

21st Annual Report 2013-14



Mount Shivalik Industries Ltd.

MOUNT SHIVALIK INDUSTRIES LIMITED

BOARD OF DIRECTORS

Mr. B. D. Bali	DIN 00226629	Chairman & Managing Director
Mr. Sanjiv Bali	DIN 00226806	Managing Director
Mr. K. C. Garg	DIN 00227554	Director Finance
Mr. Rajiv Bali	DIN 00227883	Director
Mr. Kamal Dutt	DIN 00272426	Director
Mr. A. L. Batra*	DIN 00047893	Director
Mr. J. M. Malhotra	DIN 00371421	Director
Mr. Raghbir Singh	DIN 00146072	Director
Mr. S. K. Chhibber	DIN 00019276	Director
Dr. K. S. Chugh	DIN 00519261	Director

*Mr. A. L. Batra (DIN 00047893) has resigned w.e.f 6th November, 2014.

COMPANY SECRETARY

Mr. Sudipto Kumar Mukherjee

AUDITORS

M/s. K. C. Khanna & Co. Chartered Accountants, New Delhi

BANKERS

Oriental Bank of Commerce

REGISTRAR & SHARE TRANSFER AGENTS (RTA)

M/s. MAS Services Ltd.,

T-34, II Floor, Okhla Industrial Area, Phase-II, New Delhi – 110020

REGISTERED OFFICE

140th Milestone, Delhi - Jaipur Highway No.8,

Village Gunti, Tehsil Behror, Distt. Alwar, Rajasthan

CIN: L15531RJ1993PLC007168

HEAD OFFICE

C-153/2, Okhla Industrial Area, Phase - I, New Delhi - 110 020

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MOUNT SHIVALIK INDUSTRIES LIMITED

Regd Office: 140th Milestone, (Delhi-Jaipur) National Highway No. 8, Village Gunti, Tehsil Behror, Distt. Alwar (Rajasthan)

E-mail Id: mail@mountshivalik.com, shares@mountshivalik.com;

Tel No.: +91-01494-221170,71,72,81; **Fax No.:** +91- 01494-221180; **CIN:** L15531RJ1993PLC007168

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **21st Annual General Meeting** (AGM) of the Members of **Mount Shivalik Industries Limited** (CIN L15531RJ1993PLC007168) will be held on Tuesday, the 30th Day of December, 2014, at 10.00 A.M., at the Registered Office of the Company at 140th Milestone, (Delhi-Jaipur) National Highway No. 8, Village Gunti, Tehsil Behror, Distt. Alwar (Rajasthan) to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the audited Balance Sheet as at June 30, 2014, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajiv Bali (DIN 00227883), who retires by rotation at the conclusion of this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Kamal Dutt (DIN 00272426), who retires by rotation at the conclusion of this Annual General Meeting and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an

Ordinary Resolution:

“RESOLVED THAT M/s. K C Khanna & Co, Chartered Accountants, (F. R. No. 000481N), the retiring Statutory Auditors be re-appointed as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013 (the “Act”), the Companies (Audit and Auditors) Rules, 2014, and such other applicable provisions, if any, of the Act, or Rules framed there under to hold office from the conclusion of this Annual General Meeting till the conclusion of the 21st Annual General Meeting of the Company to be held in the year 2015 at such remuneration as may be determined by the Audit Committee in consultation with the Auditors and fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution:**

“RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and Rules framed there under, read with Schedule IV of the Act, Mr. S K Chhibber (DIN 00019276), a non-executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, as Independent Director as per the provisions of the Act and Rules framed there under and in respect of whom a notice has been received from a Member under Section 160 of the said Act, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years with effect from 30th December, 2014 to 29th December, 2019.”

6. To consider and if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution:**

“RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and Rules framed there under, read with Schedule IV of the Act, Mr. Raghbir Singh (DIN 00146072), a non-executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, as Independent Director as per the provisions of the Act and Rules framed there under and in respect of whom a notice has been received from a Member under Section 160 of the said Act, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years with effect from 30th December, 2014 to 29th December, 2019.”

MOUNT SHIVALIK INDUSTRIES LIMITED

7. To consider and if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and Rules framed there under, read with Schedule IV of the Act, Mr. J M Malhotra (DIN 00371421), a non-executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, as Independent Director as per the provisions of the Act and Rules framed there under and in respect of whom a notice has been received from a Member under Section 160 of the said Act, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years with effect from 30th December , 2014 to 29th December, 2019."

8. To consider and if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and Rules framed there under, read with Schedule IV of the Act, Dr. K S Chugh (DIN 00519261), a non-executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, as Independent Director as per the provisions of the Act and Rules framed there under and in respect of whom a notice has been received from a Member under Section 160 of the said Act, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years with effect from 30th December , 2014 to 29th December, 2019."

Dated: 3rd December, 2014

Place: New Delhi

CIN L15531RJ1993PLC007168

Registered Office:

140th Milestone, (Delhi-Jaipur) National Highway
No. 8, Village Gunti, Tehsil Behror, Distt. Alwar,
Rajasthan
Email id: shares@mountshivalik.com

**By order of the Board of Directors
For Mount Shivalik Industries Limited**

**Sd/-
(Sudipto Kumar Mukherjee)
Company Secretary**

NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") with respect to the special business set out under Item Nos. 5 to 8 of the Notice, is annexed hereto.
2. The relevant details as required under Clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking appointment/re-appointment as Directors at the AGM are furnished and forms part of the Notice.
3. **A MEMBER ENTITLED TO ATTEND THE MEETING AND VOTE THEREAT IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty(50) members and holding in the aggregate not more than ten percent (10%) of the total Share Capital of the Company carrying voting rights. A member holding more than ten percent (10%) of the total Share Capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other member.

The instrument appointing proxies, in order to be effective, should be duly stamped, completed and signed and should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

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4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send, to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 19th December, 2014 to Tuesday, 30th December, 2014 (both days inclusive).
6. Members/Proxies should bring the Attendance Slip sent herewith duly filled in and signed for attending the meeting.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their de-mat accounts. Members holding shares in physical form can submit their PAN to the RTA 'MAS Services Limited'.
8. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to MAS Services Limited, for consolidation into a single folio.
9. **To support the 'Green Initiative', the Members are requested to register/update their e-mail id's, contact details and addresses with the RTA 'MAS Services Limited'/Depositories for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically.**
10. The Notice of the 21st AGM along with the Annual Report 2013-14 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
11. Members may also note that the notice of 21st AGM and the Annual Report 2013-14 will be available on the website of BSE Limited The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who have any queries may write to us at shares@mountshivalik.com.
12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and Register of Contracts or arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
13. The trading in the Company's Shares is compulsory in dematerialized form. In view of the numerous advantages offered by the depository system, members are requested to avail of the facility of Dematerialization of the Company's Shares.
14. Members are also requested to notify any changes in their addresses immediately to the Registrar & Share Transfer Agent - M/s. MAS Services Ltd, T-34, II Floor, Okhla Industrial Area, Phase-II, New Delhi - 110020.
15. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956 the dividend which remains unclaimed for a period of seven years will be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to the provisions of Section 205C of the Companies Act, 1956.

Information in respect of such unclaimed dividend transfer to the said fund is given below:

Financial Year ended	Date of declaration of dividend	Last date for claiming unclaimed dividend	Due date for transfer to IEP Fund
31.03.2008	26.09.2008	25.10.2015	26.10.2015
31.03.2009	29.09.2009	28.10.2016	29.10.2016

16. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to its members the facility to exercise

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their right to vote at the 21st AGM of the Company by electronic means on all resolutions set forth in this Notice, through the e-voting services provided by CDSL. The Members, whose name appear in the Register of Members, holding shares in physical or in dematerialised form, as on the Record Date i.e. Friday, 14th November, 2014 (End of Day), are entitled to cast their votes electronically on the resolutions set forth in this Notice. The e-voting will commence at 9.00 a.m. on Tuesday, 23rd December, 2014 and will end at 5.00 p.m. on Thursday, 25th December, 2014.

PROCESS AND MANNER FOR E-VOTING:

The instructions for e-voting are as under:

A. In case of members receiving e-mail from RTA/CDSL (for Members whose e-mail ids are registered with the Company/Depositories):

- i. If you are holding shares in de-mat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any Company, then your existing login id and password are to be used.
- ii. Log on to the e-voting website www.evotingindia.com.
- iii. Click on "Shareholders" tab.
- iv. Now, select the "**Electronic Voting Sequence Number (EVSN) - 141128008**" along with "**Company Name - Mount Shivalik Industries Limited**" from the drop down menu and click on "Submit".
- v. Now, fill up the following details in the appropriate boxes:

	For members holding shares in De-mat Form	For members holding shares in Physical Form
User ID	For NSDL: 8 character DP ID followed by 8 digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. 	
DOB	Enter the Date of Birth as recorded in your de-mat account or in the Company records for the said de-mat account or sequence in dd/mm/yyyy format.	
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your de-mat account or in the Company records for the said de-mat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If details are not recorded with the Depository or the Company please enter your Folio No./ Member ID as the case may be, in the Dividend Bank details field. 	

- vi. After entering these details appropriately, click on "SUBMIT" tab.
- vii. Members holding shares in physical form will then reach directly to the EVSN selection screen. However, members holding shares in de-mat form will now reach 'Password Creation' menu wherein they are required to mandatorily change their login password, in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@#\$\$%&*_*). Kindly note that this password is to be also used by the de-mat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. Click on the **EVSN - 141128008** for Mount Shivalik Industries Limited to vote.

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- ix. On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or No as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- x. Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- xi. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

B. In case a Members receiving the physical copy of Notice of AGM (for Members whose e-mail ids are not registered with the Company/Depositories):

Please follow all steps from Sl. no. (ii) to Sl. no. (xii) above, to cast vote.

- C. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to log on to <https://www.evotingindia.com> and register themselves, link their account which they wish to vote on and cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.

General Instructions:

- i. The e-voting period shall commence at 9.00 a.m. on Tuesday, 23rd December, 2014 and shall end at 5.00 p.m. on Thursday, 25th December, 2014. During this period members of the Company, holding shares either in physical or in dematerialised form, as on the record date i.e. Friday, 14th November, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- ii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at www.evotingindia.com under help Section or write an email to helpdesk.evoting@cdslindia.com.
- iii. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the record date i.e. Friday, 14th November, 2014.
- iv. The Company has appointed Mr. Bibhabasu Chakraborty, Practicing Company Secretary of B Chakraborty and Co. (Membership No. ACS -24993 & C.P. No. 9519) as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- v. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, and forward the same forthwith to the Chairman of the Company.
- vi. The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the website of BSE Limited and on the website of CDSL within two (2) days of the passing of the resolutions at the 21st AGM of the Company to be held on Tuesday, 30th December, 2014.

Dated: 3rd December, 2014

Place: New Delhi

CIN L15531RJ1993PLC007168

Registered Office:

140th Milestone, (Delhi-Jaipur) National Highway No.
8, Village Gunti, Tehsil Behror, Distt. Alwar, Rajasthan
Email id: shares@mountshivalik.com

**By order of the Board of Directors
For Mount Shivalik Industries Limited**

**Sd/-
(Sudipto Kumar Mukherjee)
Company Secretary**

MOUNT SHIVALIK INDUSTRIES LIMITED

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required under Section 102 of the Companies Act, 2013, the following statement sets out all material facts concerning each item of special business mentioned under Item Nos. 5 to 8 of the accompanying Notice:

ITEM NO. 5 TO 8:

A brief profile about the qualification, experience, other directorship etc. of the Independent Directors seeking reappointment has been given in Annexure-A.

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreements entered with BSE Ltd, appointed Mr. S K Chhibber, Mr. Raghbir Singh, Mr. J M Malhotra and Dr. K S Chugh as Non-Executive Independent Directors at various times, in compliance with the requirements of the clause.

Pursuant to Rule 13 of the Companies (Appointment & Qualification of Directors) Rules, 2014, the members of the Company are hereby informed that the Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 ("Act"), from a member alongwith a deposit of ₹1,00,000/- each proposing the candidature of Mr. S K Chhibber, Mr. Raghbir Singh, Mr. J M Malhotra and Dr. K S Chugh for the office of Independent Directors of the Company, to be appointed as such under the provisions of Section 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, read with Schedule IV to the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force).

The Company has received from Mr. S K Chhibber, Mr. Raghbir Singh, Mr. J M Malhotra and Dr. K S Chugh, Non-Executive Independent Directors of the Company, the following disclosures as per the relevant provisions of Companies Act, 2013:

- a) Consent in writing to act as Director of the Company pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014,
- b) Intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under sub-section (2) of Section 164 of the Act, and
- c) A declaration to the effect that they meet the criteria of independence as provided under sub-section (6) of Section 149 of the Act.

The Nomination and Remuneration Committee of the Board has recommended the appointment of these directors as Independent Directors of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years with effect from 30th December, 2014 upto 29th December, 2019 and their appointment has been approved by the Board of Directors of the Company, subject to the approval of members in the ensuing AGM.

In the opinion of the Board, each of these directors fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management. A copy of draft letter of appointment of the above Independent Directors, setting out the terms and conditions of appointment, is available for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, read with Schedule IV to the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Board of Directors of the Company recommend the passing of the resolutions set out under Item Nos. 5 to 8 as an **Ordinary Resolution**.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than the Independent Directors and their relatives for their respective appointment, are in any way, concerned or interested, financially or otherwise, in these resolutions.

Dated: 3rd December, 2014

Place: New Delhi

CIN L15531RJ1993PLC007168

Registered Office:

140th Milestone, (Delhi-Jaipur) National Highway No. 8,

Village Gunti, Tehsil Behror, Distt. Alwar, Rajasthan

Email id: shares@mountshivalik.com

**By order of the Board of Directors
For Mount Shivalik Industries Limited**

**Sd/-
(Sudipto Kumar Mukherjee)
Company Secretary**

MOUNT SHIVALIK INDUSTRIES LIMITED

ANNEXURE-A Details of Directors seeking Appointment/ Re-appointment as the Annual General Meeting (As per the provisions of Listing Agreement and Companies Act, 2013)

Particulars	Mr. S K Chhibber	Mr. Raghbir Singh	Mr. J M Malhotra	Dr. K S Chugh
Date of Birth	03/04/1920	12/06/1937	26/08/1930	12/12/1932
Date of first Appointment	28/07/2003	19/04/1999	19/01/1993	28/12/2005
Qualifications	M.A., IAS (Retired)	IAS (Retired)	B.sc, B E (Hons)	MD, FRCP (London), FACP (USA), FAMS, FICA
Expertise in specific functional areas	He Held senior administrative position with the Central and State Government for 35 years including his services as Lt. Governor of State of Mizoram.	Over 38 years of experience with Central and State Government	He worked for 35 years with Public Works Department (Bridges & Roads) and Retired as Secretary to the Government of Rajasthan. At present he is consultant to Asian Development Bank and World Bank.	Dr. K S Chugh is a world renowned Nephrologists and is known as the 'Father of Nephrology'. He has been a recipient of 37 National and International awards. These include Padma Shree Awards and Hon. Fellowship of the Royal College of Physician, London. He is also the Director of National Kidney Clinic & Research Centre.
Directorships in other Companies (excluding foreign companies)	<ul style="list-style-type: none"> • Mount Shivalik Investments Ltd • Mount Shivalik Breweries Ltd. • Aria Hotels and Consultancy Services Pvt. Ltd. 	Indo Farm Equipment Limited	NIL	Mount Shivalik Breweries Limited
Memberships/ Chairmanships of Board Committees in other Companies (includes only Audit Committee and Shareholders/Investor Grievance Committee)	<ul style="list-style-type: none"> • Nomination & Remuneration Committee (Member) • Audit Committee (Member) 	NIL	<ul style="list-style-type: none"> • Audit Committee (Chairman) • Remuneration Committee (Member) 	<ul style="list-style-type: none"> • Nomination & Remuneration Committee (Chairman)
Number of shares held in the Company	NIL	NIL	8,000	NIL
DIN	00019276	00146072	00371421	00519261

MOUNT SHIVALIK INDUSTRIES LIMITED

DIRECTORS' REPORT

The Members,

Your Directors are pleased to present their **21st Annual Report** along with the audited statements of accounts of the Company for the financial year ended 30th June, 2014.

FINANCIAL RESULTS

Your Company's performance for the financial year ended 30th June, 2014 is summarized below:

(₹ In Lacs)

Particulars	Current Financial year Ended 30/06/2014	Previous Financial year Ended 30/06/2013
Gross Sale of Beer Products including sale from Contract Brewer	12,874.54	13,670.77
Sale of Food Items from the hospitality segment	347.07	237.12
Other Income	75.01	110.87
Loss before Interest, Depreciation & Tax	948.76	342.71
Add: Interest	440.07	426.39
Depreciation	269.55	285.41
Loss for the period {Before Tax}	1,658.37	1,054.51
Less: Tax Expense:		
Taxation relating to earlier years	2.60	0.00
Deferred Tax	512.87	344.57
Net Loss for the period {After Tax}	1,142.90	709.94

OPERATIONAL REVIEW

During the year under review, your Company has achieved Gross Beer sales of ₹12,874.54 lacs as compared to ₹13,670.77 lacs in 2012-13 reflecting a marginal fall in sales. Your Directors are pleased to report that the Contract Brewing Agreement entered into with Molson Coors Cobra India Private Limited is working in a satisfactory manner.

The gross revenues from the Hospitality segment during the year under review have increased by more than 40% in comparison to the previous financial year.

Your Directors regrets to report that the company has continued to incur losses in the financial year under review due to higher cost of empty glass bottles and inflationary trends in the prices of raw materials, stores and expenses. The company is selling its beer products through State Government controlled Corporations, where the State Governments have not revised the sale prices of beer products, which has adversely affected the profitability of the Company. The accumulated losses of the Company at the end of the financial year have exceeded it's paid up share capital and free reserves. Hence in compliance of the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985, your Directors were compelled to make a mandatory reference to the Board for Industrial and Financial Reconstruction.

Your Directors have taken various measures to improve company's Income Statement and Revenue by entering into negotiation for contract brewing arrangements with other manufacturers in other states as well as for company's Rajasthan plant, for improving sales and distribution channels, revenue management and marketing functions. Therefore your Directors are hopeful for better performance in the current financial year. Your Directors wants you to refer Note No. 31 of the Balance Sheet, and your Directors are of firm opinion that the matter shall be decided in favour of your company.

DIVIDEND

For the year under review the Directors do not recommend any dividend due to loss incurred in the current year.