(C) OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

There were no penalties/punishment/compounding of offences for breach of any section of the Companies Act, 2013 against the Company or its Directors or other Officers in Default during the financial year 2016-17.

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 07, 2017

Amit Dahanukar
Chairman



DEEPAK JHANWAR & CO.

Chartered Accountants

Shop No. 9, First Floor, Goal Market, Sai Road, Baddi, Distt. Solan (HP) -173205

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INDEPENDENT AUDITOR'S REPORT

To
The Members of
PunjabExpo Breweries Private Ltd.

Report on the Financial Statements

We have audited the accompanying financial statements of **PunjabExpo Breweries Private Ltd.** ("the Company") which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



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An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to 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, of the state of affairs of the Company as at March 31, 2017 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditors Report) Order 2016 ('the Order') issued by Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order
- 2) As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



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- e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 34 to the financial statements.

For **DEEPAK JHANWAR & CO.**

Chartered Accountants

Firm Registration No. 023982N

Deepak Jhanwar

Proprietor

Membership No. 509398

Place : Mumbai

Date : May 16, 2017



DEEPAK JHANWAR & CO.

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Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements section of our report of even date)

Report on Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ("the Act") of PunjabExpo Breweries Private Ltd. ("the Company")

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) All fixed assets have not been physically verified by the management during the year but there is a regular program of verification over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) The management has conducted physical verification of inventory at the year end and no material discrepancies between physical inventory and book records were noticed on physical verification.
- iii) The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the investments made, loan, securities and guarantee given.
- v) The Company has not accepted any deposits during the year within the meaning of the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.



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- vii) a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities though there are few delays.

According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, which were outstanding, at the year-end for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us there is no outstanding dues of income tax, duty of excise, value added tax, cess and any other statutory dues.

- viii) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans to banks and financial Institutions. There were no outstanding dues to any debenture holders anytime during the year.

- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us the Company has utilized the money raised by way of term loans during the year for the purpose for which it was raised.

- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

- xi) No managerial remuneration has been paid during the year.

- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.



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- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **DEEPAK JHANWAR & CO.**

Chartered Accountants

Firm Registration No. 023982N

Deepak Jhanwar

Membership No. 509398

Place: Mumbai

Date : May 16, 2017



DEEPAK JHANWAR & CO.

Chartered Accountants

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Annexure B to the Independent Auditors' Report

(Referred to in paragraph 2 (f) under 'Report on other Legal and Regulatory Requirements section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **PunjabExpo Breweries Private Ltd.** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting



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A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



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Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **DEEPAK JHANWAR & CO.**

Chartered Accountants

Firm Registration No. 023982N

Deepak Jhanwar

Proprietor

Membership No. 509398

Place : Mumbai

Date : May 16, 2017

PUNJABEXPO BREWERIES PRIVATE LIMITED

BALANCE SHEET AS AT MARCH 31, 2017

(` in million)

	Note No.	As at March 31, 2017	As at March 31, 2016
I EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	2.96	2.96
Reserves & Surplus	3	<u>(39.14)</u>	<u>(33.43)</u>
		(36.18)	(30.47)
Non-Current Liabilities			
Deferred Tax Liabilities	4	<u>5.20</u>	<u>5.20</u>
		5.20	5.20
Current Liabilities			
Short-Term Borrowings	5	148.82	158.92
Trade Payables	6	27.16	25.52
Other Current Liabilities	7	2.55	3.82
Short-Term Provisions	8	<u>-</u>	<u>0.28</u>
		178.53	188.54
Total		<u><u>147.55</u></u>	<u><u>163.27</u></u>
II ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	9	75.79	79.88
Intangible Assets		-	-
Long-Term Loans and Advances	10	0.81	0.56
Other Non-Current Assets	11	<u>0.71</u>	<u>0.60</u>
		77.31	81.04
Current Assets			
Inventories	12	12.15	16.14
Trade Receivables	13	43.69	45.97
Cash and Bank Balances	14	0.64	5.79
Short-Term Loans and Advances	15	13.74	14.31
Other Current Assets	16	<u>0.02</u>	<u>0.02</u>
		70.24	82.23
Total		<u><u>147.55</u></u>	<u><u>163.27</u></u>

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements

As per our Report of even date annexed.

For Deepak Jhanwar & Co.

Chartered Accountants
Regn. No . 023982N

For and on behalf of the Board

Deepak Jhanwar
Proprietor
Membership No. 509398

Amit Dahanukar
Chairman
(DIN:00305636)

Dr. Keshab Nandy
Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017

PUNJABEXPO BREWERIES PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2017

	Note No.	Year ended March 31, 2017	(` in million) Year ended March 31, 2016
INCOME			
Revenue from Operations			
Sale of products (Gross)	17	174.54	186.51
Less: Excise duty		-	-
Sale of products (Net)		<u>174.54</u>	<u>186.51</u>
Other Operating Income	18	9.35	9.13
Other Income	19	0.10	0.04
		<u>183.99</u>	<u>195.68</u>
EXPENSES			
Cost of Materials Consumed	20	103.19	109.65
(Increase) / Decrease in Stock	21	0.62	4.38
Employee Benefit Expense	22	2.26	2.46
Other Expenses	23	79.97	81.10
Finance Cost	24	0.01	0.01
Depreciation for the year		4.08	4.21
		<u>190.13</u>	<u>201.81</u>
Profit / (Loss) before taxation		(6.14)	(6.13)
Tax expenses			
For earlier years		(0.41)	-
Deferred Tax		-	-
		<u>(0.41)</u>	<u>-</u>
Profit / (Loss) after taxation		(5.73)	(6.13)
Earnings Per Share (`) Basic & Diluted	31	(19.30)	(20.72)
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our Report of even date annexed.

For Deepak Jhanwar & Co.
Chartered Accountants
Regn. No . 023982N

For and on behalf of the Board

Deepak Jhanwar
Proprietor
Membership No. 509398

Amit Dahanukar
Chairman
(DIN:00305636)

Dr. Keshab Nandy
Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017

PUNJABEXPO BREWERIES PRIVATE LIMITED

Cash flow statement for the year ended March 31, 2017

(` in million)

		2016-17		2015-16	
A)	Cash Flow from Operating Activities				
	Net profit before tax		(6.14)		(6.13)
	Adjustment for:				
	Depreciation	4.08		4.21	
	Interest expenses	0.01		0.01	
	Interest income	(0.10)		(0.04)	
			3.99		4.18
	Operating Profit before working capital changes				
	Adjustment for:				
	(Decrease)/ Increase in trade payables, current liabilities & provisions	0.09		0.03	
	(Increase) / Decrease in loans and advances	0.83		(1.34)	
	(Increase) / Decrease in inventory	3.99		9.49	
	(Increase) / Decrease in trade receivables	2.28		(4.47)	
			7.19		3.71
	Direct Taxes paid		(0.18)		(0.18)
Net Cash from Operating Activities		4.86		1.58	
B)	Cash Flow from Investing Activities				
	Decrease / (Increase) in margin money and deposits	0.43		0.53	
	Interest received	0.10		0.10	
Net Cash from Investing Activities		0.53		0.63	
C)	Cash Flow from Financing Activities				
	Proceeds (repayment) from short-term borrowings	(10.10)		(1.34)	
	Interest expenses	(0.01)		(0.01)	
Net Cash from Financing Activities		(10.11)		(1.35)	
Net increase in Cash & Cash equivalents		(4.72)		0.86	
Opening cash & cash equivalents		4.92		4.06	
Closing cash & cash equivalents		0.20		4.92	

Figures of previous year have been regrouped, reclassified and recast, wherever considered necessary.

As per our Report of even date annexed

For and on behalf of the Board

For Deepak Jhanwar & Co.

Chartered Accountants

Regn. No . 023982N

Deepak Jhanwar

Proprietor

Membership No. 509398

Place : Mumbai

Date : May 16, 2017

Amit Dahanukar

Chairman

(DIN:00305636)

Dr. Keshab Nandy

Director

(DIN:02163480)

Notes to Financial Statements for the year ended March 31, 2017

1 Significant Accounting Policies

i) Basis of Preparation of Financial Statements :

The Financial Statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013 and other accounting pronouncements of the Institute of Chartered Accountants of India. The financial statements have been prepared under historical cost convention and on accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

ii) Use of Estimates :

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

iii) Revenue Recognition:

All revenue and expenses are accounted for on accrual basis. Revenue is recognized when no significant uncertainties exist in relation to the amount of eventual receipt.

- a) Sales are recognized on dispatch of goods to customers and are inclusive of central / state excise duty.
- b) Insurance and other claims are accounted for as and when admitted by the appropriate authorities.

iv) Inventories :

Inventories are stated at the lower of cost and net realizable value. Cost is determined on the basis of Weighted Average Method.

- a) Raw materials, Stores & Components and Work-in-Process are valued at material cost.
- b) Finished goods are valued at manufacturing cost, which comprise direct material, direct labour, other direct cost and other related manufacturing overheads. Excise duty payable on finished goods stock at the year end is added to the cost.
- c) Obsolete/ slow moving inventories are adequately provided for.

v) Fixed Assets :

- a) Fixed assets are stated at their original cost of acquisition /installation, net of accumulated depreciation, amortization and impairment losses.
- b) Capital work-in-progress is stated at the amount incurred up to the date of the Balance Sheet.
- c) Expenditures incurred during construction / erection period on project under implementation are included under "Capital work-in-progress". These expenses are appropriated to fixed assets on commencement of commercial production.

vi) Depreciation :

- a) Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes etc.
- b) Depreciation is provided on assets acquired during the year from the date on which assets were put to use.
- c) Intangible assets are amortized over a period of two to five years on straight line basis which represents the period over which the company expects to derive economic benefit.

vii) Impairment of Assets :

The carrying amount of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors.

Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the Statement of Profit and Loss and the carrying amount of the said asset is reduced to its recoverable amount.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased.

viii) Provisions and Contingencies :

Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure on contingent liability is made when there is a possible obligation or present obligation that probably will not require an out flow of resources or where reliable estimate of the amount of the obligation cannot be made. However contingent assets are neither provided for nor disclosed.

ix) Borrowing Cost:

Borrowing costs attributed to the acquisition of fixed assets are capitalized as a part of the cost of asset upto the date the asset is put to use. Other borrowing costs are charged to the Statement of Profit and Loss in the year in which these are incurred.

x) Employee Benefits:

Defined Contribution Plan:

Employee benefits in the form of contribution to Provident Fund managed by Government Authorities, Employees State Insurance Corporation and Labour Welfare Fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The same is charged to the Statement of Profit and Loss of the year when the contribution to the respective funds are due. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

xi) Taxation :

- a) Provision for Income Tax is determined on the basis of the estimated taxable income and amount expected to be paid to the tax authorities in accordance with the Provisions of the Income Tax Act, 1961.
- b) Deferred Tax is recognized in respect of deferred tax assets (subject to the consideration of prudence) and to the extent there is virtual certainty that the asset will be realized in future and deferred tax liabilities on timing differences, being the difference between taxable income and accounting income that originate in one year and are capable of reversal in subsequent years.

xii) Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity share holders by the weighted average number of equity shares outstanding during the period.

xiii) Cash and Cash Equivalents:

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

PUNJABEXPO BREWERIES PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	(` in million) As at March 31, 2016
2 Share Capital		
Authorised Shares		
12,000,000 equity shares of ` 10/- each (P.Y. 350,000 equity shares of ` 10/- each)	120.00	3.50
Issued, subscribed and paid up shares		
296,002 equity shares of ` 10/- each fully paid up (P.Y. 296,002 equity shares of ` 10/- each fully paid up)	2.96	2.96
	<u>2.96</u>	<u>2.96</u>

a) Reconciliation of the number of shares outstanding

Number of Equity Shares at the beginning	0.30	0.30
Equity Shares issued during the period	-	-
Number of Equity Shares at the end	<u>0.30</u>	<u>0.30</u>

b) Terms / rights attached to equity shares

Each holder of equity share is entitled to one vote per share with a right to receive per share dividend by the Company, when declared. In the event of liquidation, the equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amounts in the proportion to the number of equity shares held by them.

c) Shares held by holding Company

Nos.in million

Tilaknagar Industries Ltd.	0.30	0.30
----------------------------	------	------

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

Name of the shareholder	As at March 31, 2017		As at March 31, 2016	
	No. of equity shares in million	As a % of total holding	No. of equity shares in million	As a % of total holding
Tilaknagar Industries Ltd.	0.30	100	0.30	100
Total	0.30	100	0.30	100

PUNJABEXPO BREWERIES PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	(` in million) As at March 31, 2016
3 Reserves & Surplus		
Surplus / (deficit) in the Statement of Profit and Loss		
As per last Balance Sheet	(33.43)	(27.30)
Add: Profit after tax for the year	(5.71)	(6.13)
	<u>(39.14)</u>	<u>(33.43)</u>
4 Deferred Tax Liabilities		
Deferred Tax Liability on depreciation differences	5.42	5.42
Less: Adjusted against Fixed Assets	0.22	0.22
	<u>5.20</u>	<u>5.20</u>
5 Short-Term Borrowings		
Unsecured		
From Holding Company	148.82	158.92
	<u>148.82</u>	<u>158.92</u>
6 Trade Payables		
Trade Payables [Refer Note No.30]	27.16	25.52
	<u>27.16</u>	<u>25.52</u>
7 Other Current Liabilities		
Payable towards Statutory Liabilities	1.35	2.11
Payable for purchase of Fixed Assets	0.26	0.32
Employee dues	0.15	0.18
Other Payables	0.79	1.21
	<u>2.55</u>	<u>3.82</u>
8 Short-Term Provisions		
Provision for Taxation (Net of Advance Tax)	-	0.28
	<u>-</u>	<u>0.28</u>

PUNJABEXPO BREWERIES PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2017

9 Fixed Assets

(` in million)

Fixed Assets	Gross Block			Depreciation / Amortization				Net Block		
	As at April 01, 2016	Additions	Deductions	As at March 31, 2017	As at April 01, 2016	Deductions	For the year	Up to March 31, 2017	As at March 31, 2017	As at March 31, 2016
TANGIBLE ASSETS										
Land & Development	0.77	-	-	0.77	-	-	-	-	0.77	0.77
Factory Building	68.98	-	-	68.98	7.26	-	2.20	9.46	59.52	61.72
Plant and Equipment	20.66	-	-	20.66	6.59	-	1.17	7.76	12.90	14.08
Vehicles	1.11	-	-	1.11	0.30	-	0.13	0.43	0.68	0.81
Tools and Equipments	0.04	-	-	0.04	-	-	-	-	0.04	0.04
Furniture	0.11	-	-	0.11	0.03	-	0.01	0.04	0.07	0.08
Office Equipment	0.35	-	-	0.35	0.24	-	0.05	0.29	0.06	0.10
Computer	1.75	-	-	1.75	1.46	-	0.21	1.67	0.08	0.29
Electrical Installation	2.90	-	-	2.90	0.92	-	0.30	1.22	1.68	1.98
Total Tangible Assets	96.67	-	-	96.67	16.80	-	4.07	20.87	75.80	79.87
Software	0.06	-	-	0.06	0.05	-	0.01	0.06	-	0.01
Grand Total	96.73	-	-	96.73	16.85	-	4.08	20.93	75.80	79.88
<i>Previous Year</i>	<i>96.73</i>	<i>-</i>	<i>-</i>	<i>96.73</i>	<i>12.64</i>	<i>-</i>	<i>4.21</i>	<i>16.85</i>	<i>79.88</i>	

9 Fixed Assets (Contd.) [Schedule of Fixed Assets for the previous year 2015-2016]

Fixed Assets	Gross Block			Depreciation / Amortization				Net Block		
	As at April 01, 2015	Additions	Deductions	As at March 31, 2016	As at April 01, 2015	Deductions	For the year	Up to March 31, 2016	As at March 31, 2016	As at March 31, 2015
TANGIBLE ASSETS										
Land & Development	0.77	-	-	0.77	-	-	-	-	0.77	0.77
Factory Building	68.98	-	-	68.98	5.06	-	2.20	7.26	61.72	63.93
Plant and Equipment	20.66	-	-	20.66	5.41	-	1.17	6.58	14.08	15.25
Vehicles	1.11	-	-	1.11	0.17	-	0.13	0.30	0.81	0.94
Tools and Equipments	0.04	-	-	0.04	-	-	-	-	0.04	0.03
Furniture	0.11	-	-	0.11	0.02	-	0.01	0.03	0.08	0.09
Office Equipment	0.35	-	-	0.35	0.17	-	0.08	0.25	0.10	0.17
Computer	1.75	-	-	1.75	1.16	-	0.30	1.46	0.29	0.59
Electrical Installation	2.90	-	-	2.90	0.62	-	0.30	0.92	1.98	2.28
Total Tangible Assets	96.67	-	-	96.67	12.61	-	4.19	16.80	79.87	84.05
Software	0.06	-	-	0.06	0.03	-	0.02	0.05	0.01	0.04
Grand Total	96.73	-	-	96.73	12.64	-	4.21	16.85	79.88	84.09

PUNJABEXPO BREWERIES PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	(` in million) As at March 31, 2016
10 Long-Term Loans and Advances		
Unsecured, considered good		
Capital advances	-	0.07
MAT Credit entitlement	0.53	0.30
Advance Tax (Net of Provision for Taxation)	0.28	0.19
	<u>0.81</u>	<u>0.56</u>
11 Other Non-Current Assets		
Cash and Bank Balances		
Short-Term Bank Deposits (Maturity exceeding 12 months)	0.71	0.60
	<u>0.71</u>	<u>0.60</u>
12 Inventories (At lower of cost and net realisable value)		
Raw materials	0.07	0.09
Stores and spares	6.72	10.07
Work-In-Progress	3.83	4.55
Finished goods	1.53	1.43
	<u>12.15</u>	<u>16.14</u>
13 Trade Receivables		
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	-	-
	<u>-</u>	<u>-</u>
Other receivables		
Unsecured, considered good	43.69	45.97
	<u>43.69</u>	<u>45.97</u>
	<u>43.69</u>	<u>45.97</u>
14 Cash and Bank Balances		
a) Cash and Cash Equivalents		
i) Balances with Banks		
In Current Accounts	0.09	4.34
ii) Cash on Hand	0.11	0.58
	<u>0.20</u>	<u>4.92</u>
b) Other Bank Balances		
Short-term Bank Deposits (Maturity within 12 months)	0.44	0.87
	<u>0.64</u>	<u>5.79</u>
15 Short-Term Loans and Advances		
Unsecured, considered good		
Advances recoverable in cash or kind or for value to be received	12.01	12.58
Deposits	1.73	1.73
	<u>13.74</u>	<u>14.31</u>
16 Other Current Assets		
Interest accrued on Deposits	0.02	0.02
	<u>0.02</u>	<u>0.02</u>

PUNJABEXPO BREWERIES PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2017

(` in million)
Year ended
March 31, 2016

	Year ended March 31, 2017		Year ended March 31, 2016
17 Revenue from Operations			
Sales of products	174.54		186.51
	<u>174.54</u>		<u>186.51</u>
Details of sale of products			
Indian Made Foreign Liquor	173.52		183.78
Industrial Alcohol, Spirits & Others	1.02		2.72
	<u>174.54</u>		<u>186.50</u>
18 Other Operating Income			
Sale of scrap	0.78		0.48
Income from contract manufacturing	8.57		8.65
	<u>9.35</u>		<u>9.13</u>
19 Other Income			
Interest income	0.10		0.04
	<u>0.10</u>		<u>0.04</u>
20 Cost of Materials Consumed			
i) Raw Material Consumption			
Opening Stock	0.09		0.06
Add: Purchases	56.10		53.65
Less: Closing Stock	0.07		0.09
	<u>56.12</u>		<u>53.62</u>
ii) Packing Materials & Consumables	47.07		56.03
	<u>103.19</u>		<u>109.65</u>
Details of Raw Materials Consumed			
Industrial Alcohol & Other Spirits	56.12		53.62
	<u>56.12</u>		<u>53.62</u>
Value of Imported & Indigenous Raw Materials Consumed			
	% to Total Consumption	2016-17	% to Total Consumption
			2015-16
Indigenous	100	56.12	100
	<u>100</u>	<u>56.12</u>	<u>100</u>
			<u>53.62</u>
21 (Increase) / Decrease in stock			
Opening Stock			
i) Work-In-Progress	4.55		8.97
ii) Finished goods	1.43		1.39
	<u>5.98</u>		<u>10.36</u>
Less : Closing Stock			
i) Work-In-Progress	3.83		4.55
ii) Finished goods	1.53		1.43
	<u>5.36</u>		<u>5.98</u>
(Increase)/Decrease in Stock	<u>0.62</u>		<u>4.38</u>

PUNJABEXPO BREWERIES PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2017

	<i>(` in million)</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
22 Employee Benefit Expense		
Salary and wages	1.93	1.98
Contribution to provident fund and family pension fund	0.16	0.15
Staff welfare expenses	0.17	0.33
	<u>2.26</u>	<u>2.46</u>
23 Other Expenses		
Power and fuel	0.60	0.71
Repairs & maintenance - others	0.19	0.61
Insurance	0.07	0.07
Legal and professional charges	0.14	0.22
Auditor's Remuneration [Refer Note No.29]	0.08	0.08
Rates and taxes	7.35	8.93
Freight, transport charges & other expenses	5.78	8.40
Selling expenses [Discounts,Sales Promotion & Advertising etc.]	3.36	0.34
Surplus to brandowner	56.75	55.36
Travelling and conveyance expenses	0.11	0.20
Printing and stationery	0.22	0.17
Communication expenses	0.24	0.16
Miscellaneous expenses	5.08	5.85
	<u>79.97</u>	<u>81.10</u>
24 Finance costs		
Interest others	0.01	0.01
Bank charges (Rs Nil ; Previous Year Rs 2,195)	-	-
	<u>0.01</u>	<u>0.01</u>

PUNJABEXPO BREWERIES PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2017

25 Contingent Liability not provided for:

	<i>(` in million)</i>	
	As at	As at
	March 31, 2017	March 31, 2016
Bank guarantees issued on behalf of the Company	0.85	0.85

26 Operating Lease:

- a) The Company has taken various residential / commercial premises under cancellable operating lease. Lease rental expenses included in the Statement of Profit and Loss for the financial year is ` NIL (P.Y. ` NIL).
- b) Except for escalation clauses contained in certain lease arrangements providing for increase in the lease payment by a specified percentage / amounts after completion of specified period, the lease terms do not contain any exceptional / restrictive covenants other than the prior approval of the lessee before the renewal of lease.
- c) There are no restrictions such as those concerning dividend and additional debt other than in some cases where prior approval of lessor is required for further leasing. There is no contingent rent payment.

27 The disclosure of Accounting Standard 15 "Employee Benefits" is as follows:

Defined Contribution Plan

The Company has charged in the Statement of Profit and Loss during the financial year an amount of ` 0.16 million (P.Y. ` 0.15 million) under defined contribution plan as employer's contribution to Provident Fund.

28 Related Party Disclosures:

The disclosures pertaining to the related parties as required by the Accounting Standard 18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India, as applicable, are as under:

Holding Company :Tilaknagar Industries Ltd.

Nature of Transaction	Parties referred above	
	2016-17	2015-16
Sales		
Tilaknagar Industries Ltd.	2.06	2.66
Purchase		
Tilaknagar Industries Ltd.	4.39	6.40
Other Income (Bottling & Commission)		
Tilaknagar Industries Ltd.	9.85	9.70
Surplus to Brand Owners(Expenses)		
Tilaknagar Industries Ltd.	56.75	55.36
Net Loans & Advances given / (taken)		
Tilaknagar Industries Ltd.	10.10	1.18
Outstanding Payable		
Tilaknagar Industries Ltd.	148.82	158.92

29 Auditor's remuneration charged to accounts:

Audit fees	0.08	0.08
	0.08	0.08

30 The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to Micro and Small Enterprises have not been made.

31 Earnings Per Share

Profit / (Loss) After Tax	(5.73)	(6.13)
Weighted average number of shares	296,002	296,002
Basic Earnings Per Share	(19.30)	(20.72)
Face Value per Equity Share	10	10

32 Earnings in Foreign Exchange

Nil Nil

33 Expenditure in Foreign Exchange

Nil Nil

- 34 The details of Specified Bank Notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016 are as follows :

	SBN	Other Denomination notes	Total
Closing cash on hand as on November 08, 2016	-	0.16	0.16
Add: Permitted receipts	-	0.12	0.12
Less: Permitted payments	-	0.06	0.06
Less: Amounts deposited in Banks	-	-	-
Closing cash on hand as on December 30, 2016	-	0.22	0.22

(` in million)

- 35 Figures of previous year have been regrouped, reclassified and recast, wherever considered necessary.

For Deepak Jhanwar & Co.

Chartered Accountants

Regn. No . 023982N

For and on behalf of the Board

Deepak Jhanwar

Proprietor

Membership No. 509398

Amit Dahanukar

Chairman

(DIN:00305636)

Dr. Keshab Nandy

Director

(DIN:02163480)

Place : Mumbai

Date : May 16, 2017

MYKINGDOM VENTURES PVT. LTD.

Regd Office: P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra - 413 720

Tel No: (02422) 265 092/265 123, Fax No: (02422) 265 135

CIN No: [U74900PN2008PTC143964]

DIRECTORS' REPORT

Dear Members,

The Directors hereby present their 9th Annual Report along with the audited financial statements of the Company for the financial year ended March 31, 2017.

1. FINANCIAL & OPERATIONAL REVIEW

During the financial year 2016-17, no activities have been carried out by the Company and it has incurred net loss of Rs. 33,571 during the year as compared to net loss of Rs. 27,524 in the previous year.

2. DIVIDEND

In view of the loss incurred by the Company during the year, the Directors have not recommended any dividend for the financial year ended March 31, 2017.

3. HOLDING COMPANY

Your Company is wholly owned subsidiary of Tilaknagar Industries Ltd.

4. DIRECTORS

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Mr. Amit Dahanukar, Director of the Company is retiring by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board of Directors recommends his re-appointment.

5. NUMBER OF MEETINGS OF THE BOARD

The Board has met 4 (four) times during the financial year 2016-17 on May 25, 2016; August 11, 2016; November 10, 2016 and January 20, 2017 and the intervening period between the two meetings did not exceed 120 days.

6. AUDITORS

Statutory Auditors and Statutory Audit Report

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014, M/s Shyam D. Menghani & Co., Chartered Accountants were appointed as Statutory Auditors of the Company in the 6th Annual General Meeting held on September 27, 2014 to hold office from the conclusion of the 6th Annual General Meeting till the conclusion of the 11th Annual General Meeting of the Company, subject to ratification of their appointment by the Members at every Annual General Meeting held after the 6th Annual General Meeting.

Accordingly, a proposal seeking Members' ratification for the appointment of M/s Shyam D. Menghani & Co., Chartered Accountants, (ICAI Firm Registration No. 131574W) as the Statutory Auditors of the Company and for fixing their remuneration for the remaining tenure forms part of the Notice convening the ensuing Annual General Meeting. Pursuant to the provisions of Sections 139 and 141 of the Companies Act, 2013 read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014, the Company has received consent from them to the proposal for ratification of their appointment in the ensuing Annual General Meeting for the

MYKINGDOM VENTURES PVT. LTD.

Regd Office: P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra - 413 720

Tel No: (02422) 265 092/265 123, Fax No: (02422) 265 135

CIN No: [U74900PN2008PTC143964]

remaining tenure along with a certificate to the effect that their appointment, if made, will be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified for appointment.

The Board of Directors has reviewed their eligibility criteria as laid down under Section 141 of the Companies Act, 2013 and recommended the ratification of their appointment as Statutory Auditors for the remaining tenure.

No frauds have been reported by the Statutory Auditors during the financial year 2016-17 pursuant to the provisions of Section 143(12) of the Companies Act, 2013.

The Auditors' Report for the financial year ended March 31, 2017 does not contain any qualification, reservation, adverse remark or disclaimer. The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

7. DETAILS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

There are no particulars to be furnished in this Report as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014. There were no earnings and expenditure in foreign currency during the year.

8. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

There are no particulars to be furnished in this Report as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014.

9. EXTRACT OF ANNUAL RETURN

An extract of Annual Return in Form MGT-9 as required under the provisions of Section 134(3)(a) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is set out in Annexure 'A' to this Report.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the financial year 2016-17, the Company has neither given any loans or made any investments, nor given any guarantees or provided any securities falling under the purview of Section 186 of the Companies Act, 2013. Hence, disclosure under Section 134(3)(g) of the Companies Act, 2013 is not applicable.

11. FIXED DEPOSITS

As on April 01, 2016, the Company was not having any outstanding deposits falling under the scope of Chapter V of the Companies Act, 2013 and it has not accepted any deposits covered under said Chapter during the financial year 2016-17. As on March 31, 2017, the Company was not having any outstanding deposit falling under the scope of said Chapter.

12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2016-17, the Company has not entered into any contracts or arrangements with related parties falling under the purview of Section 188(1) of the Companies Act, 2013. Hence, disclosure in Form AOC-2 as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable.

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13. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Board of Directors has laid down standards, processes and procedures for implementing the internal financial controls across the organization. After considering the framework of existing internal financial controls and compliance systems; work performed by the Statutory Auditors, the Board of Directors is of the opinion that the Company's internal financial controls with reference to the financial statements were adequate and effective during the financial year 2016-17.

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirements of Section 134(3)(c) of the Companies Act, 2013, and on the basis of the information furnished to them by the Statutory Auditors and Management, the Directors state that:

- a. in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there are no material departures;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. RESIDUARY DISCLOSURES

- i. During the financial year 2016-17, provisions of Section 149(4) of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(d) of the Companies Act, 2013 is not applicable;
- ii. During the financial year 2016-17, provisions of Section 178(1) of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(e) of the Companies Act, 2013 is not applicable;
- iii. In view of the loss incurred by the Company during the financial year 2016-17, no amount is proposed to be carried to reserves;
- iv. There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report. Hence, disclosure under the provisions of Section 134(3)(l) of the Companies Act, 2013 is not applicable;

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CIN No: [U74900PN2008PTC143964]

- v. No activities have been carried out by the Company during the financial year 2016-17. Hence, disclosure under Section 134(3)(n) of the Companies Act, 2013 is not applicable;
- vi. During the financial year 2016-17, provisions of Section 135 of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(o) of the Companies Act, 2013 read with Rule 8 of the Companies (CSR Policy) Rules, 2014 is not applicable;
- vii. During the financial year 2016-17, provisions of Section 178(2) of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(p) read with Rule 8(4) of the Companies (Accounts) Rules, 2014 is not applicable;
- viii. During the financial year 2016-17, the Company has not issued equity shares with differential rights as to dividend, voting or otherwise. Hence, disclosure under Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;
- ix. During the financial year 2016-17, there has been no change in the nature of business of the Company. Hence, disclosure under Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014 is not applicable;
- x. During the financial year 2016-17, no company has become or ceased to be subsidiary, joint venture or associate of the Company. Hence, disclosure under Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 is not applicable;
- xi. During the financial year 2016-17, no significant material orders have been passed by any regulators or courts or tribunals which may impact the going concern status of the Company and its future operations. Hence, disclosure under Rule 8(5)(vii) of the Companies (Accounts) Rules, 2014 is not applicable; and
- xii. During the financial year 2016-17, the Company has not received any complaint of sexual harassment pursuant to the provisions of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

16. ACKNOWLEDGEMENTS

The Directors wish to acknowledge and place on record their sincere appreciation for the assistance and co-operation received from all the members, bankers and other stakeholders.

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 07, 2017

Amit Dahanukar
Chairman

ANNEXURE 'A' TO THE DIRECTORS' REPORT

Extract of Annual Return as on the financial year ended March 31, 2017
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]
Form No. MGT-9

I. REGISTRATION AND OTHER DETAILS	
CIN	U74900PN2008PTC143964
Registration Date	June 26, 2008
Name of the Company	Mykingdom Ventures Pvt. Ltd.
Category/Sub-Category of the Company	Company limited by Shares/Indian Non-Government Company
Address of the Registered office and contact details	P. O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra - 413 720 Tel.: (02422) 265123/265032
Whether listed Company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
-	-	-	-

III. PARTICULARS OF HOLDINGS, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Tilaknagar Industries Ltd. P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Shrirampur, Maharashtra - 413 720	L15420PN1933PLC133303	Holding	100	2(46)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	10,000	10,000	100%	-	10,000	10,000	100%	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	-	10,000	10,000	100%	-	10,000	10,000	100%	-
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	-	10,000	10,000	100%	-	10,000	10,000	100%	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-

b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Other (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	-	-	-	-	-	-	-	-	-
2. Non- Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) other									
i) Clearing Member	-	-	-	-	-	-	-	-	-
ii) NRI	-	-	-	-	-	-	-	-	-
iii) Trust	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B)(1) + (B) (2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	10,000	10,000	100%	-	10,000	10,000	100%	-

ii) Shareholding of Promoters

Sr. Nos.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered of total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered of total Shares	
1.	Tilaknagar Industries Ltd.	9,999	99.99	-	9,999	99.99	-	-
2.	Mr. Amit Dahanukar (Holding shares as Nominee of Tilaknagar Industries Ltd.)	1	0.01	-	1	0.01	-	-
	Total	10,000	100	-	10,000	100	-	-

iii) Change in Promoter's Shareholding (please specify, if there is no change):

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	During the financial year 2016-17, there was no change in the shareholding of the Promoters.			
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the End of the year				

iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	For each of Top Ten Shareholders				
	Nil	-	-	-	-

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	For each of Directors and KMP				
1	Mr. Amit Dahanukar* (Chairman) *Holding shares as Nominee of Tilaknagar Industries Ltd.	1	0.01	1	0.01

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	6,88,273	-	6,88,273
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii + iii)	-	6,88,273	-	6,88,273
Change in Indebtedness during the financial year	-	-	-	-
· Addition	-	20,11,535	-	20,11,535
· Reduction	-	25,00,000	-	25,00,000
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	1,99,808	-	1,99,808
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii + iii)	-	1,99,808	-	1,99,808

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
1	Gross Salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- other, specify..	-	-	-
5	Other, please specify	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act			

B. Remuneration to other directors:

1. Independent Directors

Sr. No.	Particulars of Remuneration	Name of Independent Directors						Total Amount
	Fees for attending Board/Committee Meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (B)(1)	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-	-

2. Other Non Executive Director

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
	Fees for attending Board/Committee Meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (B)(2)	-	-	-	-	-	-	-
	Total (B) = (B)(1) + (B)(2)							
	Total Managerial Remuneration	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- other, specify..	-	-	-
5	Other, please specify	-	-	-
	Total (A)	-	-	-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give details)
(A) COMPANY					
Penalty					
Punishment					
Compounding					
(B) DIRECTORS					
Penalty					
Punishment					
Compounding					
(C) OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

There were no penalties/punishment/compounding of offences for breach of any section of the Companies Act, 2013 against the Company or its Directors or other Officers in Default during the financial year 2016-17.

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 07, 2017

Amit Dahanukar
Chairman

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MYKINGDOM VENTURES PRIVATE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Mykingdom Ventures Private Limited ("the Company") which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

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

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

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

Opinion

In our opinion and to 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, of the state of affairs of the Company as at 31st March, 2017 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors Report) Order 2016 ('the Order') issued by Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order
- (2) As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

- (iv) The Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Note during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management. Refer Note No.17 to the standalone financial statements

For SHYAM D. MENGHANI & CO.

Chartered Accountants

ICAI Firm Regn. No.131574W

Shyam D. Menghani

Proprietor

Membership No. 107345

Place: Mumbai

Date: 16 May 2017

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

Annexure A to the Independent Auditor's Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report that:

- (i) The Company does not have any fixed assets and thus paragraph 3(i) of the Order is not applicable.
- (ii) The Company does not have any inventories and thus paragraph 3(ii) of the Order is not applicable.
- (iii) The company hasnot granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us, the Company has not given any loan, securities and guarantees or made any investments within the meaning of the provisions of section 185 and 186 of the Act and accordingly paragraph 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits during the year within the meaning of the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- (vi) We are informed that the maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.
- (vii) (a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
(b) According to the information and explanations given to us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.
- (viii) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans and accordingly paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

- (xi) According to the information and explanations given to us, the Company has not paid or provided for any managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For SHYAM D. MENGHANI & CO.

Chartered Accountants

ICAI Firm Regn. No.131574W

Shyam D. Menghani

Proprietor

Membership No. 107345

Place: Mumbai

Date: 16 May 2017

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Mykingdom Ventures Private Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SHYAM D. MENGHANI & CO.

Chartered Accountants

ICAI Firm Regn. No.131574W

Shyam D. Menghani

Proprietor

Membership No. 107345

Place: Mumbai

Date: 16 May 2017

MYKINGDOM VENTURES PVT.LTD.

BALANCE SHEET AS AT MARCH 31, 2017

	Note No.	As at March 31, 2017	(₹) As at March 31, 2016
I EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	100,000	100,000
Reserves & Surplus	3	2,186,538	2,220,109
		<u>2,286,538</u>	<u>2,320,109</u>
Current Liabilities			
Short-Term Borrowings	4	199,808	688,273
Other Current Liabilities	5	34,425	17,175
Short-Term Provisions	6	-	-
		<u>234,233</u>	<u>705,448</u>
Total		<u><u>2,520,771</u></u>	<u><u>3,025,557</u></u>
II ASSETS			
Non-Current Assets			
Long-Term Loans and Advances	7	479,900	479,900
Current Assets			
Cash and Bank Balances	8	2,040,871	2,545,657
		<u>2,040,871</u>	<u>2,545,657</u>
Total		<u><u>2,520,771</u></u>	<u><u>3,025,557</u></u>

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements

As per our Report of even date annexed.

For Shyam D.Menghani & Co.
Chartered Accountants
Firm Regn. No . 131574W

For and on behalf of the Board

Shyam D.Menghani
Proprietor
Membership No. 107345

Amit Dahanukar
Chairman
(DIN:00305636)

Dr. Keshab Nandy
Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017

MYKINGDOM VENTURES PVT.LTD.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

	Note No.	Year ended March 31, 2017	(₹) Year ended March 31, 2016
INCOME			
Other Income		-	-
		<u>-</u>	<u>-</u>
EXPENSES			
Other Expenses	9	33,571	27,524
		<u>33,571</u>	<u>27,524</u>
Profit / (Loss) before taxation		(33,571)	(27,524)
Tax expenses			
For earlier years		-	-
MAT Credit entitlements		-	-
		<u>-</u>	<u>-</u>
Profit / (Loss) after taxation		(33,571)	(27,524)
Earnings Per Share (₹) Basic & Diluted	14	(3.36)	(2.75)

Summary of significant accounting policies 1
The accompanying notes are an integral part of the financial statements

As per our Report of even date annexed.

For Shyam D.Menghani & Co.
Chartered Accountants
Firm Regn. No . 131574W

For and on behalf of the Board

Shyam D.Menghani
Proprietor
Membership No. 107345

Amit Dahanukar
Chairman
(DIN:00305636)

Dr. Keshab Nandy
Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017

MYKINGDOM VENTURES PVT.LTD.

Cash Flow Statement for the year ended March 31, 2017

(C)

	2016-17		2015-16	
A) Cash Flow from Operating Activities				
Net Profit /(Loss) before tax		(33,571)		(27,524)
Net Cash from Operating Activities		(33,571)		(27,524)
(Decrease)/ Increase in trade payables, current liabilities and provisions		17,250		(28,769)
B) Cash Flow from Financing Activities				
Proceeds/(repayments) from/of short term borrowings (net)		(488,465)		26,403
Net Cash from Financing Activities		(488,465)		26,403
Net increase in Cash & Cash equivalents		(504,786)		(29,890)
Opening cash & cash equivalents		2,545,657		2,575,547
Closing cash & cash equivalents		2,040,871		2,545,657

As per our Report of even date annexed

For Shyam D.Menghani & Co.

Chartered Accountants
Firm Regn. No . 131574W

For and on behalf of the Board

Shyam D.Menghani

Proprietor
Membership No. 107345

Amit Dahanukar

Chairman
(DIN:00305636)

Dr. Keshab Nandy

Director
(DIN:02163480)

Place : Mumbai

Date : May 16, 2017

Notes to Financial Statements for the year ended March 31, 2017

1 Significant Accounting Policies

i) Basis of Preparation of Financial Statements :

The Financial Statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013 and other accounting pronouncements of the Institute of Chartered Accountants of India. The financial statements have been prepared under historical cost convention and on accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

ii) Use of Estimates :

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

iii) Revenue Recognition:

All revenue and expenses are accounted for on accrual basis. Revenue is recognized when no significant uncertainties exist in relation to the amount of eventual receipt.

iv) Provisions and Contingencies :

Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure on contingent liability is made when there is a possible obligation or present obligation that probably will not require an out flow of resources or where reliable estimate of the amount of the obligation cannot be made. However contingent assets are neither provided for nor disclosed.

v) Taxation :

- a) Provision for Income Tax is determined on the basis of the estimated taxable income and amount expected to be paid to the tax authorities in accordance with the Provisions of the Income Tax Act, 1961.
- b) Deferred Tax is recognized in respect of deferred tax assets (subject to the consideration of prudence) and to the extent there is virtual certainty that the asset will be realized in future and deferred tax liabilities on timing differences, being the difference between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years.

vi) Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity share holders by the weighted average number of equity shares outstanding during the period.

vii) Cash and Cash Equivalents:

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

MYKINGDOM VENTURES PVT.LTD.

Notes to Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	([₹]) As at March 31, 2016
2 Share Capital		
Authorised Shares		
2,50,000 equity shares of ` 10/- each (P.Y. 2,50,000 equity shares of ` 10/- each)	2,500,000	2,500,000
Issued, subscribed and paid up shares		
10,000 equity shares of ` 10/- each fully paid up (P.Y. 10,000 equity shares of ` 10/- each fully paid up)	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
a) Reconciliation of the number of shares outstanding		(Nos.)
Number of equity shares at the beginning	10,000	10,000
Equity shares issued during the period	-	-
Number of equity shares at the end	<u>10,000</u>	<u>10,000</u>
b) Terms / rights attached to equity shares		
Each holder of equity share is entitled to one vote per share with a right to receive per share dividend by the Company, when declared. In the event of liquidation, the equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amounts in the proportion to the number of equity shares held by them.		
c) Shares held by holding company		
Tilaknagar Industries Ltd.	10,000	10,000
d) Details of shareholders holding more than 5% shares in the Company		

Name of the shareholder	As at March 31, 2017		As at March 31, 2016	
	No. of equity shares	As a % of total holding	No. of equity shares	As a % of total holding
Tilaknagar Industries Ltd.	10,000	100	10,000	100
Total	10,000	100	10,000	100

MYKINGDOM VENTURES PVT.LTD.

Notes to Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	(`) As at March 31, 2016
3 Reserves & Surplus		
Surplus / (deficit) in the Statement of Profit and Loss		
As per last Balance Sheet	2,220,109	2,247,633
Add: Profit / (Loss) after tax for the year	(33,571)	(27,524)
	<u>2,186,538</u>	<u>2,220,109</u>
4 Short-Term Borrowings		
Unsecured Loan		
From Holding Company	199,808	688,273
	<u>199,808</u>	<u>688,273</u>
5 Other Current Liabilities		
Other Payables [Refer Note No.11]	34,425	17,175
	<u>34,425</u>	<u>17,175</u>
6 Short-Term Provisions		
Provision for Taxation (Net of Advance Tax)	-	-
	<u>-</u>	<u>-</u>

MYKINGDOM VENTURES PVT.LTD.

Notes to Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	(`) As at March 31, 2016
7 Long-Term Loans and Advances		
MAT Credit entitlement	479,900	479,900
	<u>479,900</u>	<u>479,900</u>
8 Cash and Bank Balances		
Cash and Cash equivalents		
Cheques on hand	2,000,000	2,500,000
Balance with Banks in Current Accounts	40,871	45,657
	<u>2,040,871</u>	<u>2,545,657</u>
	Year ended March 31, 2017	(`) Year ended March 31, 2016
9 Other Expenses		
Auditors Remuneration [Refer Note No.13]	17,250	17,421
Rates and taxes	1,535	3,123
Legal and professional charges	14,700	6,180
Miscellaneous Expenses	86	800
	<u>33,571</u>	<u>27,524</u>

MYKINGDOM VENTURES PVT.LTD.

Notes to Financial Statements for the year ended March 31, 2017

10 The Company neither has deferred tax asset nor deferred tax liability as on March 31, 2017.

11 No amounts is payable to any enterprise as defined under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to Micro and Small Enterprises have not been made.

12 Related Party Disclosures:

The disclosures pertaining to the related parties as required by the Accounting Standard 18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India, as applicable, are as under:

Holding Company :Tilaknagar Industries Ltd.

Tilaknagar Industries Ltd. being holding company is a related party and details of transaction during the financial year are as under:

Nature of Transaction	Parties referred in (a) above	
	2016-17	2015-16
Net Loans & Advances taken (given)		
Tilaknagar Industries Ltd.	(488,466)	26,403
Total	(488,466)	26,403
Outstanding Payable		
Tilaknagar Industries Ltd.	199,808	688,273
Total	199,808	688,273

13 Auditor's remuneration charged to accounts:

	2016-17	2015-16
Audit Fees	17,250	17,421
	17,250	17,421

14 Earnings Per Share (EPS)

	2016-17	2015-16
Profit/ (Loss) After Tax	(33,571)	(27,524)
Weighted average number of shares	10,000	10,000
Basic & Diluted Earnings Per Share	(3.36)	(2.75)
Face Value per Equity Share	10	10

15 There is no contingent liability as on March 31, 2017.

16 Other information required to be given in the accounts by virtue of Companies Act, 2013 is either Nil or is not applicable to the company.

17 The details of Specified Bank Notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016 are as follows :

	SBN	Other Denomination notes	Total
Closing cash on hand as on November 08, 2016	-	-	-
Add: Permitted receipts	-	-	-
Less: Permitted payments	-	-	-
Less: Amounts deposited in Banks	-	-	-
Closing cash on hand as on December 30, 2016	-	-	-

18 Figures of previous year have been regrouped, reclassified and recast, wherever considered necessary.

As per our Report of even date annexed

For Shyam D.Menghani & Co.
Chartered Accountants
Firm Regn. No . 131574W

For and on behalf of the Board

Shyam D.Menghani
Proprietor
Membership No. 107345

Amit Dahanukar
Chairman
(DIN:00305636)

Dr. Keshab Nandy
Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017

SRIRAMPUR GRAINS PRIVATE LIMITED

Regd Office: P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra - 413 720

Tel No: (02422) 265 032/265 123, Fax No: (02422) 265 135

CIN No: [U01300PN2008PTC144177]

DIRECTORS' REPORT

Dear Members,

The Directors hereby present their 9th Annual Report along with the audited financial statements of the Company for the financial year ended March 31, 2017.

1. FINANCIAL & OPERATIONAL REVIEW

During the financial year 2016-17, no activities have been carried out by the Company and it has incurred net loss of Rs. 39,009/- during the year as compared to net loss of Rs. 34,451/- in the previous year.

2. DIVIDEND

In view of the loss incurred by the Company during the year, the Directors have not recommended any dividend for the financial year ended March 31, 2017.

3. HOLDING COMPANY

Your Company is wholly owned subsidiary of Tilaknagar Industries Ltd.

4. DIRECTORS

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Mr. Amit Dahanukar, Director of the Company is retiring by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board of Directors recommends his re-appointment.

5. NUMBER OF MEETINGS OF THE BOARD

The Board has met 4 (four) times during the financial year 2016-17 on May 25, 2016; August 11, 2016; November 10, 2016 and January 20, 2017 and the intervening period between the two meetings did not exceed 120 days.

6. AUDITORS

Statutory Auditors and Statutory Audit Report

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014, M/s Shyam D. Menghani & Co., Chartered Accountants were appointed as Statutory Auditors of the Company in the 6th Annual General Meeting held on September 27, 2014 to hold office from the conclusion of the 6th Annual General Meeting till the conclusion of the 11th Annual General Meeting of the Company, subject to ratification of their appointment by the Members at every Annual General Meeting held after the 6th Annual General Meeting.

Accordingly, a proposal seeking Members' ratification for the appointment of M/s Shyam D. Menghani & Co., Chartered Accountants, (ICAI Firm Registration No. 131574W) as the Statutory Auditors of the Company and for fixing their remuneration for the remaining tenure forms part of the Notice convening the ensuing Annual General Meeting. Pursuant to the provisions of Sections 139 and 141 of the Companies Act, 2013 read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014, the Company has received consent from them to the proposal for ratification of their appointment in the ensuing Annual General Meeting for the

SRIRAMPUR GRAINS PRIVATE LIMITED

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Tel No: (02422) 265 032/265 123, Fax No: (02422) 265 135

CIN No: [U01300PN2008PTC144177]

remaining tenure along with a certificate to the effect that their appointment, if made, will be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified for appointment.

The Board of Directors has reviewed their eligibility criteria as laid down under Section 141 of the Companies Act, 2013 and recommended the ratification of their appointment as Statutory Auditors for the remaining tenure.

No frauds have been reported by the Statutory Auditors during the financial year 2016-17 pursuant to the provisions of Section 143(12) of the Companies Act, 2013.

The Auditors' Report for the financial year ended March 31, 2017 does not contain any qualification, reservation, adverse remark or disclaimer. The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

7. DETAILS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

There are no particulars to be furnished in this Report as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014. There were no earnings and expenditure in foreign currency during the year.

8. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

There are no particulars to be furnished in this Report as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014.

9. EXTRACT OF ANNUAL RETURN

An extract of Annual Return in Form MGT-9 as required under the provisions of Section 134(3)(a) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is set out in Annexure 'A' to this Report.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the financial year 2016-17, the Company has neither given any loans or made any investments, nor given any guarantees or provided any securities falling under the purview of Section 186 of the Companies Act, 2013. Hence, disclosure under Section 134(3)(g) of the Companies Act, 2013 is not applicable.

11. FIXED DEPOSITS

As on April 01, 2016, the Company was not having any outstanding deposits falling under the scope of Chapter V of the Companies Act, 2013 and it has not accepted any deposits covered under said Chapter during the financial year 2016-17. As on March 31, 2017, the Company was not having any outstanding deposit falling under the scope of said Chapter.

12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2016-17, the Company has not entered into any contracts or arrangements with related parties falling under the purview of Section 188(1) of the Companies Act, 2013. Hence, disclosure in Form AOC-2 as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable.

SRIRAMPUR GRAINS PRIVATE LIMITED

Regd Office: P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra - 413 720

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CIN No: [U01300PN2008PTC144177]

13. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Board of Directors has laid down standards, processes and procedures for implementing the internal financial controls across the organization. After considering the framework of existing internal financial controls and compliance systems; work performed by the Statutory Auditors, the Board of Directors is of the opinion that the Company's internal financial controls with reference to the financial statements were adequate and effective during the financial year 2016-17.

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirements of Section 134(3)(c) of the Companies Act, 2013, and on the basis of the information furnished to them by the Statutory Auditors and Management, the Directors state that:

- a. in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there are no material departures;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. RESIDUARY DISCLOSURES

- i. During the financial year 2016-17, provisions of Section 149(4) of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(d) of the Companies Act, 2013 is not applicable;
- ii. During the financial year 2016-17, provisions of Section 178(1) of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(e) the Companies Act, 2013 is not applicable;
- iii. In view of the loss incurred by the Company during the financial year 2016-17, no amount is proposed to be carried to reserves;
- iv. There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report. Hence, disclosure under the provisions of Section 134(3)(l) of the Companies Act, 2013 is not applicable;

SRIRAMPUR GRAINS PRIVATE LIMITED

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CIN No: [U01300PN2008PTC144177]

- v. No activities have been carried out by the Company during the financial year 2016-17. Hence, disclosure under Section 134(3)(n) of the Companies Act, 2013 is not applicable;
- vi. During the financial year 2016-17, provisions of Section 135 of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(o) of the Companies Act, 2013 read with Rule 8 of the Companies (CSR Policy) Rules, 2014 is not applicable;
- vii. During the financial year 2016-17, provisions of Section 178(2) of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(p) read with Rule 8(4) of the Companies (Accounts) Rules, 2014 is not applicable;
- viii. During the financial year 2016-17, the Company has not issued equity shares with differential rights as to dividend, voting or otherwise. Hence, disclosure under Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;
- ix. During the financial year 2016-17, there has been no change in the nature of business of the Company. Hence, disclosure under Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014 is not applicable;
- x. During the financial year 2016-17, no company has become or ceased to be subsidiary, joint venture or associate of the Company. Hence, disclosure under Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 is not applicable;
- xi. During the financial year 2016-17, no significant material orders have been passed by any regulators or courts or tribunals which may impact the going concern status of the Company and its future operations. Hence, disclosure under Rule 8(5)(vii) of the Companies (Accounts) Rules, 2014 is not applicable; and
- xii. During the financial year 2016-17, the Company has not received any complaint of sexual harassment pursuant to the provisions of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

16. ACKNOWLEDGEMENTS

The Directors wish to acknowledge and place on record their sincere appreciation for the assistance and co-operation received from all the members, bankers and other stakeholders.

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 07, 2017

Amit Dahanukar
Chairman

ANNEXURE 'A' TO THE DIRECTORS' REPORT

Extract of Annual Return as on the financial year ended March 31, 2017
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]
Form No. MGT-9

I. REGISTRATION AND OTHER DETAILS	
CIN	U01300PN2008PTC144177
Registration Date	December 11, 2008
Name of the Company	Srirampur Grains Private Limited
Category/Sub-Category of the Company	Company limited by Shares/Indian Non-Government Company
Address of the Registered office and contact details	P. O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra - 413 720 Tel.: (02422) 265123/265032
Whether listed Company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
-	-	-	-

III. PARTICULARS OF HOLDINGS, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Tilaknagar Industries Ltd. P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Shrirampur, Maharashtra - 413 720	L15420PN1933PLC133303	Holding	100	2(46)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	10,000	10,000	100%	-	10,000	10,000	100%	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	-	10,000	10,000	100%	-	10,000	10,000	100%	-
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	-	10,000	10,000	100%	-	10,000	10,000	100%	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-

b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Other (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	-	-	-	-	-	-	-	-	-
2. Non- Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) other									
i) Clearing Member	-	-	-	-	-	-	-	-	-
ii) NRI	-	-	-	-	-	-	-	-	-
iii) Trust	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B)(1) + (B) (2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	10,000	10,000	100%	-	10,000	10,000	100%	-

ii) Shareholding of Promoters

Sr. Nos.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered of total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered of total Shares	
1.	Tilaknagar Industries Ltd.	9,999	99.99	-	9,999	99.99	-	-
2.	Mr. Amit Dahanukar (Holding shares as Nominee of Tilaknagar Industries Ltd.)	1	0.01	-	1	0.01	-	-
	Total	10,000	100	-	10,000	100	-	-

iii) Change in Promoter's Shareholding (please specify, if there is no change):

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year				
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	During the financial year 2016-17, there was no change in the shareholding of the Promoters.			
	At the End of the year				

iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	For each of Top Ten Shareholders				
	Nil	-	-	-	-

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	For each of Directors and KMP				
1	Mr. Amit Dahanukar* (Chairman) *Holding shares as Nominee of Tilaknagar Industries Ltd.	1	0.01	1	0.01

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	14,70,838	-	14,70,838
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii + iii)	-	14,70,838		14,70,838
Change in Indebtedness during the financial year				
· Addition		11,023	-	11,023
· Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	14,81,861	-	14,81,861
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii + iii)	-	14,81,861	-	14,81,861

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
1	Gross Salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- other, specify..	-	-	-
5	Other, please specify	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act			

B. Remuneration to other directors:

1. Independent Directors

Sr. No.	Particulars of Remuneration	Name of Independent Directors						Total Amount
	Fees for attending Board/Committee Meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (B)(1)	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-	-

2. Other Non Executive Director

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
	Fees for attending Board/Committee Meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (B)(2)	-	-	-	-	-	-	-
	Total (B) = (B)(1) + (B)(2)							
	Total Managerial Remuneration	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- other, specify..	-	-	-
5	Other, please specify	-	-	-
	Total (A)	-	-	-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give details)
(A) COMPANY					
Penalty					
Punishment					
Compounding					
(B) DIRECTORS					
Penalty					
Punishment					
Compounding					
(C) OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

There were no penalties/punishment/compounding of offences for breach of any section of the Companies Act, 2013 against the Company or its Directors or other Officers in Default during the financial year 2016-17.

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 07, 2017

Amit Dahanukar
Chairman

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SRIRAMPUR GRAINS PRIVATE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Srirampur Grains Private Limited ("the Company") which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

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

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

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

Opinion

In our opinion and to 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, of the state of affairs of the Company as at 31st March, 2017 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors Report) Order 2016 ('the Order') issued by Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order
- (2) As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

- (iv) The Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Note during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management. Refer Note No.15 to the standalone financial statements.

For SHYAM D. MENGHANI & CO.

Chartered Accountants

ICAI Firm Regn. No.131574W

Shyam D. Menghani

Proprietor

Membership No. 107345

Place: Mumbai

Date: 16 May 2017

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

Annexure A to the Independent Auditor's Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report that:

- (i) The Company does not have any fixed assets and thus paragraph 3(i) of the Order is not applicable
- (ii) The Company does not have any inventories and thus paragraph 3(ii) of the Order is not applicable.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us, the Company has not given any loan, securities and guarantees or made any investments within the meaning of the provisions of section 185 and 186 of the Act and accordingly paragraph 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits during the year within the meaning of the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- (vi) We are informed that the maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.
- (vii) (a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
(b) According to the information and explanations given to us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.
- (viii) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans and accordingly paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, the Company has not paid or provided for any managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable.

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For SHYAM D. MENGHANI & CO.

Chartered Accountants

ICAI Firm Regn. No.131574W

Shyam D. Menghani

Proprietor

Membership No. 107345

Place: Mumbai

Date: 16 May 2017

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Srirampur Grains Private Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SHYAM D. MENGHANI & CO.

Chartered Accountants

ICAI Firm Regn. No.131574W

Shyam D. Menghani

Proprietor

Membership No. 107345

Place: Mumbai

Date: 16 May 2017

SRIRAMPUR GRAINS PVT.LTD

BALANCE SHEET AS AT MARCH 31, 2017

	Note No.	As at March 31, 2017	(₹) As at March 31, 2016
I EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	100,000	100,000
Reserves & Surplus	3	<u>(1,621,149)</u>	<u>(1,582,140)</u>
		(1,521,149)	(1,482,140)
Current Liabilities			
Short-Term Borrowings	4	1,481,861	1,470,838
Other Current Liabilities	5	45,900	22,900
		<u>1,527,761</u>	<u>1,493,738</u>
Total		<u><u>6,612</u></u>	<u><u>11,598</u></u>
II ASSETS			
Current Assets			
Cash and Bank Balances	6	6,612	11,598
		<u>6,612</u>	<u>11,598</u>
Total		<u><u>6,612</u></u>	<u><u>11,598</u></u>

Summary of significant accounting policies 1
The accompanying notes are an integral part of the financial statements

As per our Report of even date annexed.

For Shyam D.Menghani & Co.
Chartered Accountants
Firm Regn. No . 131574W

For and on behalf of the Board

Shyam D.Menghani
Proprietor
Membership No. 107345

Amit Dahanukar
Chairman
(DIN:00305636)

Dr. Keshab Nandy
Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017

SRIRAMPUR GRAINS PVT.LTD

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

	Note No.	Year ended March 31, 2017	Year ended March 31, 2016 ([₹])
INCOME			
Other Income		-	780
		<u>-</u>	<u>780</u>
EXPENSES			
Other Expenses	7	39,009	35,231
		<u>39,009</u>	<u>35,231</u>
Profit / (Loss) before taxation		(39,009)	(34,451)
Tax expenses			
For earlier years		-	-
		<u>-</u>	<u>-</u>
Profit / (Loss) after taxation		(39,009)	(34,451)
Earnings Per Share ([₹]) Basic & Diluted	12	(3.90)	(3.45)
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our Report of even date annexed.

For Shyam D.Menghani & Co.
Chartered Accountants
Firm Regn. No . 131574W

For and on behalf of the Board

Shyam D.Menghani
Proprietor
Membership No. 107345

Amit Dahanukar
Chairman
(DIN:00305636)

Dr. Keshab Nandy
Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017

SRIRAMPUR GRAINS PVT.LTD

Cash Flow Statement for the year ended March 31, 2017

(₹)

	2016-2017		2015-2016	
A) Cash Flow from Operating Activities				
Net Profit /(Loss) before tax		(39,009)		(34,451)
Operating Profit before working capital changes (Decrease)/ Increase in trade payables, current liabilities and provisions		23,000		428
Net Cash from Operating Activities		(16,009)		(34,023)
B) Cash Flow from Financing Activities				
Proceeds/(repayments) from/of short term borrowings (net)		11,023		32,103
Net Cash from Financing Activities		11,023		32,103
Net increase in Cash & Cash equivalents		(4,986)		(1,920)
Opening cash & cash equivalents		11,598		13,518
Closing cash & cash equivalents		6,612		11,598

As per our Report of even date annexed

For Shyam D.Menghani & Co.
Chartered Accountants
Firm Regn. No . 131574W

For and on behalf of the Board

Shyam D.Menghani
Proprietor
Membership No. 107345

Amit Dahanukar
Chairman
(DIN:00305636)

Dr. Keshab Nandy
Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017

Notes to Financial Statements for the year ended March 31, 2017

1 Significant Accounting Policies

i) Basis of Preparation of Financial Statements :

The Financial Statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013 and other accounting pronouncements of the Institute of Chartered Accountants of India. The financial statements have been prepared under historical cost convention and on accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

ii) Use of Estimates :

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

iii) Revenue Recognition:

All revenue and expenses are accounted for on accrual basis. Revenue is recognized when no significant uncertainties exist in relation to the amount of eventual receipt.

iv) Provisions and Contingencies :

Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure on contingent liability is made when there is a possible obligation or present obligation that probably will not require an out flow of resources or where reliable estimate of the amount of the obligation cannot be made. However contingent assets are neither provided for nor disclosed.

v) Taxation :

- a) Provision for Income Tax is determined on the basis of the estimated taxable income and amount expected to be paid to the tax authorities in accordance with the Provisions of the Income Tax Act, 1961.
- b) Deferred Tax is recognized in respect of deferred tax assets (subject to the consideration of prudence) and to the extent there is virtual certainty that the asset will be realized in future and deferred tax liabilities on timing differences, being the difference between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years.

vi) Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity share holders by the weighted average number of equity shares outstanding during the period.

vii) Cash and Cash Equivalents:

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

SRIRAMPUR GRAINS PVT.LTD

Notes to Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	As at March 31, 2016
2 Share Capital		
Authorised Shares		
2,50,000 equity shares of ` 10/- each (P.Y. 2,50,000 equity shares of ` 10/- each)	2,500,000	2,500,000
Issued, subscribed and paid up shares		
10,000 equity shares of ` 10/- each fully paid up (P.Y. 10,000 equity shares of ` 10/- each fully paid up)	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
a) Reconciliation of the number of shares outstanding		(Nos.)
Number of equity shares at the beginning	10,000	10,000
Equity shares issued during the period	-	-
Number of equity shares at the end	<u>10,000</u>	<u>10,000</u>
b) Terms / rights attached to equity shares		
Each holder of equity share is entitled to one vote per share with a right to receive per share dividend by the Company, when declared. In the event of liquidation, the equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amounts in the proportion to the number of equity shares held by them.		
c) Shares held by holding company		
Tilaknagar Industries Ltd.	10,000	10,000
d) Details of shareholders holding more than 5% shares in the Company		

Name of the shareholder	As at March 31, 2017		As at March 31, 2016	
	No. of equity shares	As a % of total holding	No. of equity shares	As a % of total holding
Tilaknagar Industries Ltd.	10,000	100	10,000	100
Total	10,000	100	10,000	100

SRIRAMPUR GRAINS PVT.LTD

Notes to Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	(`) As at March 31, 2016
3 Reserves & Surplus		
Surplus / (deficit) in the Statement of Profit and Loss		
As per last Balance Sheet	(1,582,140)	(1,547,689)
Add: Profit / (Loss) after tax for the year	(39,009)	(34,451)
	(1,621,149)	(1,582,140)
4 Short-Term Borrowings		
Unsecured Loan		
From Holding Company	1,481,861	1,470,838
	1,481,861	1,470,838
5 Other Current Liabilities		
Other Payables [Refer Note No.9]	45,900	22,900
	45,900	22,900

SRIRAMPUR GRAINS PVT.LTD

Notes to Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	(`) As at March 31, 2016
6 Cash and Bank Balances		
Cash and Cash Equivalents		
Balance with Bank in Current Account	6,612	11,043
Cash on Hand	-	555
	6,612	11,598
	Year ended March 31, 2017	(`) Year ended March 31, 2016
7 Other Expenses		
Auditors Remuneration [Refer Note No.11]	23,000	23,228
Rates and taxes	11,023	5,773
Legal and professional charges	4,700	6,180
Miscellaneous Expenses	286	50
	39,009	35,231

SRIRAMPUR GRAINS PVT.LTD

Notes to Financial Statements for the year ended March 31, 2017

8 The Company neither has deferred tax asset nor deferred tax liability as on March 31, 2017.

9 No amounts is payable to any enterprise as defined under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to Micro and Small Enterprises have not been made.

10 Related Party Disclosures:

The disclosures pertaining to the related parties as required by the Accounting Standard 18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India, as applicable, are as under:

Holding Company :Tilaknagar Industries Ltd.

Tilaknagar Industries Ltd. being holding company is a related party and details of transaction during the financial year are as under:

Nature of Transaction	Parties referred in (a) above	
	2016-2017	2015-2016
Net Loans & Advances taken		
Tilaknagar Industries Ltd.	11,023	32,103
Total	11,023	32,103
Outstanding Payable		
Tilaknagar Industries Ltd.	1,481,861	1,470,838
Total	1,481,861	1,470,838

11 Auditor's remuneration charged to accounts:	2016-2017	2015-2016
Audit Fees	23,000	23,228
	23,000	23,228

12 Earnings Per Share (EPS)	2016-2017	2015-2016
Profit/(Loss) After Tax	(39,009)	(34,451)
Weighted average number of shares	10,000	10,000
Basic & Diluted Earnings Per Share	(3.90)	(3.45)
Face Value per Equity Share	10	10

13 There is no contingent liability as on March 31, 2017.

14 Other information required to be given in the accounts by virtue of Companies Act, 2013 is either Nil or is not applicable to the company.

15 The details of Specified Bank Notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016 are as follows :

	SBN	Other Denomination notes	Total
Closing cash on hand as on November 08, 2016	-	-	-
Add: Permitted receipts	-	-	-
Less: Permitted payments	-	-	-
Less: Amounts deposited in Banks	-	-	-
Closing cash on hand as on December 30, 2016	-	-	-

16 Figures of previous year have been regrouped, reclassified and recast, wherever considered necessary.

As per our Report of even date annexed

For Shyam D.Menghani & Co.
Chartered Accountants
Firm Regn. No . 131574W

For and on behalf of the Board

Shyam D.Menghani
Proprietor
Membership No. 107345

Amit Dahanukar
Chairman
(DIN:00305636)

Dr. Keshab Nandy
Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017

STUDD PROJECTS P. LTD.

Regd Office: P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra - 413 720

Tel No: (02422) 265 032/265 123, Fax No: (02422) 265 135

CIN No: [U45202PN2008PTC144178]

DIRECTORS' REPORT

Dear Members,

The Directors hereby present their 9th Annual Report along with the audited financial statements of the Company for the financial year ended March 31, 2017.

1. FINANCIAL & OPERATIONAL REVIEW

During the financial year 2016-17, no activities have been carried out by the Company and it has incurred net loss of Rs. 27,901 during the year as compared to net loss of Rs. 23,661 in the previous year.

2. DIVIDEND

In view of the loss incurred by the Company during the year, the Directors have not recommended any dividend for the financial year ended March 31, 2017.

3. HOLDING COMPANY

Your Company is wholly owned subsidiary of Tilaknagar Industries Ltd.

4. DIRECTORS

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Mr. Amit Dahanukar, Director of the Company is retiring by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board of Directors recommends his re-appointment.

5. NUMBER OF MEETINGS OF THE BOARD

The Board has met 4 (four) times during the financial year 2016-17 on May 25, 2016; August 11, 2016; November 10, 2016 and January 20, 2017 and the intervening period between the two meetings did not exceed 120 days.

6. AUDITORS

Statutory Auditors and Statutory Audit Report

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014, M/s Shyam D. Menghani & Co., Chartered Accountants were appointed as Statutory Auditors of the Company in the 6th Annual General Meeting held on September 27, 2014 to hold office from the conclusion of the 6th Annual General Meeting till the conclusion of the 11th Annual General Meeting of the Company, subject to ratification of their appointment by the Members at every Annual General Meeting held after the 6th Annual General Meeting.

Accordingly, a proposal seeking Members' ratification for the appointment of M/s Shyam D. Menghani & Co., Chartered Accountants, (ICAI Firm Registration No. 131574W) as the Statutory Auditors of the Company and for fixing their remuneration for the remaining tenure forms part of the Notice convening the ensuing Annual General Meeting. Pursuant to the provisions of Sections 139 and 141 of the Companies Act, 2013 read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014, the Company has received consent from them to the proposal for ratification of their appointment in the ensuing Annual General Meeting for the remaining tenure along with a certificate to the effect that their appointment, if

STUDD PROJECTS P. LTD.

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CIN No: [U45202PN2008PTC144178]

made, will be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified for appointment.

The Board of Directors has reviewed their eligibility criteria as laid down under Section 141 of the Companies Act, 2013 and recommended the ratification of their appointment as Statutory Auditors for the remaining tenure.

No frauds have been reported by the Statutory Auditors during the financial year 2016-17 pursuant to the provisions of Section 143(12) of the Companies Act, 2013.

The Auditors' Report for the financial year ended March 31, 2017 does not contain any qualification, reservation, adverse remark or disclaimer. The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

7. DETAILS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

There are no particulars to be furnished in this Report as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014. There were no earnings and expenditure in foreign currency during the year.

8. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

There are no particulars to be furnished in this Report as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014.

9. EXTRACT OF ANNUAL RETURN

An extract of Annual Return in Form MGT-9 as required under the provisions of Section 134(3)(a) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is set out in Annexure 'A' to this Report.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the financial year 2016-17, the Company has neither given any loans or made any investments, nor given any guarantees or provided any securities falling under the purview of Section 186 of the Companies Act, 2013. Hence, disclosure under Section 134(3)(g) of the Companies Act, 2013 is not applicable.

11. FIXED DEPOSITS

As on April 01, 2016, the Company was not having any outstanding deposits falling under the scope of Chapter V of the Companies Act, 2013 and it has not accepted any deposits covered under said Chapter during the financial year 2016-17. As on March 31, 2017, the Company was not having any outstanding deposit falling under the scope of said Chapter.

12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2016-17, the Company has not entered into any contracts or arrangements with related parties falling under the purview of Section 188(1) of the Companies Act, 2013. Hence, disclosure in Form AOC-2 as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable.

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CIN No: [U45202PN2008PTC144178]

13. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Board of Directors has laid down standards, processes and procedures for implementing the internal financial controls across the organization. After considering the framework of existing internal financial controls and compliance systems; work performed by the Statutory Auditors, the Board of Directors is of the opinion that the Company's internal financial controls with reference to the financial statements were adequate and effective during the financial year 2016-17.

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirements of Section 134(3)(c) of the Companies Act, 2013, and on the basis of the information furnished to them by the Statutory Auditors and Management, the Directors state that:

- a. in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there are no material departures;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. RESIDUARY DISCLOSURES

- i. During the financial year 2016-17, provisions of Section 149(4) of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(d) of the Companies Act, 2013 is not applicable;
- ii. During the financial year 2016-17, provisions of Section 178(1) of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(e) the Companies Act, 2013 is not applicable;
- iii. In view of the loss incurred by the Company during the financial year 2016-17, no amount is proposed to be carried to reserves;
- iv. There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report. Hence, disclosure under the provisions of Section 134(3)(l) of the Companies Act, 2013 is not applicable;

STUDD PROJECTS P. LTD.

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CIN No: [U45202PN2008PTC144178]

- v. No activities have been carried out by the Company during the financial year 2016-17. Hence, disclosure under Section 134(3)(n) of the Companies Act, 2013 is not applicable;
- vi. During the financial year 2016-17, provisions of Section 135 of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(o) of the Companies Act, 2013 read with Rule 8 of the Companies (CSR Policy) Rules, 2014 is not applicable;
- vii. During the financial year 2016-17, provisions of Section 178(2) of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(p) read with Rule 8(4) of the Companies (Accounts) Rules, 2014 is not applicable;
- viii. During the financial year 2016-17, the Company has not issued equity shares with differential rights as to dividend, voting or otherwise. Hence, disclosure under Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;
- ix. During the financial year 2016-17, there has been no change in the nature of business of the Company. Hence, disclosure under Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014 is not applicable;
- x. During the financial year 2016-17, no company has become or ceased to be subsidiary, joint venture or associate of the Company. Hence, disclosure under Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 is not applicable;
- xi. During the financial year 2016-17, no significant material orders have been passed by any regulators or courts or tribunals which may impact the going concern status of the Company and its future operations. Hence, disclosure under Rule 8(5)(vii) of the Companies (Accounts) Rules, 2014 is not applicable; and
- xii. During the financial year 2016-17, the Company has not received any complaint of sexual harassment pursuant to the provisions of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

16. ACKNOWLEDGEMENTS

The Directors wish to acknowledge and place on record their sincere appreciation for the assistance and co-operation received from all the members, bankers and other stakeholders.

For and on behalf of the Board of Directors

Amit Dahanukar
Chairman

Place : Mumbai
Date : August 07, 2017

ANNEXURE 'A' TO THE DIRECTORS' REPORT

Extract of Annual Return as on the financial year ended March 31, 2017
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]
Form No. MGT-9

I. REGISTRATION AND OTHER DETAILS	
CIN	U45202PN2008PTC144178
Registration Date	June 26, 2008
Name of the Company	Studd Projects P. Ltd.
Category/Sub-Category of the Company	Company limited by Shares/Indian Non-Government Company
Address of the Registered office and contact details	P. O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra - 413 720 Tel.: (02422) 265123/265032
Whether listed Company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
-	-	-	-

III. PARTICULARS OF HOLDINGS, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Tilaknagar Industries Ltd. P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Shrirampur, Maharashtra - 413 720	L15420PN1933PLC133303	Holding	100	2(46)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	10,000	10,000	100%	-	10,000	10,000	100%	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	-	10,000	10,000	100%	-	10,000	10,000	100%	-
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	-	10,000	10,000	100%	-	10,000	10,000	100%	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-

b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Other (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	-	-	-	-	-	-	-	-	-
2. Non- Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) other									
i) Clearing Member	-	-	-	-	-	-	-	-	-
ii) NRI	-	-	-	-	-	-	-	-	-
iii) Trust	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B)(1) + (B) (2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	10,000	10,000	100%	-	10,000	10,000	100%	-

ii) Shareholding of Promoters

Sr. Nos.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered of total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered of total Shares	
1.	Tilaknagar Industries Ltd.	9,999	99.99	-	9,999	99.99	-	-
2.	Mr. Amit Dahanukar (Holding shares as Nominee of Tilaknagar Industries Ltd.)	1	0.01	-	1	0.01	-	-
	Total	10,000	100	-	10,000	100	-	-

iii) Change in Promoter's Shareholding (please specify, if there is no change):

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year				
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	During the financial year 2016-17, there was no change in the shareholding of the Promoters.			
	At the End of the year				

iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	For each of Top Ten Shareholders				
	Nil	-	-	-	-

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	For each of Directors and KMP				
1	Mr. Amit Dahanukar* (Chairman) *Holding shares as Nominee of Tilaknagar Industries Ltd.	1	0.01	1	0.01

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	3,54,111	-	3,54,111
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii + iii)	-	3,54,111		3,54,111
Change in Indebtedness during the financial year				
· Addition		11,023	-	11,023
· Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	3,65,134	-	3,65,134
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii + iii)	-	3,65,134	-	3,65,134

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
1	Gross Salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- other, specify..	-	-	-
5	Other, please specify	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act			

B. Remuneration to other directors:

1. Independent Directors

Sr. No.	Particulars of Remuneration	Name of Independent Directors						Total Amount
	Fees for attending Board/Committee Meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (B)(1)	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-	-

2. Other Non Executive Director

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
	Fees for attending Board/Committee Meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (B)(2)	-	-	-	-	-	-	-
	Total (B) = (B)(1) + (B)(2)							
	Total Managerial Remuneration	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- other, specify..	-	-	-
5	Other, please specify	-	-	-
	Total (A)	-	-	-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give details)
(A) COMPANY					
Penalty					
Punishment					
Compounding					
(B) DIRECTORS					
Penalty					
Punishment					
Compounding					
(C) OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

There were no penalties/punishment/compounding of offences for breach of any section of the Companies Act, 2013 against the Company or its Directors or other Officers in Default during the financial year 2016-17.

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 07, 2017

Amit Dahanukar
Chairman

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STUDD PROJECTS PRIVATE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Studd Projects Private Limited ("the Company") which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

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

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

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

Opinion

In our opinion and to 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, of the state of affairs of the Company as at 31st March, 2017 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors Report) Order 2016 ('the Order') issued by Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order
- (2) As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

- (iv) The Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Note during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management. Refer Note No.15 to the standalone financial statements.

For SHYAM D. MENGHANI & CO.

Chartered Accountants

ICAI Firm Regn. No.131574W

Shyam D. Menghani

Proprietor

Membership No. 107345

Place: Mumbai

Date: 16 May 2017

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

Annexure A to the Independent Auditor's Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report that:

- (i) The Company does not have any fixed assets and thus paragraph 3(i) of the Order is not applicable
- (ii) The Company does not have any inventories and thus paragraph 3(ii) of the Order is not applicable.
- (iii) The company hasnot granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us, the Company has not given any loan, securities and guarantees or made any investments within the meaning of the provisions of section 185 and 186 of the Act and accordingly paragraph 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits during the year within the meaning of the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- (vi) We are informed that the maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.
- (vii) (a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
(b) According to the information and explanations given to us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.
- (viii) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans and accordingly paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, the Company has not paid or provided for any managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable.

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For SHYAM D. MENGHANI & CO.

Chartered Accountants

ICAI Firm Regn. No.131574W

Shyam D. Menghani

Proprietor

Membership No. 107345

Place: Mumbai

Date: 16 May 2017

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Studd Projects Private Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SHYAM D. MENGHANI & CO.

Chartered Accountants

ICAI Firm Regn. No.131574W

Shyam D. Menghani

Proprietor

Membership No. 107345

Place: Mumbai

Date: 16 May 2017

STUDD PROJECTS P. LTD.

BALANCE SHEET AS AT MARCH 31, 2017

	Note No.	As at March 31, 2017	(₹) As at March 31, 2016
I EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	100,000	100,000
Reserves & Surplus	3	<u>(297,028)</u>	<u>(269,127)</u>
		(197,028)	(169,127)
Current Liabilities			
Short-Term Borrowings	4	365,134	354,111
Other Current Liabilities	5	22,950	11,450
		<u>388,084</u>	<u>365,561</u>
Total		<u>191,056</u>	<u>196,434</u>
II ASSETS			
Current Assets			
Cash and Bank Balances	6	191,056	196,434
		<u>191,056</u>	<u>196,434</u>
Total		<u>191,056</u>	<u>196,434</u>
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our Report of even date annexed.

For Shyam D.Menghani & Co.
Chartered Accountants
Firm Regn. No . 131574W

For and on behalf of the Board

Shyam D.Menghani
Proprietor
Membership No. 107345

Amit Dahanukar
Chairman
(DIN:00305636)

Dr. Keshab Nandy
Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017

STUDD PROJECTS P. LTD.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

	Note No.	Year ended March 31, 2017	([₹]) Year ended March 31, 2016
INCOME			
Other Income		-	-
		<hr/>	<hr/>
		<hr/> <hr/>	<hr/> <hr/>
EXPENSES			
Other Expenses	7	27,901	23,661
		<hr/>	<hr/>
		<hr/> <hr/>	<hr/> <hr/>
Profit / (Loss) before taxation		(27,901)	(23,661)
Tax expenses			
For earlier years		-	-
		<hr/>	<hr/>
		<hr/> <hr/>	<hr/> <hr/>
Profit / (Loss) after taxation		(27,901)	(23,661)
Earnings Per Share ([₹]) Basic & Diluted	12	(2.79)	(2.37)
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our Report of even date annexed.

For Shyam D.Menghani & Co.
Chartered Accountants
Firm Regn. No . 131574W

For and on behalf of the Board

Shyam D.Menghani
Proprietor
Membership No. 107345

Amit Dahanukar
Chairman
(DIN:00305636)

Dr. Keshab Nandy
Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017

STUDD PROJECTS P. LTD.

Cash Flow Statement for the year ended March 31, 2017

(₹)

	2016-17	2015-16
A) Cash Flow from Operating Activities		
Net Profit/(Loss) before tax	(27,901)	(23,661)
Net Cash from Operating Activities	(27,901)	(23,661)
(Decrease)/ Increase in trade payables, current liabilities and provisions	11,500	(806)
B) Cash Flow from Financing Activities		
Proceeds/(repayments) from/of short term borrowings (net)	11,023	21,723
Net Cash from Financing Activities	11,023	21,723
Net increase in Cash & Cash equivalents	(5,378)	(2,744)
Opening cash & cash equivalents	196,434	199,178
Closing cash & cash equivalents	191,056	196,434

As per our Report of even date annexed

For Shyam D.Menghani & Co.

Chartered Accountants
Firm Regn. No . 131574W

For and on behalf of the Board

Shyam D.Menghani

Proprietor
Membership No. 107345

Amit Dahanukar

Chairman
(DIN:00305636)

Dr. Keshab Nandy

Director
(DIN:02163480)

Place : Mumbai

Date : May 16, 2017

Notes to Financial Statements for the year ended March 31, 2017

1 Significant Accounting Policies

i) Basis of Preparation of Financial Statements :

The Financial Statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013 and other accounting pronouncements of the Institute of Chartered Accountants of India. The financial statements have been prepared under historical cost convention and on accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

ii) Use of Estimates :

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

iii) Revenue Recognition:

All revenue and expenses are accounted for on accrual basis. Revenue is recognized when no significant uncertainties exist in relation to the amount of eventual receipt.

iv) Provisions and Contingencies :

Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure on contingent liability is made when there is a possible obligation or present obligation that probably will not require an out flow of resources or where reliable estimate of the amount of the obligation cannot be made. However contingent assets are neither provided for nor disclosed.

v) Taxation :

- a) Provision for Income Tax is determined on the basis of the estimated taxable income and amount expected to be paid to the tax authorities in accordance with the Provisions of the Income Tax Act, 1961.
- b) Deferred Tax is recognized in respect of deferred tax assets (subject to the consideration of prudence) and to the extent there is virtual certainty that the asset will be realized in future and deferred tax liabilities on timing differences, being the difference between taxable income and accounting income that originate in one year and are capable of reversal in subsequent years.

vi) Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity share holders by the weighted average number of equity shares outstanding during the period.

vii) Cash and Cash Equivalents:

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

STUDD PROJECTS P. LTD.

Notes to Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	(As at March 31, 2016
2 Share Capital		
Authorised Shares		
2,50,000 equity shares of ` 10/- each (P.Y. 2,50,000 equity shares of ` 10/- each)	2,500,000	2,500,000
Issued, subscribed and paid up shares		
10,000 equity shares of ` 10/- each fully paid up (P.Y. 10,000 equity shares of ` 10/- each fully paid up)	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
a) Reconciliation of the number of shares outstanding		(Nos.)
Number of equity shares at the beginning	10,000	10,000
Equity shares issued during the period	-	-
Number of equity shares at the end	<u>10,000</u>	<u>10,000</u>

b) Terms / rights attached to equity shares

Each holder of equity share is entitled to one vote per share with a right to receive per share dividend by the Company, when declared. In the event of liquidation, the equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amounts in the proportion to the number of equity shares held by them.

c) Shares held by holding company

	As at March 31, 2017	As at March 31, 2016
Tilaknagar Industries Ltd.	10,000	10,000

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

Name of the shareholder	As at March 31, 2017		As at March 31, 2016	
	No. of equity shares	As a % of total holding	No. of equity shares	As a % of total holding
Tilaknagar Industries Ltd.	10,000	100	10,000	100
Total	10,000	100	10,000	100

STUDD PROJECTS P. LTD.

Notes to Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	(`) As at March 31, 2016
3 Reserves & Surplus		
Surplus / (deficit) in the Statement of Profit and Loss		
As per last Balance Sheet	(269,127)	(245,466)
Add: Profit / (Loss) after tax for the year	(27,901)	(23,661)
	(297,028)	(269,127)
4 Short-Term Borrowings		
Unsecured Loan		
From Holding Company	365,134	354,111
	365,134	354,111
5 Other Current Liabilities		
Other Payables [Refer Note No. 9]	22,950	11,450
	22,950	11,450
6 Cash and Bank Balances		
Cash and Cash Equivalents		
Balance with Bank in Current Account	191,056	192,298
Cash on Hand	-	4,136
	191,056	196,434
	Year ended March 31, 2017	(`) Year ended March 31, 2016
7 Other Expenses		
Auditors Remuneration [Refer Note No.11]	11,500	11,614
Rates and taxes	1,023	3,123
Legal and professional charges	14,400	6,180
Miscellaneous Expenses	978	2,744
	27,901	23,661

STUDD PROJECTS P. LTD.

Notes to Financial Statements for the year ended March 31, 2017

8 The Company neither has deferred tax asset nor deferred tax liability as on March 31, 2017.

9 No amounts is payable to any enterprise as defined under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to Micro and Small Enterprises have not been made.

10 Related Party Disclosures:

The disclosures pertaining to the related parties as required by the Accounting Standard 18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India, as applicable, are as under:

Holding Company :Tilaknagar Industries Ltd.

Tilaknagar Industries Ltd. being holding company is a related party and details of transaction during the financial year are as under:

Nature of Transaction	Parties referred in (a) above	
	2016-17	2015-16
Net Loans & Advances taken		
Tilaknagar Industries Ltd.	11,023	21,723
Total	11,023	21,723
Outstanding Payable		
Tilaknagar Industries Ltd.	365,134	354,111
Total	365,134	354,111

11 Auditor's remuneration charged to accounts:	2016-17	2015-16
Audit Fees	11,500	11,614
	11,500	11,614

12 Earnings Per Share (EPS)	2016-17	2015-16
Profit /(Loss) After Tax	(27,901)	(23,661)
Weighted average number of shares	10,000	10,000
Basic & Diluted Earnings Per Share	(2.79)	(2.37)
Face Value per Equity Share	10	10

13 There is no contingent liability as on March 31, 2017.

14 Other information required to be given in the accounts by virtue of Companies Act, 2013 is either Nil or is not applicable to the company.

15 The details of Specified Bank Notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016 are as follows :

	SBN	Other Denomination notes	Total
Closing cash on hand as on November 08, 2016	-	-	-
Add: Permitted receipts	-	-	-
Less: Permitted payments	-	-	-
Less: Amounts deposited in Banks	-	-	-
Closing cash on hand as on December 30, 2016	-	-	-

15 Figures of previous year have been regrouped, reclassified and recast, wherever considered necessary.

As per our Report of even date annexed

For Shyam D.Menghani & Co.
Chartered Accountants
Firm Regn. No . 131574W

For and on behalf of the Board

Shyam D.Menghani
Proprietor
Membership No. 107345

Amit Dahanukar
Chairman
(DIN:00305636)

Dr. Keshab Nandy
Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017

SHIVPRABHA SUGARS LTD.

Regd Office: P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra - 413 720

Tel No: (02422) 265 032/265 123, Fax No: (02422) 265 135

CIN No: [U15424PN2006PLC129391]

DIRECTORS' REPORT

Dear Members,

The Directors hereby present their 11th Annual Report along with the audited financial statements of the Company for the financial year ended March 31, 2017.

1. FINANCIAL & OPERATIONAL REVIEW

During the financial year 2016-17, no activities have been carried out by the Company and it has incurred net loss of Rs. 98,585/- during the year as compared to net loss of Rs. 1,40,58,716/- in the previous year.

2. DIVIDEND

In view of the loss incurred by the Company during the year, the Directors have not recommended any dividend for the financial year ended March 31, 2017.

3. HOLDING COMPANY

Your Company is subsidiary of Tilaknagar Industries Ltd.

4. DIRECTORS

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Dr. Keshab Nandy, Director of the Company is retiring by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board of Directors recommends his re-appointment.

5. NUMBER OF MEETINGS OF THE BOARD

The Board has met 4 (four) times during the financial year 2016-17 on May 25, 2016; August 11, 2016; November 01, 2016 and January 20, 2017 and the intervening period between the two meetings did not exceed 120 days.

6. AUDITORS

Statutory Auditors and Statutory Audit Report

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014, M/s Shyam D. Menghani & Co., Chartered Accountants were appointed as Statutory Auditors of the Company in the 8th Annual General Meeting held on September 27, 2014 to hold office from the conclusion of the 8th Annual General Meeting till the conclusion of the 13th Annual General Meeting of the Company, subject to ratification of their appointment by the Members at every Annual General Meeting held after the 8th Annual General Meeting.

Accordingly, a proposal seeking Members' ratification for the appointment of M/s Shyam D. Menghani & Co., Chartered Accountants, (ICAI Firm Registration No. 131574W) as the Statutory Auditors of the Company and for fixing their remuneration for the remaining tenure forms part of the Notice convening the ensuing Annual General Meeting. Pursuant to the provisions of Sections 139 and 141 of the Companies Act, 2013 read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014, the Company has received consent from them to the proposal for ratification of their appointment in the ensuing Annual General Meeting for the

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CIN No: [U15424PN2006PLC129391]

remaining tenure along with a certificate to the effect that their appointment, if made, will be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified for appointment.

The Board of Directors has reviewed their eligibility criteria as laid down under Section 141 of the Companies Act, 2013 and recommended the ratification of their appointment as Statutory Auditors for the remaining tenure.

No frauds have been reported by the Statutory Auditors during the financial year 2016-17 pursuant to the provisions of Section 143(12) of the Companies Act, 2013.

The Auditors' Report for the financial year ended March 31, 2017 does not contain any qualification, reservation, adverse remark or disclaimer. The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

7. DETAILS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

There are no particulars to be furnished in this Report as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014. There were no earnings and expenditure in foreign currency during the year.

8. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

There are no particulars to be furnished in this Report as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014.

9. EXTRACT OF ANNUAL RETURN

An extract of Annual Return in Form MGT-9 as required under the provisions of Section 134(3)(a) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is set out in Annexure 'A' to this Report.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the financial year 2016-17, the Company has neither given any loans or made any investments, nor given any guarantees or provided any securities falling under the purview of Section 186 of the Companies Act, 2013. Hence, disclosure under Section 134(3)(g) of the Companies Act, 2013 is not applicable.

11. FIXED DEPOSITS

As on April 01, 2016, the Company was not having any outstanding deposits falling under the scope of Chapter V of the Companies Act, 2013 and it has not accepted any deposits covered under said Chapter during the financial year 2016-17. As on March 31, 2017, the Company was not having any outstanding deposit falling under the scope of said Chapter.

12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2016-17, the Company has not entered into any contracts or arrangements with related parties falling under the purview of Section 188(1) of the Companies Act, 2013. Hence, disclosure in Form AOC-2 as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable.

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CIN No: [U15424PN2006PLC129391]

13. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Board of Directors has laid down standards, processes and procedures for implementing the internal financial controls across the organization. After considering the framework of existing internal financial controls and compliance systems; work performed by the Statutory Auditors, the Board of Directors is of the opinion that the Company's internal financial controls with reference to the financial statements were adequate and effective during the financial year 2016-17.

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirements of Section 134(3)(c) of the Companies Act, 2013, and on the basis of the information furnished to them by the Statutory Auditors and Management, the Directors state that:

- a. in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there are no material departures;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. RESIDUARY DISCLOSURES

- i. During the financial year 2016-17, provisions of Section 149(4) of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(d) of the Companies Act, 2013 is not applicable;
- ii. During the financial year 2016-17, provisions of Section 178(1) of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(e) the Companies Act, 2013 is not applicable;
- iii. In view of the loss incurred by the Company during the financial year 2016-17, no amount is proposed to be carried to reserves;
- iv. There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report. Hence, disclosure under the provisions of Section 134(3)(l) of the Companies Act, 2013 is not applicable;

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CIN No: [U15424PN2006PLC129391]

- v. No activities have been carried out by the Company during the financial year 2016-17. Hence, disclosure under Section 134(3)(n) of the Companies Act, 2013 is not applicable;
- vi. During the financial year 2016-17, provisions of Section 135 of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(o) of the Companies Act, 2013 read with Rule 8 of the Companies (CSR Policy) Rules, 2014 is not applicable;
- vii. During the financial year 2016-17, provisions of Section 178(2) of the Companies Act, 2013 were not applicable to the Company. Hence, disclosure under Section 134(3)(p) read with Rule 8(4) of the Companies (Accounts) Rules, 2014 is not applicable;
- viii. During the financial year 2016-17, the Company has not issued equity shares with differential rights as to dividend, voting or otherwise. Hence, disclosure under Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable;
- ix. During the financial year 2016-17, there has been no change in the nature of business of the Company. Hence, disclosure under Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014 is not applicable;
- x. During the financial year 2016-17, no company has become or ceased to be subsidiary, joint venture or associate of the Company. Hence, disclosure under Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 is not applicable;
- xi. During the financial year 2016-17, no significant material orders have been passed by any regulators or courts or tribunals which may impact the going concern status of the Company and its future operations. Hence, disclosure under Rule 8(5)(vii) of the Companies (Accounts) Rules, 2014 is not applicable; and
- xii. During the financial year 2016-17, the Company has not received any complaint of sexual harassment pursuant to the provisions of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

16. ACKNOWLEDGEMENTS

The Directors wish to acknowledge and place on record their sincere appreciation for the assistance and co-operation received from all the members, bankers and other stakeholders.

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 07, 2017

Amit Dahanukar
Chairman

ANNEXURE 'A' TO THE DIRECTORS' REPORT

Extract of Annual Return as on the financial year ended March 31, 2017
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]
Form No. MGT-9

I. REGISTRATION AND OTHER DETAILS	
CIN	U15424PN2006PLC129391
Registration Date	December 29, 2006
Name of the Company	Shivprabha Sugars Ltd.
Category/Sub-Category of the Company	Company limited by Shares/Indian Non-Government Company
Address of the Registered office and contact details	P. O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra - 413 720 Tel.: (02422) 265123/265032
Whether listed Company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
-	-	-	-

III. PARTICULARS OF HOLDINGS, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Tilaknagar Industries Ltd. P.O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Shrirampur, Maharashtra - 413 720	L15420PN1933PLC133303	Holding	90	2(46)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	5,000	5,000	10.00	-	5,000	5,000	10.00	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	45,000	45,000	90.00	-	45,000	45,000	90.00	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	-	50,000	50,000	100.00	-	50,000	50,000	100.00	-
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	-	50,000	50,000	100.00	-	50,000	50,000	100.00	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-

b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Other (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	-	-	-	-	-	-	-	-	-
2. Non- Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) other									
i) Clearing Member	-	-	-	-	-	-	-	-	-
ii) NRI	-	-	-	-	-	-	-	-	-
iii) Trust	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B)(1) + (B) (2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	50,000	50,000	100.00	-	50,000	50,000	100.00	-

ii) Shareholding of Promoters

Sr. Nos.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered of total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered of total Shares	
1.	Tilaknagar Industries Ltd.	44,995	89.990	-	44,995	89.990	-	-
2.	Mr. Amit Dahanukar (Holding shares as Nominee of Tilaknagar Industries Ltd.)	1	0.002	-	1	0.002	-	-
3.	Mrs. Shivani Amit Dahanukar (Holding shares as Nominee of Tilaknagar Industries Ltd.)	1	0.002	-	1	0.002	-	-
4.	Dr. Keshab Nandy (Holding shares as Nominee of Tilaknagar Industries Ltd.)	1	0.002	-	1	0.002	-	-
5.	Mr. Gaurav Thakur (Holding shares as Nominee of Tilaknagar Industries Ltd.)	1	0.002	-	1	0.002	-	-
6.	Mr. Mohan Patil (Holding shares as Nominee of Tilaknagar Industries Ltd.)	1	0.002	-	1	0.002	-	-
7.	Mr. Shivaji Baburao Disle	5,000	10.000	-	5,000	10.000	-	-
	Total	50,000	100.000	-	50,000	100.000	-	-

iii) Change in Promoter's Shareholding (please specify, if there is no change):

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	During the financial year 2016-17, there was no change in the shareholding of the Promoters.			
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the End of the year				

iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	For each of Top Ten Shareholders				
	Nil	-	-	-	-

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	For each of Directors and KMP				
1	Mr. Amit Dahanukar* (Chairman) *Holding shares as Nominee of Tilaknagar Industries Ltd.	1	0.002	1	0.002
2	Mrs. Shivani Amit Dahanukar* (Director)	1	0.002	1	0.002

	*Holding shares as Nominee of Tilaknagar Industries Ltd.				
3	Dr. Keshab Nandy* (Director) *Holding shares as Nominee of Tilaknagar Industries Ltd.	1	0.002	1	0.002
4	Mr. Shivaji Baburao Disle (Director)	5000	10.000	5000	10.000

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	1,56,48,171	-	1,56,48,171
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii + iii)	-	1,56,48,171		1,56,48,171
Change in Indebtedness during the financial year				
· Addition	-	66,278	-	66,278
· Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	1,57,14,449	-	1,57,14,449
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii + iii)	-	1,57,14,449	-	1,57,14,449

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
1	Gross Salary	-	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- other, specify..	-	-	-	-	-
5	Other, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors:

1. Independent Directors

Sr. No	Particulars of Remuneration	Name of Independent Directors						Total Amount
	Fees for attending Board/Committee Meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (B)(1)	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-	-

2. Other Non Executive Director

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
	Fees for attending Board/Committee Meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (B)(2)	-	-	-	-	-	-	-
	Total (B) = (B)(1) + (B)(2)							
	Total Managerial Remuneration	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- other, specify..	-	-	-

5	Other, please specify	-	-	-
	Total (A)	-	-	-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give details)
(A) COMPANY					
Penalty					
Punishment					
Compounding					
(B) DIRECTORS					
Penalty					
Punishment					
Compounding					
(C) OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

There were no penalties/punishment/compounding of offences for breach of any section of the Companies Act, 2013 against the Company or its Directors or other Officers in Default during the financial year 2016-17.

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 07, 2017

Amit Dahanukar
Chairman

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHIVPRABHA SUGAR LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Shivprabha Sugar Limited ("the Company") which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

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

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

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

Opinion

In our opinion and to 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, of the state of affairs of the Company as at 31st March, 2017 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors Report) Order 2016 ('the Order') issued by Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order
- (2) As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

- (iv) The Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Note during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management. Refer Note No.16 to the standalone financial statements

For SHYAM D. MENGHANI & CO.

Chartered Accountants

ICAI Firm Regn. No.131574W

Shyam D. Menghani

Proprietor

Membership No. 107345

Place: Mumbai

Date: 16 May 2017

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

Annexure A to the Independent Auditor's Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Company does not have any inventories and thus paragraph 3(ii) of the Order is not applicable.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us, the Company has not given any loan, securities and guarantees or made any investments within the meaning of the provisions of section 185 and 186 of the Act and accordingly paragraph 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits during the year within the meaning of the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- (vi) We are informed that the maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.
- (vii) (a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
- (b) According to the information and explanations given to us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.
- (viii) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans and accordingly paragraph 3(ix) of the Order is not applicable.

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, the Company has not paid or provided for any managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For SHYAM D. MENGHANI & CO.

Chartered Accountants

ICAI Firm Regn. No.131574W

Shyam D. Menghani

Proprietor

Membership No. 107345

Place: Mumbai

Date: 16 May 2017

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Shivprabha Sugar Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

SHYAM D. MENGHANI & CO.

Chartered Accountants

255/6, Mira House, Mogul Lane, Mahim, Mumbai 400016 Tel.: 24212733 E-mail: sdlmenghani@gmail.com

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SHYAM D. MENGHANI & CO.

Chartered Accountants

ICAI Firm Regn. No.131574W

Shyam D. Menghani

Proprietor

Membership No. 107345

Place: Mumbai

Date: 16 May 2017

SHIVPRABHA SUGAR LTD.

BALANCE SHEET AS AT MARCH 31, 2017

	Note No.	As at March 31, 2017	(') As at March 31, 2016
I EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	500,000	500,000
Reserves & Surplus	3	<u>(14,653,108)</u>	<u>(14,554,523)</u>
		(14,153,108)	(14,054,523)
Current Liabilities			
Short-Term Borrowings	4	15,714,449	15,648,171
Other Current Liabilities	5	<u>55,774</u>	<u>28,625</u>
		15,770,223	15,676,796
Total		<u>1,617,115</u>	<u>1,622,273</u>
II ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	6	<u>1,534,240</u>	<u>1,534,240</u>
		1,534,240	1,534,240
Current Assets			
Cash and Bank Balances	7	55,434	60,592
Short-Term Loans and Advances	8	<u>27,441</u>	<u>27,441</u>
		82,875	88,033
Total		<u>1,617,115</u>	<u>1,622,273</u>

Summary of significant accounting policies 1
The accompanying notes are an integral part of the financial statements

As per our Report of even date annexed.

For Shyam D.Menghani & Co.
Chartered Accountants
Firm Regn. No . 131574W

For and on behalf of the Board

Shyam D.Menghani
Proprietor
Membership No. 107345

Amit Dahanukar
Chairman
(DIN:00305636)

Dr. Keshab Nandy
Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017

SHIVPRABHA SUGAR LTD.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

	Note No.	Year ended March 31, 2017	Year ended March 31, 2016 ([₹])
INCOME			
Other Income		-	-
		<u>-</u>	<u>-</u>
EXPENSES			
Other Expenses	9	98,585	14,058,716
		<u>98,585</u>	<u>14,058,716</u>
Profit / (Loss) before taxation		(98,585)	(14,058,716)
Tax expenses			
For earlier years		-	-
Current tax		-	-
		<u>-</u>	<u>-</u>
Profit / (Loss) after taxation		(98,585)	(14,058,716)
Earnings Per Share ([₹]) Basic & Diluted	14	(1.97)	(281.17)

Summary of significant accounting policies 1
The accompanying notes are an integral part of the financial statements

As per our Report of even date annexed.

For Shyam D.Menghani & Co.
Chartered Accountants
Firm Regn. No . 131574W

For and on behalf of the Board

Shyam D.Menghani
Proprietor
Membership No. 107345

Amit Dahanukar
Chairman
(DIN:00305636)

Dr. Keshab Nandy
Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017

SHIVPRABHA SUGAR LTD.

Cash Flow Statement for the year ended March 31, 2017

(₹)

	2016-2017		2015-2016	
A) Cash Flow from Operating Activities				
Net Profit /(Loss) before tax		(98,585)		(14,058,716)
Sundry balance written back		-		3,307,350
Operating Profit before working capital changes				
Adjustment for:				
(Decrease)/ Increase in other current liabilities	27,149		(1,065)	
(Increase) / Decrease in loans and advances	-		10,712,500	
		27,149		10,711,435
Net Cash from Operating Activities		(71,436)		(39,931)
B) Cash Flow from Financing Activities				
Proceeds/(repayments) from/of short term borrowings (net)		66,278		39,198
Net Cash from Financing Activities		66,278		39,198
Net increase in Cash & Cash equivalents		(5,158)		(733)
Opening cash & cash equivalents		60,592		61,325
Closing cash & cash equivalents		55,434		60,592

As per our Report of even date annexed

For Shyam D.Menghani & Co.

Chartered Accountants

Firm Regn. No . 131574W

For and on behalf of the Board

Shyam D.Menghani

Proprietor

Membership No. 107345

Amit Dahanukar

Chairman

(DIN:00305636)

Dr. Keshab Nandy

Director

(DIN:02163480)

Place : Mumbai

Date : May 16, 2017

Notes to Financial Statements for the year ended March 31, 2017

1 Significant Accounting Policies

i) Basis of Preparation of Financial Statements :

The Financial Statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013 and other accounting pronouncements of the Institute of Chartered Accountants of India. The financial statements have been prepared under historical cost convention and on accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

ii) Use of Estimates :

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

iii) Revenue Recognition:

All revenue and expenses are accounted for on accrual basis. Revenue is recognized when no significant uncertainties exist in relation to the amount of eventual receipt.

iv) Fixed Assets :

- a) Fixed assets are stated at their original cost of acquisition /installation, net of accumulated depreciation, amortization and impairment losses.
- b) Capital work-in-progress is stated at the amount incurred up to the date of the Balance Sheet.
- c) Expenditures incurred during construction/erection period on project under implementation are included under "Capital work-in-progress". These expenses are appropriated to fixed assets on commencement of commercial production.

v) Depreciation :

- a) Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes etc.
- b) Depreciation is provided on assets acquired during the year from the date on which assets were put to use.

vi) Provisions and Contingencies :

Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure on contingent liability is made when there is a possible obligation or present obligation that probably will not require an out flow of resources or where reliable estimate of the amount of the obligation cannot be made. However contingent assets are neither provided for nor disclosed.

vii) Taxation :

- a) Provision for Income Tax is determined on the basis of the estimated taxable income and amount expected to be paid to the tax authorities in accordance with the Provisions of the Income Tax Act, 1961.
- b) Deferred Tax is recognized in respect of deferred tax assets (subject to the consideration of prudence) and to the extent there is virtual certainty that the asset will be realized in future and deferred tax liabilities on timing differences, being the difference between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years.

viii) Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity share holders by the weighted average number of equity shares outstanding during the period.

ix) Cash and Cash Equivalents:

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

SHIVPRABHA SUGAR LTD.

Notes to Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	([₹]) As at March 31, 2016
2 Share Capital		
Authorised Shares		
50,000 equity shares of ` 10/- each (P.Y. 50,000 equity shares of ` 10/- each)	500,000	500,000
Issued, subscribed and paid up shares		
50,000 equity shares of ` 10/- each fully paid up (P.Y. 50,000 equity shares of ` 10/- each fully paid up)	500,000	500,000
	<u>500,000</u>	<u>500,000</u>

a) Reconciliation of the number of shares outstanding

		(Nos.)
Number of equity shares at the beginning	50,000	50,000
Equity shares issued during the period	-	-
Number of equity shares at the end	50,000	50,000

b) Terms / rights attached to equity shares

Each holder of equity share is entitled to one vote per share with a right to receive per share dividend by the Company, when declared. In the event of liquidation, the equity shareholders will be entitled to receive remaining assets of the Company after distribution of all preferential amounts in the proportion to the number of equity shares held by them.

c) Shares held by holding company

	As at March 31, 2017	As at March 31, 2016
Tilaknagar Industries Ltd.	45,000	45,000

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

Name of the shareholder	As at March 31, 2017		As at March 31, 2016	
	No. of equity shares	As a % of total holding	No. of equity shares	As a % of total holding
Tilaknagar Industries Ltd.	45,000	90	45,000	90
Shivaji Baburao Disle	5,000	10	5,000	10
Total	50,000	100	50,000	100

SHIVPRABHA SUGAR LTD.

Notes to Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	(`) As at March 31, 2016
3 Reserves & Surplus		
Surplus / (deficit) in the Statement of Profit and Loss		
As per last Balance Sheet	(14,554,523)	(495,807)
Add: Profit after tax for the year	(98,585)	(14,058,716)
	(14,653,108)	(14,554,523)
4 Short-Term Borrowings		
Unsecured Loan		
From Holding Company	4,314,449	4,248,171
From Director	11,400,000	11,400,000
	15,714,449	15,648,171
5 Other Current Liabilities		
Other Payables [Refer Note No.11]	55,774	28,625
	55,774	28,625

SHIVPRABHA SUGAR LTD.

Notes to Financial Statements for the year ended March 31, 2017

6 Fixed Assets

(₹)

FIXED ASSETS	Gross Block			Depreciation / Amortization				Net Block		
	As At April 01, 2016	Additions	Deductions	As At March 31, 2017	As At April 01, 2016	Deductions	For the year	As At March 31, 2017	As At March 31, 2017	As At March 31,2016
TANGIBLE ASSETS										
Land	1,534,240	-	-	1,534,240	-	-	-	-	1,534,240	1,534,240
Total Tangible Assets	1,534,240	-	-	1,534,240	-	-	-	-	1,534,240	1,534,240
Previous Year	1,534,240			1,534,240	-	-	-	-	1,534,240	

6 Fixed Assets (Contd.) [Schedule of Fixed Assets for the previous year 2015-2016]

FIXED ASSETS	Gross Block			Depreciation / Amortization				Net Block		
	As At April 01, 2015	Additions	Deductions	As At March 31, 2016	As At April 01, 2015	Deductions	For the year	As At March 31, 2016	As At March 31, 2016	As At March 31,2015
TANGIBLE ASSETS										
Land	1,534,240	-	-	1,534,240	-	-	-	-	1,534,240	1,534,240
Total Tangible Assets	1,534,240	-	-	1,534,240	-	-	-	-	1,534,240	1,534,240

SHIVPRABHA SUGAR LTD.

Notes to Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	(₹) As at March 31, 2016
7 Cash and Bank Balances		
Cash and Cash Equivalents		
Balance with Bank in Current Account	55,434	60,030
Cash on Hand	-	562
	55,434	60,592
8 Short-Term Loans and Advances		
Unsecured, considered good		
Advance tax (Net of provision for Taxation)	27,441	27,441
	27,441	27,441
	Year ended March 31, 2017	(₹) Year ended March 31, 2016
9 Other Expenses		
Auditors Remuneration [Refer Note No.13]	28,750	29,035
Rates and taxes	66,278	10,003,618
Legal and professional charges	4,700	6,180
Sundry balance written back	-	4,019,850
Miscellaneous Expenses	(1,143)	33
	98,585	14,058,716

SHIVPRABHA SUGAR LTD.

Notes to Financial Statements for the year ended March 31, 2017

10 The Company neither has deferred tax asset nor deferred tax liability as on March 31, 2017.

11 No amounts is payable to any enterprise as defined under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to Micro and Small Enterprises have not been made.

12 Related Party Disclosures:

The disclosures pertaining to the related parties as required by the Accounting Standard 18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India, as applicable, are as under:

Holding Company :Tilaknagar Industries Ltd.

Tilaknagar Industries Ltd. being holding company is a related party and details of transaction during the financial year are as under:

Nature of Transaction	Parties referred in (a) above	
	2016-2017	2015-2016
Net Loans & Advances taken / (given)		
Tilaknagar Industries Ltd.	66,278	39,198
Total	66,278	39,198
Outstanding Payable		
Tilaknagar Industries Ltd.	4,314,449	4,248,171
Total	4,314,449	4,248,171

13 Auditor's remuneration charged to accounts:	2016-2017	2015-2016
Audit Fees	28,750	29,035
	<u>28,750</u>	<u>29,035</u>

14 Earnings Per Share (EPS)	2016-2017	2015-2016
Profit /(Loss) After Tax	(98,585)	(14,058,716)
Weighted average number of shares	50,000	50,000
Basic & Diluted Earnings Per Share	(1.97)	(281.17)
Face Value per Equity Share	10	10

15 Other information required to be given in the accounts by virtue of Companies Act, 2013 is either Nil or is not applicable to the company.

16 The details of Specified Bank Notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016 are as follows :

	SBN	Other Denomination notes	Total
Closing cash on hand as on November 08, 2016	-	-	-
Add: Permitted receipts	-	-	-
Less: Permitted payments	-	-	-
Less: Amounts deposited in Banks	-	-	-
Closing cash on hand as on December 30, 2016	-	-	-

17 Figures of previous year have been regrouped, reclassified and recast, wherever considered necessary.

As per our Report of even date annexed

For Shyam D.Menghani & Co.
Chartered Accountants
Firm Regn. No . 131574W

For and on behalf of the Board

Shyam D.Menghani
Proprietor
Membership No. 107345

Amit Dahanukar
Chairman
(DIN:00305636)

Dr. Keshab Nandy
Director
(DIN:02163480)

Place : Mumbai
Date : May 16, 2017