

# **SILVER OAK (INDIA) LIMITED**

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## ***35<sup>TH</sup> ANNUAL REPORT & ACCOUNTS 2018-19***

# SILVER OAK (INDIA) LIMITED

**CIN: L11531MP1984PLC002635**

**Reg. Office:** Plot No.110, Sector-I, Industrial Area, Pithampur-454775, Dist. Dhar (M.P.)

## THIRTY FIFTH ANNUAL REPORT 2018-19

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<b>BOARD OF DIRECTORS</b>	1. Shri Shirish Jaltare 2. Smt Leela Kalyani 3. Shri Suresh Kejriwal 4. Shri Prakash Kumar Gadia 5. Shri Deepak Meena 6. Shri Sunil Khandelwal	- - - - - -	Whole-time Director Director Director Director Company Secretary Chief Financial Officer
<b>AUDITORS</b>	M/s Mahendra Badjatya And Company Chartered Accountants, Indore		
<b>SECRETARIAL AUDITORS</b>	CS Varun Bhomia Practicing Company Secretary Indore		
<b>INTERNAL AUDITORS</b>	A.B. Doshi Chartered Accountant Indore		
<b>LISTING</b>	Bombay Stock Exchange Limited,		
<b>REGISTERED OFFICE</b>	Plot No. 110, Sector-1, Industrial Area, Pithampur, Dist. Dhār (M.P.)		
<b>CORPORATE OFFICE</b>	Princes Business Sky Park, Block No 412, Scheme No 54 PU-3, Commercial, Opposite Orbit Mall, A.B. Road Indore 452010 MP IN		
<b>BANKERS</b>	State Bank of India, Kanchan Bagh Branch, Indore		

**SILVER OAK (INDIA) LIMITED**  
**CIN: L11531MP1984PLC002635**

**Reg. Office:** Plot No.110, Sector-I, Industrial Area, Pithampur-454775, Dist. Dhar (M.P.)  
Ph: 2577040, 4023742, Telefax: 91-731-2577040 email: silveroak.indore@gmail.com

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**NOTICE OF 35<sup>th</sup> ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the Thirty Fifth Annual General Meeting of the Company will be held on **Saturday, 28<sup>th</sup> day of September, 2019 at 11.00 A. M.** at the Registered Office of the Company at Plot No. 110, Industrial Area, Sector-I, Pithampur- 454 775, Dist. Dhar (M.P.) to transact the following businesses:

**ORDINARY BUSINESS:**

**1. ADOPTION AND APPROVAL OF ACCOUNTS:**

To receive, consider and adopt the Audited Financial Statement (including the Consolidated financial Statements) of the Company for the year ended 31<sup>st</sup> March , 2019 together with the Reports of the Directors and Auditors thereon and if thought fit , pass the following resolution with or without modification(s) as an Ordinary Resolution:

**“RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the year ended 31<sup>st</sup> March , 2019 together with the directors’ report and the auditors’ report thereon as circulated to the members and presented to the meeting be and the same are hereby approved and adopted.

**RESOLVED THAT** the Audited Consolidated Financial Statement of the Company for the year ended 31<sup>st</sup> March, 2019 together with the auditors’ report thereon as circulated to the members and presented to the meeting be and the same are hereby approved and adopted.”

**2. TO APPOINT A DIRECTOR IN PLACE OF MRS. LEELA KALYANI (DIN: 06625369) WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HERSELF FOR RE-ELECTION.**

To appoint Smt. Leela Kalyani, (DIN: 06625369) Director of the Company, who retires by rotation and being eligible offers herself for reappointment, in this regard to consider and if thought fit to pass with or without modification(s) the following resolution as Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of section 152 and other applicable provisions, if any of the Companies Act , 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) Smt. Leela Kalyani, (DIN: 06625369), who retires by rotation from the Board of Directors and being eligible for re-appointment , be and is hereby re-appointed as a Director of the Company and whose office shall be liable to be retire by rotation.”

**By order of the Board of Directors**

Place: Indore (M.P.)  
Date: 05.09.2019  
SILVER OAK (INDIA) LTD.  
CIN: L11531MP1984PLC002635

**Deepak Meena**  
**Company Secretary**

## NOTES:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member of the company. The proxies, in order to be effective, must be received by the Company not less than 48 hours before the Meeting. **A person can act, as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.**
2. Corporate Members intending to send their authorized representatives to attend and vote at the Meeting Pursuant to Section 113 of the Companies Act, 2013 are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Sunday, 22<sup>nd</sup> September, 2019 to Saturday, 28<sup>th</sup> September, 2019 (Both days inclusive).
4. Members/Proxies should bring the Attendance slip duly filled in for attending the meeting. For shares held in dematerialized form, the DP ID and Client ID numbers should be indicated in the Attendance Slip.
5. As per Circular No. MRD/DOP/CIR-05/2009 dated May 20, 2009 issued by Securities and Exchange Board of India(SEBI), it is mandatory to quote Permanent Account Number (PAN) for Participating in securities market. Therefore, Members holding shares in demat form are requested to submit PAN to their DP with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Ankit Consultancy Pvt Ltd.
6. Members are requested to:
  - a. Quote their folio number(s) in all correspondence with the Company.
  - b. For shares held in physical form, any change in address/other details may be intimated to the Company/Share Transfer Agent by quoting the Folio Number(s). For shares held in demat form, change in address/other details may be intimated directly to the Members' DP.
7. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of their Folios.
8. The Ministry of Corporate Affairs has taken a '**Green Initiative in Corporate Governance**' by issuing circulars allowing paperless compliances by Companies through electronic mode. The Shareholders can now receive various notices and documents through electronic mode by registering their e-mail addresses with the Company. Shareholders who have not registered their e-mail address with the Company can now register the same by submitting duly filled-in 'E-Communication Registration Form' attached at the end of this report, with M/s. Ankit Consultancy Private Limited / Investors Service Department of the Company. The Members holding shares in electronic form are requested to register their e-mail addresses with their Depository Participants only. Even after registering for E-Communication the Shareholders of the Company are entitled to receive such communication in physical form, upon request.
9. **Reappointment of Director:**
  - i) **Smt. Leela Kalyani, (DIN: 06625369)** Director of the company, who retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for reappointment.

10. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays and holidays, between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting and will also be available for inspection at the meeting.
11. Shareholders seeking any information with regard to accounts requested to write to the Company at the earliest so as to enable the management to keep the information ready.

**By order of the Board of Directors**

Place: Indore (M.P.)  
Date: 05.09.2019  
SILVER OAK (INDIA) LTD.  
**CIN: L11531MP1984PLC002635**

**Deepak Meena**  
**Company Secretary**

## INSTRUCTIONS FOR E-VOTING

### The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 25<sup>th</sup> September 2019 at 9.00 A.M. and ends on 27<sup>th</sup> September, 2019 at 05.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21<sup>st</sup> September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>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.</li><li>In case the sequence number is less than 8 digits enter the applicable number of 0(zeroes) 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.</li></ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"><li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li></ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <SILVER OAK (INDIA) LIMITED> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password& enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Windows and Apple smart phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non - Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxi) Mr. Varun Bhomia (Membership No. FCS 9144), Practicing Company Secretary, Indore has been appointed as the Scrutinizer to scrutinize the e-voting process in fair and transparent manner.
- (xxii) The Scrutinizer shall after scrutinizing the vote cast at the AGM (Poll) and through Remote E-Voting not later than 48 hours from conclusion of AGM, make and submit a consolidated scrutinizers report to the Chairman. The Results declared along with the consolidated scrutinizers report shall be placed on the website of the company and CDSL. The results shall simultaneously be communicated to the Stock Exchanges where the company's shares are listed.
- (xxiii) The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 28th September, 2019 subject to receipt of the requisite number of votes in favour of the Resolutions.

# SILVER OAK (INDIA) LIMITED

CIN: L11531MP1984PLC002635

Regd. Office: Plot No.110, Sector-I, Industrial Area, Pithampur - 454775, Dist. Dhar (M.P.)

## DIRECTORS' REPORT

To,  
The Members,  
**SILVER OAK (INDIA) LIMITED**  
CIN: L11531MP1984PLC002635

Your Directors have pleasure in presenting their 35<sup>th</sup> Annual Report, together with Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2019.

### 1. FINANCIAL RESULTS:

#### a) Standalone figures:

Particulars	2018-19	2017-18
	(Rs. in Lacs)	
Sales and other Income	46.20	73.93
Profit/(Loss) before Depreciation	(143.60)	(49.50)
Interest	42.66	41.04
Depreciation	8.82	8.91
Profit/(Loss) before Tax	(195.08)	(99.46)
Less: Provision for Tax	0	(48.69)
Net Profit/(loss) for the year	(195.08)	(50.76)
Profit/(Loss) brought forward from previous year	(265.39)	(214.63)
Balance carried to Balance Sheet	(460.47)	(265.39)

#### b) Consolidated figures:

Particulars	2018-19	2017-18
Sales and other Income	722.51	3146.49
Profit/(Loss) before Depreciation	(160.82)	(686.55)
Interest	42.88	40.76
Depreciation	11.36	14.44
Profit/(Loss) before Tax	(215.06)	(741.76)
Less: Provision for Tax	15.96	(151.93)
Net Profit/(loss) for the year	(226.84)	(589.93)

### 2. DIVIDEND:

The Company has incurred a Net loss of Rs. 1,95,08,356/- during the financial year 2018-19 and further in view of the future expansion plan and other business activities your directors have decided not to recommend any dividend for the year ended 31<sup>st</sup> March, 2019.

### 3. APPROPRIATIONS AND TRANSFER TO RESERVE:

The Company has not created any reserves during the financial year 2018-19.

#### **4. OPERATING RESULTS:**

Your Company has incurred a net loss of Rs. 195.08 Lacs on standalone basis, during the Financial Year 2018-19 as against the loss of Rs. 50.76 Lacs on standalone basis during the Financial Year 2017-18, after taking into account interest, depreciation, prior period adjustments and exceptional items.

#### **5. BORROWINGS:**

The Total term Loan amount of the company on standalone basis as on 31.03.2019 is 4,17,00,977 (Four Crores Seventeen lacs Nine hundred Seventy Seven Only) as against 3,57,86,306 (Three Crore Fifty Seven Lacs Eighty Six Thousand Three hundred Six Only) loan amount as on 31.03.2018.

#### **6. FINANCE:**

The total Cash & Cash Equivalent as on 31<sup>st</sup> March, 2019 is Rs. 17,33,963/- (Seventeen lacs thirty three thousand nine hundred sixty three only) . Your company continues to focus on judicious management of its working capital. Receivables, Inventories & other working capital parameters were kept under strict check through continuous monitoring.

#### **7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

During the financial year 2018-19, the Company has made no investment in Shares in pursuant to section 186 of the Companies Act, 2013. The company has not given any loans or advances during the year other than to the related parties.

#### **8. FIXED DEPOSITS:**

Pursuant to the provisions of Section 73 Read with Companies (Acceptance of Deposit) Rules, 2014, the Company has not accepted any deposits from public during the year under review.

#### **9. SHARE CAPITAL**

The paid up equity share capital of the Company as on 31<sup>st</sup> March, 2019 stood at Rs. 3,79,02,000/- (Three Crore Seventy Nine Lac Two Thousand Only). During the year under review, the Company has neither issued shares with differential voting rights nor granted any stock options / sweat equity. Mrs. Leela Kalyani, Director of the Company holds 4.88% of shares of the Company as on the date of this report.

During the year under review, no Stock Options were granted, vested or exercised. No Stock Options are in force as on date. Hence, there are no disclosures required to be made pursuant to the applicable requirements of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

#### **10. CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

There is no significant change in the nature of the business of the company.

#### **11. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There are no other material changes and commitments affecting the financial position of the Company occurred between the end of the financial year of the company i.e. 31<sup>st</sup> March 2019 and the date of Director's report.

## **12.DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:**

During the year under review, the Company has been taken over by M/s. Royal Highland Distilleries Limited, an unlisted Non-banking Finance Company under the guidance and prior approval of Securities and Exchange Board of India.

M/s. Royal Highland Distilleries Limited, through the Merchant Banker Arihant Capital Markets Limited had filed an Open Offer Letter with SEBI on 20<sup>th</sup> March, 2017, which was approved by the SEBI on 19<sup>th</sup> March, 2018, resulting M/s. Royal Highland Distilleries Ltd. and Mrs. Leela Kalyani become the New Promoters of the Company with the total holding of 64.71% of total Paid-up share Capital of the Company, Royal Highland Distilleries Limited holds 59.83% and Mrs. Leela Kalyani, the Person Acting in Concert (PACs) holds 4.88%.

Except the above, there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

## **13.DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:**

During the financial year 2018-19, there is no change in the material subsidiary, the Company's investment in M/s APT Infrastructure Private Limited (CIN: U45400DL2007PTC170319), which is a subsidiary to your company stands at 6,00,000 (Six lacs) Equity shares of Rs. 10 (Rupees ten only) each for Rs. 60,00,000/- (Sixty lacs only) and also 7,000 (Seven thousand) convertible debentures for Rs. 1,50,47,083 (One Crore Fifty lacs forty seven thousand and eighty three only).

Statement containing salient features of the financial statement of subsidiary company pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014) has been annexed with this report as "Annexure "K".

## **14.MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### *A) Industry Structure & Development and Outlook*

Indian Made Foreign Liquor (IMFL) is "state subject" and as such every State has its own policies in respect of this industry. Madhya Pradesh, the state in which the company operates, has its own policy, both for manufacture as well as for marketing/distribution. The industry is expected to achieve average annual growth and many new players are expected to be stepping into the industry.

### *B) Opportunities & Threats, Risks & Concerns*

The Company's strength is built around domestic marketing network. The growth of the industry provides the necessary opportunities for the company to grow. However, the industry is under constant pressure due to steep competition from unorganized sector and the industrial scenario in the nearby area.

### *C) Internal Controls and their adequacy*

The company has adequate internal control systems, commensurate with the size and operations of the company. The scope of the internal audit is to ensure the control systems established by the management are correctly implemented and to suggest any additional changes required to strengthen the existing systems. These Systems and procedure are reviewed at regular intervals through internal audits, statutory audits and audit committee.

### *D) Human Resource and Industrial Relations*