



**21st
Annual Report
2013-2014**

**RAVI KUMAR
DISTILLERIES LIMITED**

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. R.V. Ravikumar	Managing Director
Mr. Badrinath S Gandhi	Executive Director
Mrs. S. Vijayalakshmi	Executive Director
Mr. K.S.M. Rao	Independent Director
Mr. Ashok R Shetty	Independent Director
Mr. Popatlal M. Kathariya	Independent Director

COMPLIANCE OFFICER

Mr. Badrinath S Gandhi

AUDITORS

M/s. Ramanand & Associates,
6/C, Gr. Floor, Ostwal Park Building,
No.4, Near Jesal Park Jain Temple,
Bhayandar (East),
District Thane – 401 105.

BANKERS

State Bank of India

REGISTERED OFFICE

S1 & S2, 2nd Floor, B-Block,
“Ameen Manors”,
No.138, Nungambakkam High Road,
Nungambakkam, Chennai – 600 034, India.
Tel. No. 91-044-2833 2087
Website: www.ravikumardistilleries.com
Email: cs@ravikumardistilleries.com

CORPORATE OFFICE

No.17, Kamaraj Salai,
Puducherry – 605 011, India.
Tel. No. 91 – 0413 – 2343278 & 2346386
Fax No. 91 – 0413 – 2343278 & 2331032
Website: www.ravikumardistilleries.com
Email: cs@ravikumardistilleries.com

REGISTRAR & SHARE TRANSFER AGENT

M/s. Karvy Computershare Pvt.Ltd.,
17-24, Vittal Rao Nagar,
Madhapur,
Hyderabad – 500 081.
Phone: 91 – 040 – 44655000
Email: einward.ris@karvy.com

FACTORY:

R.S. No. 89/4-A, Katterikuppam Village,
Mannadipet Commune,
Puducherry – 605 502.
Tel.No. 91 – 0413 – 2674444, 2674888

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DIRECTORS' REPORT

To
The Members

Ravi Kumar Distilleries Limited.

Your Directors have pleasure in presenting the 21st Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2014.

Financial Results:	(Rs. in lakhs)	
Particulars	2013-14	2012-13
Income from Operations	3819.00	4,076.00
Other Income	16.00	16.00
Profit Before Depreciation and Taxes	(-) 580.00	(-)139.00
Less: Depreciation	49.00	63.00
Less : Provision for		
(a) Income tax	14.00	0.00
(b) Deferred tax	(4.00)	(7.00)
Less Proposed Dividend	0.00	0.00
Dividend Distribution tax	0.00	0.00
Profit for the Year	-580.00	-194.00
Balance Carried Forward to Balance sheet	-580.00	-194.00

Performance of the Company during the year under review

Your Company is engaged in the business of manufacture and trade of Indian Made Foreign Liquor (IMFL) under own brand Capricorn, 2 Barrels, Green Magic, Chevalier as well as under tie-up arrangements with other Companies. The IMFL comprises of Whisky, Brandy, Rum, Gin and Vodka. Your Company currently operates through own manufacturing unit located at R.S 89/4A, Katterikuppam Village, Mannadipet Commune, Pondicherry. The Unit is equipped with infrastructure facilities and technology, which encompasses all modern facilities for blending and bottling, can undertake manufacture of IMFL. The core competency of your Company is in house technical and formulation knowledge, skilled workforce and well equipped manufacturing facilities, which enable us to manufacture a wide range of IMFL products to diverse client requirements.

During the year, the total Income from operations was Rs. 3819 lakhs compared to Rs.4076 lakhs in the previous year recording a loss of (Rs. - 580) lakhs. The net loss was Rs. -580 lakhs as against the profit Rs.-194 lakhs in the previous year. Earning per share is Rs. -2.42 against Rs.- 0.81 in the previous year on a weighted average basis as per Accounting Standard 20 issued by the Institute of Chartered Accountants of India.

However, the Company is taking possible steps to revive the business and has tied-up with M/s. Radico Khaitan Limited

for bottling their brands for Andhra Pradesh. The company is also looking out for other tie-ups for bottling for other states.

Future Outlook:

During current year, your Company will try to achieve maximum capacity utilization in our existing plant at Pondicherry.

The company has already tied up with M/s. Radico Khaitan Limited, for supply of IMFL to Andhra Pradesh. The company is also hopeful of other tie-ups and achieve maximum capacity utilization.

Insurance:

All the properties of the Company including buildings, plant and machinery and stocks have been adequately insured.

Reply to Auditors' Comments:

1. In the point No. vii, the Auditor have commented an internal audit system. However, the Auditors are satisfied on the adequate internal control procedures in Point No. iv.
2. In the point No. xvi of annexure to Auditors' Report, the Auditors have commented about non utilization of loan for the purpose for which it was availed by the Company. The reason for the same is the machinery proposed for purchase was not usable as per the requirement of the Company and hence the program was shelved with intimation to the said NBFC.

Reasons for Loss during the year

The Board of Directors discussed on the Loss of the company to the tune of Rs. -580 lacs and attribute following main reasons for non growth of the company:

A. LABOUR STRIKE

The Company has faced illegal labour strike in the month of July 2013 and August 2013 which affected the performance and out look of the company very badly. However the issue was resolved in August 2013.

B. CHANGE IN EXCISE LAW

The increase of Excise Duty implemented last year has severely affected the sales this year also. However the company is working on other avenues and areas for increasing the sales and has already tied-up with M/s. Radico Khaitan Limited for sale of IMFL to Andhra Pradesh and is also looking forward for other tie-ups.

C. LEGAL CASES PERTAINING TO THE COMPANY

The company's performance was also severely affected due to various issues and fraudulence committed by Mr. Anil Agrawal, Managing Director of M/s. Comfort Securities Limited and M/s. Comfort Intech Limited and his associates against the Company.

Your Company has filed complaints against Mr. Anil Agrawal, M/s. Comfort Securities Ltd., Merchant Bankers, M/s. Comfort

Intech Ltd. and its other group companies with the following authorities.

1. A Civil Suit OS No. 103/2013 and I.A. No. 405/2013 before 2nd Additional District Judge, Ranga Reddy District, L.B. Nagar, Hyderabad with prayers (i) to rescind the agreements as being void and restore the parties back to the position prior to the MOU dated 05.09.2012. (ii) To declare the notice for EGM dated 05.02.2013 as null and void and illegal. The court has passed an order restraining Mr. Anil Agrawal from holding the EGM till further orders.
2. I.A. No. 1452 of 2013 filed with IInd Additional District Judge, Ranga Reddy District, L.B. Nagar, Hyderabad praying Not to alienate, encumber assets of M/s.Liquors India Ltd. Judgement is reserved.
3. I.A. No. 1453 of 2013 filed with IInd Additional District Judge, Ranga Reddy District, L.B. Nagar, Hyderabad praying Not to alter the Board. Judgement is reserved.
4. Writ petition No. 12960 of 2013 filed with the Hon'ble High Court, Andhra Pradesh requesting not to transfer the excise license of M/s. Liquors India Limited, Nacharam, Hyderabad to Mr. Anil Agrawal. Case disposed off directing the Excise Commissioner of Prohibition & Excise, Hyderabad to consider Mr. R.V. Ravikumar's representation dated 23.01.2013 and 05.02.2013 before considering the application of Mr. Anil Agrawal for transfer of the license of Liquor India Limited. Mr. Anil Agrawal has filed a Writ Petition No. 34448 of 2013 the court as ordered to dispose the petition in accordance with law.
5. Complaint with Excise Commissioner of Prohibition and Excise, Hyderabad stating that the Company has filed several complaints / petitions and the same are pending before the Courts and Authorities and therefore the Excise License of Liquors India Limited should not be transferred until all our cases / complaints are resolved. License not transferred in the name of Mr. Anil Agrawal. The Excise Department has renewed the License of Liquors India Limited in the name of the company.
6. Complaint with the Commissioner of Police, Hyderabad against the fraud and cheating committed by Mr. Anil Agrawal. The Police has registered the FIR No.248/2013 dated 23.08.2013 against Mr. Anil Agrawal and others under Section 406-IPC, 420-IPC, 447-IPC, 385-IPC, 386-IPC, 467-IPC, 468-IPC, 469-IPC, 471-IPC, 120B-IPC, 34-IPC.
 - i. Mr. Anil Agrawal has filed C.P. No. 11292 of 2013 in the High Court of Hyderabad against FIR No. 248/2013 dated 23.08.2013 filed with the Police Department, Hyderabad and order was passed to the concerned police to complete the investigation without arresting Mr. Anil Agrawal and others.
 - ii. Mr. Anil Agrawal has also filed C.P. No. 3389 of 2013 in the High Court of Bombay against the same FIR No. 248/2013 dated 23.08.2013 of Police Department, Hyderabad and the same was withdrawn by him, after objection by the Government of Andhra Pradesh.
 - iii. M/s. Tilaknagar Industries Limited – accused A7, A8 and A9 filed W.P. No. 4945 of 2014 with the Hon'ble High Court, Andhra Pradesh to stay all further proceedings of FIR No. 248/2013 of Andhra Police. The W.P. is pending for admission.
7. Writ Petition No. 12713 of 2014 with the Hon'ble High Court, Andhra Pradesh praying License of Liquors India Limited issued by the Excise Department should be cancelled and sub-lease agreement also be cancelled. The order has been passed that all transactions including financial transactions between Mr. Anil Agrawal and Tilaknagar Industries Limited shall be booked and recorded faithfully pending further consideration of W.P.M.P. No. 15944 of 2014 in W.P. No. 12713 of 2014. Mr. Anil Agrawal and Tilaknagar Industries Limited shall not create any charge or third party interest relating to the assets of Liquors India Limited.
8. Complaint with SEBI, Mumbai against BRLM M/s. Comfort Securities Ltd., & Comfort Intech Ltd. (DP) promoted by Mr. Anil Agrawal for violations of SEBI Regulations.
9. Complaint with EOW, Mumbai for cheating and money laundering to recover company's money of Rs. 33.72 crores. EOW has registered FIR No.34/14 dated 21.01.2014 under section 409, 420, 465, 467, 468, 471, 474, 120(B) and the case is under active investigation.
 - i. Mr. Anil Agrawal has filed application for Anticipatory Bail vide Petition No. 148 of 2014. Bail Application is pending before the Session Court, Mumbai.
 - ii. Mr. Anil Agrawal has also filed quash petition No. 2059 of 2014 with High Court of Mumbai for quash of EOW-FIR. The same is pending before the court.
 - iii. M/s. Sukusama Trading & Investment Pvt.Ltd., M/s. Rani Sati Dealers Pvt.Ltd., M/s. Gulistan Vanijiya Pvt.ltd., Gangor Suppliers Pvt.Ltd., and M/s. B.L.C. Trading Agencies Pvt.Ltd. have filed C.W.P. Nos. 811, 812, 861, 863 & 913 of 2014 in the High court of Mumbai praying to direct EOW to record their statements as true facts without insisting on additions / alterations. The cases were dismissed.
10. Recovery suits No. SL/1135, 1136, 1137, 1138 and 1139 of 2013 filed against M/s. Ranisati Dealer Pvt.Ltd., M/s. Vibhuti Multi Trade Pvt.Ltd., M/s. Gulistan Vnijiya Pvt.Ltd., M/s. Sukusama Trading and Investments Pvt.Ltd. and M/s. BLC Trading and Agencies Pvt.Ltd. in the High Court of Bombay. Matter pending before the court.



11. Complaint with Enforcement Directorate, Mumbai to investigate the frauds committed by Mr. Anil Agrawal and his companies. Enforcement Directorate has initiated enquiries against Mr. Anil Agrawal, his companies and others under the provisions of prevention of Money Laundering Act 2002 on the basis of the FIR No. 34/14 dated 21.01.2014.
12. Complaint with SEBI for Cancellation of BRLM License. The complaint has been registered by SEBI in its site www.scores.gov.in vide Complaint Registration No. SEBIP/MH14/0003906/1 dated 07.08.2014.
13. Complaint with SEBI and CDSL for Cancellation of DP License. The complaint has been registered with SEBI in its site www.scores.gov.in vide Complaint Registration No. SEBIP/MH14/0003325/1 dated 07.07.2014.
14. Complaint with RBI and Ministry of Finance to appoint officer to investigate the affair of CIL and cancel the License to act as NBFC for violating the guidelines. The matter is under process.
15. Complaint with The Police Commissioner of Chennai against the fraud and cheating committed by Mr. Anil Agrawal. Mr. Anil Agrawal filed Writ Petition No. 32829 of 2013 with High Court of Chennai to direct the Police, Chennai not to proceed further with the investigation. The matter is pending before the Court without further date since December 2013.
16. Petition Under section 111A r/w 111(4) of the Companies Act 1956 filed before the Company Law Board, Chennai in the matter of Liquor India Limited, Mr. Anil Agrawal and others. Matter is pending before the CLB.

Mr. Anil Agrawal has filed complaints against the company with the following authorities:

1. The Company Law Board, Chennai under section 397, 398, 235(2) and 237(b) of the Companies Act, 1956. The Company has filed counter and the matter is pending before the CLB.
2. W.P. No. 7956 of 2014 filed with Hon'ble High Court, Andhra Pradesh to register the complaint filed by him against Mr. R.V. Ravikumar. The matter is pending before the court without further date.
3. Complaint with Malad Police Station, Mumbai against the company. Preliminary enquiry by the Malad Police Station is in progress.

One Mr. Anand Agrawal, Director of M/s.Comfort Intech Limited has filed a complaint with RoC under Investor's Complaint and ROC has closed the complaint after verification and proper scrutiny.

M/s. First Financial Services Limited, Chennai has filed O.S. No. 6602 of 2013 at City Civil Court, Chennai alleging mismanagement of the company. The matter is pending before the court.

Dividend

The Board of Directors does not recommend any Dividend for the year 2013-14.

Fixed deposits

During the year under review, the Company has not accepted any fixed deposits and there are no fixed deposits, which are pending repayment.

Subsidiary Companies

Your Company does not have any subsidiary company during the year under review.

Particulars of employees' under section 217 (2A) of the Companies Act, 1956

None of the employees of the Company employed throughout the financial year/part of the year were in receipt of remuneration in excess of the limits as prescribed under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and hence no particulars are required to be given.

Directors

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Mr.K.S.M. Rao and Mr. Popatlal M Kathariya, Independent Directors retire by rotation at this Annual General Meeting being eligible, offer themselves for reappointment as Independent Directors for five consecutive years and Mr. Badrinath S Gandhi and Mrs. S. Vijayalakshmi, Executive Directors retire by rotation at this AGM being eligible, offer themselves for re-appointment. Pursuant to clause 49 of the Listing Agreement with the Stock Exchanges, brief resume of Mr. K.S.M. Rao and Mr. Popatlal M Kathariya as well as Mr. Badrinath S Gandhi and Mrs. S. Vijayalakshmi have been provided in the notice convening the Annual General Meeting.

Directors' Responsibility statement

As required under Section 217(2AA) of the Companies Act, 1956, your Directors hereby confirm that:

1. In the preparation of the Annual Accounts for the financial year 2013-14, the applicable Accounting Standards have been followed and there are no material departures;
2. The accounting policies selected and applied are consistent and the judgment and estimates made 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 financial year 2013-14;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Annual Accounts have been prepared on a going concern basis.

Corporate Governance

The Company has complied with the requirements of the Code of Corporate Governance as stipulated in clause 49 of the listing agreement with the stock exchanges. A Report on Corporate Governance along with Certification by the Managing Director is attached to this Directors' Report.

A Certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated by clause 49 of the listing agreement is attached to this Directors' Report.

Auditors

The statutory auditors of the Company M/s. Ramanand & Associates, Mumbai retire at the conclusion of the ensuing Annual General Meeting. The retiring auditors have furnished a certificate under Sec. 224 (1B) of the Companies Act, 1956 confirming their eligibility for reappointment.

Employee Relations

The relations between the employees and management continued to be cordial during the year inspite of the Labour Strike in the months of July 2013 and August 2013, which has adversely affected the performance of the company.

Particulars as required under section 217(1) (e) of the companies act, 1956 read with the companies (disclosure of particulars in the report of board of directors) rules, 1988:

1. Conservation of Energy, Technology Absorption

The particulars regarding the disclosure of the conservation of energy, technology absorption, as required under clause (e) of sub Section (1) of Section 217 of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are given below.

a) Energy Conservation Measures Taken

The Company continues to accord high priority to conserve the energy. Details of some of the measures undertaken to optimize energy conservation are.

- i. Installation of circuit breakers, safely and easily operative and accessible in each machinery / equipment resulting in reduction of idle run.
- ii. Trip system in bottling lines easily and safely operative, in case of lag / fault in any equipment / machinery across the line.
- iii. Recycling of wash water resulting in conservation of water and energy.

Place: Mumbai
Date : 28.08.2014

Registered Office:

S1 & S2, Second Floor, 'B' Block,
"Ameen Manors"
No.138, Nungambakkam High Road,
Nungambakkam, Chennai – 600 034.

- iv. Gravity Liquor flow system in all process areas resulting in lesser consumption of energy.
- v. Installation of "Turbo Vent" for Natural ventilation system in roofs of all buildings.
- vi. Installation of Transparent Poly Coat Sheets in the roof resulting in availability of natural light.

b) Statement of total energy consumption and energy consumption per unit are given as under:

S.No.	Power and Fuel Consumption	2013-2014	2012-2013
1.	Power including lighting Units Consumed	72,034	83,982
	Rate per Unit (in Rs.)	5.27	4.00
	Amount paid (in Rs.)	3,79,689	3,14,644
2.	Own generation by Diesel Generator		
	Diesel utilized Litres	620	2,490
	Unit per Litre of diesel oil generated	3.30	3.30
	Rate per Unit (in Rs.)	18.48	12.75

2. Foreign Exchange Inflow & Outgo:

- a) Activities relating to Exports, Initiatives taken to increase Exports, Developments of new Export Market for products and Services and Export Plans:

The Company has not undertaken any export activities.

The company is looking out for Export Opportunities.

- b) Total Foreign Exchange used and earned:

Used : Nil

Earned : Nil

Acknowledgments:

The Management is grateful to the Regulatory Authorities, Share holders, Company's Bankers, Financial Institutions, Insurance Companies, Investors, Clients, Business Associates for their continued support and co-operation.

The Directors also wish to place on record their appreciation for the co-operation, active involvement and dedication of the employees.

For and on behalf of the Board of Directors

R.V. Ravikumar
Managing Director



MANAGEMENT DISCUSSION AND ANALYSIS

The company is engaged in the business of manufacturing and trade of Indian Made Foreign Liquor (IMFL) under our own brand portfolio as well as under tie up arrangements with other companies. The IMFL comprises of whisky, Brandy, Rum, Gin & Vodka. We started our initial capacity of 7,20,000 cases per annum and a bond capacity 6300 cases of Excise Bonded warehouse. Presently our plant is having an installed capacity of 14,25,000 cases per annum and 26000 cases of Excise Bonded warehouse.

During the year, the total Income from operations was Rs. 3819 lakhs compared to Rs 4076 lakhs in the previous year recording a reduction of Rs. 257 lakhs. The net loss was Rs. 580 lakhs as against the Loss of Rs. 194 lakhs in the previous year.

Business Outlook

India is currently the 3rd largest market for branded alcoholic beverages in the world by volume, and the global spirits industry is estimated at over 2 billion cases per annum with India accounting for about 12% at 236 million cases per annum without considering 300 million of country liquor. The Indian Alcohol Industry has grown rapidly in recent years primarily due to favorable demographic trends, substantial economic growth, increased per capita consumption and a marked shift in societal acceptance of alcohol consumption. Sales of alcoholic drinks continue to be driven by urban consumption in the country. IMFL comprises one third of the total liquor consumption in India and has been growing at a CAGR of more than 10% over the last five years. In IMFL, Brown spirits constituted the largest segment with whisky, brandy and dark rum accounting for 95% of the market, by both volume and value while white spirits with gin and vodka having only 5% market share. However the International trends are opposite where white spirits enjoys prominent presence.

Demand for spirits in India is expected to grow at a 10% CAGR during. Key drivers for this growth will be higher per capita incomes, increasing social acceptance of alcohol in India, brand exposure, availability and the shift towards branded spirits by country liquor consumers. The growth will be also due increasing urbanization and young adults reaching the age to be eligible to drink. However, presently the growth rate are moderate compared FY12 due to high base effect.

The Indian IMFL market is dominated by low-priced whisky. The whisky segment constitutes almost 60% of the total IMFL market. 17% & 18% is brandy and Rum and the rest 5% is white spirits. The maximum consumption is in Andhra Pradesh followed by Karnataka and Maharashtra.

Risk Factors:

Government regulations affects the Indian Liquor industry introducing structural rigidities. Apart from the high level taxes and levies regulations pertaining to licensing creation or expanding of brewing / distillery and bottling capacities , manufacturing process (grain based and molasses based), distribution and advertising impinge on the industry. Further liquor being a state subject, every state has different regulations (including those on distribution) and tax rate for the industry apart from restrictions as well as levies on the inter- state movement of liquor.

Future Outlook:

During current year, your Company will try to achieve maximum capacity utilization in our existing plant at Pondicherry. The Company has already tied-up with M/s. Radico Khaitan Limited for bottling their brands for Andhra Pradesh. The Company is looking forward for further tie-ups to increase its business.

Internal control systems and their adequacy

The Managing Director certification provided in the report discusses the adequacy of our internal control systems and procedures.

Human Resource Development

The most important asset of the company is its Human Resources.

Cautionary statements

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectation may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

Corporate Governance Report 2013-2014

In accordance with Clause 49 of the Listing Agreement with BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) and some of the best practices followed internationally on Corporate Governance, the report containing the details of corporate governance systems and processes at Ravi Kumar Distilleries Limited is as follows:

At RAVI KUMAR DISTILLERIES LIMITED, Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. At RAVI KUMAR DISTILLERIES LIMITED, we consider stakeholders as partners in our success, and we remain committed to maximizing stakeholder value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. We have a defined policy framework for ethical conduct of businesses.

1. Company's Philosophy on Code of Corporate Governance:

The Company's philosophy on Corporate Governance is to achieve business excellence and to meet the expectations of its customers, shareholders, employees, business associates, the society at large and in complying with the dictates of the regulatory frame work. The Company is committed to transparency in all its dealings and places high emphasis on business ethics. We believe that Corporate Governance is voluntary and self-discipline code which means not only ensuring compliance with regulatory requirements but also by being responsive to our stakeholders needs.

Code of Conduct:

The Board has laid down a code of conduct for all the Board Members and Senior Management of the Company. Senior Management includes personnel of the core management team excluding Board of Directors but including all functional heads.

2. Board of Directors:

The Board of Directors comprises of both executive and non-executive directors with rich professional experience in various fields. The present strength of the Board of Directors is six in number. Half of the Board consists of Independent Directors.

3. Board Meetings & Procedures

During the year, the Board met 5 times on 13.05.2013, 30.05.2013, 13.08.2013, 15.11.2013 and 13.02.2014.

The composition of Board of Directors, attendance at the Board Meetings during the financial year and attendance at the last Annual General Meeting, number of outside Directorship, Chairman/Membership of Committees is as under:

Name of Director	Category	No. of Board meetings attended	Last AGM attendance	No of Directorships	Membership/ Chairmanship of other Audit & Shareholders' Grievance Committees
Mr. R.V. Ravikumar	Managing Director	4	Yes	9	-
Mr. Badrinath S Gandhi	Executive Director	4	Yes	2	2/0
Mr. K.S.M. Rao	Independent Director	-	Yes	2	2/1
Mr. Ashok R Shetty	Independent Director	5	Yes	3	1/2
Mr. Popatlal M Kathariya	Independent Director	5	Yes	2	2/0
Mrs. S. Vijayalakshmi	Executive Director	-	Yes	1	-

4. Appointment/Reappointment:

- Mr. Badrinath S Gandhi (DIN 01960087) who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Executive Director of the company liable to retire by rotation.

Name	Age	Qualification	Expertise	Other Directorship
Badrinath S Gandhi	53 years	D.E., D.C.A., D.S.A. D.P.	Industrial Management	2

- Mrs. S. Vijayalakshmi (DIN 02091138) who retires by rotation and being eligible offers herself for re-appointment, be and is hereby re-appointed as a Whole Time Director of the company liable to retire by rotation

Name	Age	Qualification	Expertise	Other Directorship
S. Vijayalakshmi	41 years	B.Sc. Chemistry	Blending of Liquor	Nil

- Mr. K.S.M. Rao whose term expires at the ensuing Annual General Meeting be and is hereby appointed as an Independent Director of the Company for a period of 5 (five) years at the ensuing Annual General Meeting. (In pursuance of clause 49 of the Listing Agreement)

Name	Age	Qualification	Expertise	Other Directorship
K.S.M. Rao	67 years	B.Com, LLB	Banking & Finance	1



RAVI KUMAR DISTILLERIES LIMITED.

4. Mr. Popatlal M Katariya whose term expires at the ensuing Annual General Meeting be and is hereby appointed as an Independent Director of the Company for a period of 5 (five) years at the ensuing Annual General Meeting. (In pursuance of clause 49 of the Listing Agreement)

Name	Age	Qualification	Expertise	Other Directorship
Popatlal M Katariya	61 years	B.Com, L.L.B (Gen), F.C.A.	Accounting	1

5. Audit Committee:

Terms of reference:

The Audit Committee has been constituted pursuant to section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The Primary object of Audit Committee of the company is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

Composition:

The Audit Committee comprises of 4 members out of which 3 are Independent Directors. Mr. Ashok R Shetty is the Chairman of the Audit Committee. All the members of the Committee are financially literate. Mr Ashok R Shetty and Mr Popatlal M Kathariya are Chartered Accountants and Mr K S M Rao is a retired Banking professional and Mr Badrinath S Gandhi is an Engineer by profession but has varied experience in industrial management.

During the year, the Committee met 4 times on 30.05.2013, 13.08.2013, 15.11.2013 and 13.02.2014 and the gap between any 2 meetings was less than 4 months.

Attendance at the Audit Committee Meeting:

Name	Designation	Category	Attendance out of 4 meetings
Mr. Ashok R Shetty	Chairman	Independent	4
Mr. K.S.M. Rao	Member	Independent	-
Mr. Popatlal M Kathariya	Member	Independent	4
Mr. Badrinath S Gandhi	Member	Executive	3

6. Shareholders' Grievance Committee:

Constitution and attendance:

The committee comprises of Mr. K.S.M. Rao, Mr. Ashok R Shetty and Mr. Badrinath S Gandhi.

Attendance at the Shareholders' Grievance Committee Meeting:

Name	Designation	Category	Attendance of 1 meeting held
Mr. K.S.M. Rao	Chairman	Independent	-
Mr. Ashok R Shetty	Member	Independent	1
Mr. Badrinath S Gandhi	Member	Executive	1

- Mr. Badrinath S Gandhi has been designated as Compliance Officer.
- The investors may register their complaints at the email-id cs@ravikumardistilleries.com
- During the year, the Company received 2 complaints on various matters. The Company has attended the same and complaints pending unresolved at the end of the financial year were NIL.

Terms of reference:

During the year under review the Committee met once in a year on 15.11.2013. The Shareholders' Grievance Committee focuses on shareholders' grievances and strengthening of investor relations, specifically looking into redressal of grievances pertaining to:

- 1) transfer and transmission of shares
- 2) non-receipt of balance sheet
- 3) non-receipt of declared dividend
- 4) matters relating to demat / remat
- 5) other related issues

7. Remuneration / Compensation Committee:**Constitution and attendance:**

The Board constituted a Remuneration/Compensation Committee comprises of Mr. Ashok R Shetty, Mr. Popatlal M Kathariya and Mr. K.S.M. Rao.

Attendance at the Remuneration / Compensation Committee Meeting:

Name	Designation	Category	Attendance out of one meetings
Mr. Ashok R Shetty	Chairman	Independent	1
Mr. Popatlal M Kathariya	Member	Independent	1
Mr. K.S.M. Rao	Member	Independent	-

One meeting was held on 30.05.2013

Terms of reference:

The terms of reference of the Remuneration Committee are as per the guidelines set out in the Listing Agreement with the stock exchanges that include determination of the Company's policy on specific remuneration packages for Directors.

Remuneration Policy:

The remuneration of the Executive Directors is recommended by the Remuneration committee, based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry and responsibilities shouldered. The Company pays remuneration by way of salary and perquisites to its Executive Directors.

The Non-executive Directors are not paid any remuneration except sitting fees. Further the company has not entered into any pecuniary relationship or transactions with the Non-executive directors.

The details of the remuneration paid/payable to the Executive Director during the Financial Year 2013- 2014.

Details of remuneration paid to the Directors.

(Rs. in Lacs)

Directors	Salary (including Performance Incentive, if any and other allowance)	Perquisites	Contribution to P.F. superannuation and Gratuity	Sitting Fees	Total
Mr R. V. Ravikumar	NIL	NIL	NIL	NIL	NIL
Mrs S. Vijayalakshmi	5.20	NIL	NIL	NIL	5.20
Mr K.S.M. Rao	NIL	NIL	NIL	NIL	NIL
Mr Ashok R Shetty	NIL	NIL	NIL	0.70	0.70
Mr Badrinath S Gandhi	9.75	NIL	NIL	NIL	9.75
Mr Popatlal M Kathariya	NIL	NIL	NIL	0.65	0.65

8. General Body Meetings:

(i) Details of Annual General Meetings during the last three years

Financial Year	Day, Date & Time	Venue	Special resolution passed
2010-11	Saturday, 6th August 2011, 3.00 p.m.	Hotel Benzz Park, 62, Thirumalai Pillai Road, T. Nagar, Chennai – 600 017	Yes
2011-12	Monday, 5th November 2012, 10.00 a.m.	Bharathiya Vidya Bhavan, 8/12, East Mada Street, Mylapore, Chennai – 600 004.	Yes
2012-13	Friday, 27th September 2013, 2.30 p.m.	Bharathiya Vidya Bhavan, 8/12, East Mada Street, Mylapore, Chennai – 600 004.	Yes

(ii) Special Resolution Passed in the last three Annual general meetings:

Year	Date	Special Resolution passed
2012-2013	27 September 2013	1
2011-2012	05 November 2012	1
2010-2011	06 August 2011	2