

# CHAMBAL Breweries & Distilleries Limited



CORPORATE OFFICE

A/7, Shopping Centre

Kota (raj.)

Phone & Fax : 0744-2362346

REGISTERED OFFICE


Room No. 8, 102 C Madhavwadi

Naigaon, Cross Road, Dadar (E)

Mumbai- 400014

## FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange.

1.	Name of the company	Chambal Breweries And Distilleries Limited
2.	Annual financial statements for the year ended	31 <sup>st</sup> March, 2013
3.	Type of Audit observation	Not Applicable
4.	Frequency of observation	Not Applicable
5.	To be signed by- <ul style="list-style-type: none"><li>• CEO/Managing Director</li><li>• CFO</li><li>• Auditor of the company</li><li>• Audit Committee Chairman</li></ul>	 Parasram Jhamnani (Managing Director)

**Chambal**  
Breweries & Distilleries Limited



**Annual Report 2012-2013**



# ANNUAL REPORT 2012-2013

## **BOARD OF DIRECTORS**

- **Mr. Parasram Jhamnani**  
Chairman
- **Mr. Raj Kumar Jain**  
Non-Executive & Independent Director
- **Mr. Gajraj Singh**  
Non-Executive & Independent Director
- **Mr. Anupam Garg**  
Non-Executive & Independent Director

## **COMPLIANCE OFFICER**

- **Mr. Parasram Jhamnani**

## **STATUTORY AUDITORS**

Bipin Zavar & Associates  
Chartered Accountants,  
235/9203, Kannamwar Nagar - 2, Vikhroli (E),  
Mumbai - 400 083

## **REGISTERED OFFICE**

Room No. 8, 102 C, Madhavwadi, Cross Road, Naigaon ,  
Dadar (E), Mumbai  
Web: [www.chambalkota.in](http://www.chambalkota.in)  
Email: [chambalbreweries@gmail.com](mailto:chambalbreweries@gmail.com)

## **BANKERS**

ICICI Bank Ltd.

## **BOARD COMMITTEES**

### **AUDIT COMMITTEE**

- Mr. Raj Kumar Jain (Chairperson)
- Mr. Parasram Jhamnani
- Mr. Gajraj Singh
- Mr. Anupam Garg

### **Shareholder's/ Investor's Grievance Committee**

- Mr. Gajraj Singh (Chairperson)
- Mr. Parasram Jhamnani
- Mr. Raj Kumar Jain
- Mr. Anupam Garg

## **CORPORATE ADVISORS**

V. M. & Associates  
Company Secretaries,  
403, Royal World,  
S. C. Road, Jaipur - 302 001

## **REGISTRAR & SHARE TRANSFER AGENT**

Adroit Corporate Services Pvt. Ltd.  
19/20 Jaferbhoy Industrial Estate,  
1st Floor, Makwana Road Marolnaka,  
Mumbai- 400059  
E-mail: [adroit@vsnl.net](mailto:adroit@vsnl.net)

## **NOTICE OF MEETING**

NOTICE is hereby given that the Annual General Meeting (AGM) of the Members of Chambal Breweries And Distilleries Limited will be held on Saturday, the 07th day of September, 2013 at 03:00 P.M. at Ramee Guestline Hotel, Plot No. 3, Kohinoor Road, Dadar (E), Mumbai-14 to transact the following business:

### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Profit & Loss Account for the year ended on that date together with the reports of the Auditors and the Directors thereon.
2. To appoint a Director in place of Shri Rajkumar Jain, who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint the retiring Auditors M/s. Bipin Zavar & Associates, Chartered Accountants of the company and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. Bipin Zavar & Associates, Chartered Accountants, having ICAI registration no. 121523W be and are hereby re-appointed as Auditors of the Company, to hold office for the period from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors as per the provision of Section 224 and other applicable provision of the Companies Act, 1956. ."

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

Sd/-

**PARASRAM JHAMNANI**

Chairman

PLACE : **KOTA**

DATE : **06.08.2013**

**NOTES (Forming part of the Notice) :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (the "Meeting") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy must be deposited at the registered office of the company not less than 48 hours before the scheduled time of the meeting. A blank proxy form is annexed to the annual report.
2. 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 authorising 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 Friday, 06th day of September, 2013 to Saturday, 07th day of September, 2013 (both days inclusive).
4. In terms of Article 126 of the Article of Association of the Company, read with Section 256 of the Companies Act, 1956, Shri Rajkumar Jain, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors commends his re-appointment.
5. A brief resume of Shri Rajkumar Jain and other information required under clause 49 of the listing agreement is included in the Report of Corporate Governance.
6. Members who are holding shares in identical order of names in more than one folio are requested to write to the Company enclosing their share certificate so as to enable the Company to consolidate their holdings in one folio.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company at least 7 days in advance, so as to enable the Company to keep the information ready.
9. The Register of Directors' shareholding maintained under section 307 of the Companies Act, 1956 will be available for inspection by the members at the Annual General Meeting.
10. Members are requested to bring the following with them at the Annual General Meeting:
  - a) Copy of the Annual Report.
  - b) Duly filled Attendance Slip for attending the meeting and the same should be deposited at the entrance of the Meeting Hall.
  - c) Depository account number (Client ID), if any, for easier identification and recording of attendance at the meeting.
11. All documents referred to in accompanying Notice are open for inspection at the Registered Office of the Company between 11.00 A.M. and 1.00 P.M. on any working day excluding Sundays and holidays up to the date of Annual General Meeting.
12. The Members holding shares in physical form are requested to notify change in their address, if any, quoting their folio number to intimate to the Registrar and Transfer Agents - M/s. Adroit Corporate Services Pvt Ltd., 19/20 Jaferbhoy Industrial Estate, 1st Floor, Makwana Road Marolnaka, Mumbai. If the shares are held in electronic form, the same has to be notified to your concerned Depository Participant.

13. As per Circular No. MRD/Dop/Cir-5/2009 dated May 20, 2009 issued by Securities and Exchange Board of India (SEBI), it is mandatory to quote PAN for transfers of shares in physical form. Therefore, the transferee(s) are required to furnish a copy of their PAN to the Registrar and Share Transfer Agents of the Company.
14. Members are informed that Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allowing paperless compliances by Companies through electronic mode. Companies are now permitted to send various notices/documents to its shareholders through electronic mode to the registered e-mail addresses of shareholders. Your company has also decided to be a part of this initiative and request the shareholders to send/update their email ID in the company's record. This initiative will enable better flow of the information required to be disseminated to the members and save the environment by saving the paper. We seek your whole-hearted support for this initiative.
15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically.

FOR AND ON THE BEHALF OF THE BOARD

Sd/-  
**PARASRAM JHAMNANI**  
Chairman

PLACE : **KOTA**  
DATE : **06.08.2013**

**ANNEXURE TO THE NOTICE of AGM****Details of Director seeking re - appointment at the Annual General Meeting as per Clause 49 of the Listing Agreement**

Information pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors who are proposed to be appointed/re-appointed at the ensuing Annual General Meeting to be held on 07th September, 2013 :

**Details of Shri Rajkumar Jain, Director of the Company are as follows :**

Name of the Director	Shri Rajkumar Jain
Date of Birth	22.10.1966
Date of Appointment	30.09.2003
Designation	Non-Executive & Independent Director
Qualification(s)	Post graduate
Name of the Companies in which directorship held as on 31.03.2013	NIL
Member of the Committee of Board of other companies	NIL
No. of Shares held in the Company	NIL

FOR AND ON THE BEHALF OF THE BOARD

Sd/-  
**PARASRAM JHAMNANI**  
 Chairman

PLACE : KOTA  
 DATE : 06.08.2013

**DIRECTORS' REPORT****Dear Members,**

Chambal Breweries And Distilleries Ltd.

Your Directors have pleasure in presenting the Annual Report of your Company along with the statement of Audited Annual Accounts for the year ended 31st March, 2013.

**FINANCIAL RESULTS**

The financial performance of the Company for the year ended on 31st March, 2013 is as follows:

<b>Particulars</b>	<b>31.03.2013</b>	<b>31.03.2012</b>
Turnover (FOB)	4,52,12,017.00	4,03,34,835.00
Other Income	–	–
Less : Total Expenditure	4,48,29,712.97	3,93,81,989.66
Interest	–	–
Depreciation	1,39,607.00	1,39,607.00
Profit/(Loss) before Tax & extra-ordinary items	2,42,697.03	8,13,238.34
Add/Less: Extra Ordinary Items	–	–
Profit/(Loss) before Tax	2,42,697.03	8,13,238.34
Less: Provision for Current Tax	1,31,500.00	3,30,017.00
Provision for FBT	–	–
Provision for Deferred Tax	–	–
Add: old provision for tax written back	–	–
Deferred tax written back	–	–
Less: Income tax for earlier years	–	–
Net Profit/ (Loss) after Tax for the year	1,11,197.03	4,83,221.34
Earnings Per Share	.01	.06

**PERFORMANCE REVIEW**

The company is engaged in trading and retailing of IMFL and beer. The net receipts from Operations during the year under review were Rs. 4,52,12,017/- as against Rs. 4,03,34,835/- in the previous year. The profit/ (Loss) after tax is Rs. 1,11,197.03/- as against Rs. 4,83,221.34/- in the previous year. The income from operations increased by 48,77,182/- during the year under review.

**DIVIDEND**

Bearing in mind the financials and various growth prospects of the Company, the Directors do not recommend any dividend for the year.

**RESERVES**

The Board has not transferred any amount to General Reserve. Whole profit of the Company during the year i.e. Rs. 1,11,197.03/- transferred to the profit & loss a/c for the FY 12-13, in compliance with the relevant provisions of the Companies Act, 1956.

**CAPITAL STRUCTURE**

During the FY 12-13 there is no change in capital structure of the Company and paid up share capital of the Company stands at Rs. 7,48,87,580/-.



**DIRECTORS**

Shri Rajkumar Jain, Director, retires by rotation in terms of provisions of Companies Act, 1956 and Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The retiring Director does not hold any shares in the company.

A brief resume and other information required under clause 49 of the listing agreement is included in the Annual Report / Notice of Annual General Meeting. The Board recommends his re-appointment.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

A detailed discussion on the industrial structure, development, opportunities, threats, review of operational performance and risks, as required under the Listing Agreement with stock exchanges, forms part of this report and is annexed herewith.

**LISTING OF SECURITIES**

The Equity shares of the company are listed with the Bombay Stock Exchange Limited and Jaipur Stock Exchange Limited.

**PUBLIC DEPOSITS**

During the year the company has not accepted or renewed any deposits U/S 58A of the Companies Act, 1956, from public.

**ISSUE OF FOREIGN CURRENCY CONVERTIBLE BONDS**

The company has not issued any Foreign Currency Convertible Bonds during the last year.

**DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, your Directors confirmed that:

1. in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and there are no material departures;
2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the State of Affairs of the Company for the financial year ended 31st March 2013 and of profit of the Company for that year;
3. they have taken proper and sufficient care to the best of their knowledge and ability 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. they have prepared the Annual Accounts on a 'going concern' basis.

**AUDITORS AND AUDITORS' REPORT**

M/s. Bipin Zavar & Associates, Chartered Accountants, Statutory Auditor of the Company holds office until the conclusion of the forthcoming Annual General Meeting and is eligible for re-appointment. The Company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956. Accordingly, the said Auditor is proposed to be re-appointed as the Statutory Auditor of the Company for the financial year 2013-2014 at the ensuing Annual General Meeting.

The notes on the financial statements referred to in the Auditors Report are self-explanatory and have been explained/ clarified and do not call for any further comment.

## HUMAN RESOURCE DEVELOPMENT

Our employees are the most valuable asset of the Company. We encourage innovation, meritocracy and the pursuit of excellence. We are in continuous process to monitor individual performance. We continue to have cordial and harmonious relations with its employees.

### PARTICULARS OF EMPLOYEES

There are no employees in the Company whose particulars are required to be disclosed under the provisions of section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended, from time to time.

## CORPORATE GOVERNANCE

The Company considers Corporate Governance as an important step towards building investor confidence, improving investor's protection and maximizing long term shareholder value. It has implemented all the provisions of Corporate Governance as stipulated under Clause 49 of the listing agreement with all the stock exchanges, where the Company is listed. It has always been a constant endeavor of the Company to adopt good corporate governance code through independent Board, transparent disclosures and shareholders empowerment for creating and sustaining shareholder value. A separate section on Corporate Governance along with a certificate from the Auditors of the Company, certifying compliance with stipulations of Clause 49 of listing agreement with the stock exchanges with regards to the Corporate Governance code is present elsewhere.

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

The Company has no activities relating to conservation of energy and technology absorption. There are no foreign exchange transactions during the year.

## EQUAL OPPORTUNITY TO ALL THE EMPLOYEES

The Company has always provided a congenial atmosphere for work to all sections of the society. Your Company is committed to respect universal human rights. To that end, the Company practices and seeks to work with business associates who believe and promote these standards. The Company is committed to provide equal opportunities at all levels, safe and healthy workplaces and protecting human health and environment. The Company provides opportunities to all its employees to improve their skills and capabilities. The Company's commitment extends to its neighboring communities to improve their educational, cultural, economic and social well-being. Your Company is an equal opportunity employer and does not discriminate on the grounds of race, religion, nationality, ethnic origin, colour, gender, age, citizenship, sexual orientation, marital status or any disability not affecting the functional requirements of the position held.

## CODE FOR PREVENTION OF INSIDER TRADING PRACTICES

In compliance with the SEBI Regulations on prevention of insider trading, the Company has formulated and implemented a comprehensive Code of Conduct for Prevention of Insider Trading by its management and employees. The code lays down guidelines advising them on procedures to be followed and disclosures to be made while dealing with shares of Company.

## ACKNOWLEDGEMENTS

Your Directors would like to express their appreciation for assistance and co-operation received from the Bankers, Central & State government, Local Authorities, Client, Vendors, Advisors, Consultants, Associates at all levels for their continued guidance and support. Your Directors also wish to place on record their deep sense of appreciation for their commitment, dedication and hard work put in by every member of the our Company.

To them goes the credit for the Company's achievement and to you, our shareholders we are deeply grateful for the confidence and the faith that you have always reposed in us.

For and on behalf of the Board of Directors of  
Chambal Breweries And Distilleries Limited

PLACE : KOTA  
DATE : 06.08.2013

Sd/-  
PARASRAM JHAMNANI  
Director

Sd/-  
GAJRAJ SINGH  
Director

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is the application of best management practices, compliances of law and adherence to ethical standards to achieve the Company's objective of enhancing shareholder value and discharge of social responsibilities. Adopting high standards gives comfort to all existing and potential stakeholders including government and regulatory authorities, customers, suppliers, bankers, employees and shareholders. Corporate Governance signifies acceptance by management of the inalienable rights of shareholders as true owners of the organization and of their own role as trustees on behalf of the shareholders.

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

Chambal Breweries And Distilleries Limited remains resolute in its commitment to conduct business in accordance with the highest ethical standards and sound Corporate Governance practices. The Company strongly believes that sound and unambiguous system of Corporate Governance practices go a long way in enhancing shareholder value and retaining investor trust and preserving the interest of all stakeholders in a context where ethics and values are under siege.

Chambal Breweries And Distilleries Limited has always believed that an independent and diversified Board following best practices, transparent disclosures and empowerment of shareholders are as necessary as solid financial results for creating and sustaining shareholder's value. The Company fully recognizes the rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders. The Company strives for the fullest possible disclosure standards. It provides detailed information on various issues concerning the Company's business and financial performance to its shareholders. The Board of the Company acts with autonomy and independence in exercising strategic supervision, discharging its fiduciary responsibilities and in ensuring that the management observes high standards of ethics, transparency and disclosure.

At Chambal, it is our belief that as we move closer towards our aspirations of becoming a large corporation, our corporate governance standards must be globally benchmarked. This gives us the confidence of having put in the right building blocks for future growth and ensuring that we achieve our ambitions in a prudent and sustainable manner.

Chambal not only adheres to the prescribed corporate governance practices as per Clause 49 but is also committed to sound corporate governance principles and practices and constantly strives to adopt emerging best practices being followed worldwide. It is our endeavor to achieve higher standards and provide oversight and guidance to management in strategy implementation, risk management and fulfillment of stated goals and objectives.

In India, Corporate Governance standards for listed companies are regulated by the Securities and Exchange Board of India (SEBI), through Clause 49 of the listing agreement of the Stock Exchanges. Chambal Breweries And Distilleries Limited has adopted best practices mandated in Clause 49 of the listing agreement and has established procedures and systems to be fully compliant with it.

### 2. BOARD OF DIRECTORS

The Board is in a fiduciary position, empowered to oversee the management function with a view to ensure its effectiveness and enhancement of stakeholder value. The Board decides on the policies to be implemented across the Company, and reviews and monitors its strategic direction and annual business plan and business objectives. Acting as trustees on behalf of the shareholders, the Board ensures that the Company has clear goals in enhancing value and growth for all the stakeholders associated with the Company and follows best governance practices.

#### Composition

The Board of Director of Chambal Breweries And Distilleries Limited is a balanced one with an optimum mix of Executive and Non Executive Directors. As on 31st March, 2013, the Board of company consist of Four (4) Directors out of which one (1) is Non- Executive & Chairman from the promoter group, and three (3) Non Executive Independent Directors and are highly experienced, competent and highly renowned persons from their respective fields. They show active participation at the board

and committee meetings, which enhances the transparency and add value to their decision making. The Board of the Company is headed by Non Executive Chairman. Chairman takes the strategic decisions, frame the policy guidelines and extend wholehearted support to Managing Director, Executive Directors, Business Heads and Associates.

The Board of Directors presently consists of four Directors. The composition and category of Directors is as follows:

Category	Name of Directors	DIN
Promoter/Non-Executive Director	Mr. Parasram Jhamnani	01266196
Non-Executive & Independent Directors	Mr. Raj Kumar Jain	05182042
Non-Executive & Independent Directors	Mr. Gajraj Singh	01336015
Non-Executive & Independent Directors	Mr. Anupam Garg	05182137

The composition of the Board is in conformity with Clause 49, which stipulates that at least 50 per cent of the Board should consist of non-executive Directors and, in case the Chairman is a non-executive Director, at least one-third of the Board should be independent and in case he is an executive director, at least half of the Board should comprise of independent directors.

None of the Directors on the Board is a member of more than 10 Committees or chairman of more than 5 Committees (as specified in clause 49 of the Listing Agreement) across all Public Limited Companies in which he is a Director.

The non-executive Directors are appointed or re-appointed with the approval of the shareholders. All non-executive Directors are liable to retire by rotation, unless otherwise approved by the shareholders. One-third of the Directors, who are liable to retire by rotation, retires every year and are eligible for re-appointment. According to the terms of the Company's Articles of Association, the strength of the Board shall not be less than three and more than twelve.

### Board Procedure

The members of the Board are provided with the requisite information mentioned in the Listing Agreement well before the Board meetings.

The Board considers all the matters, which are statutorily required to be considered by it. In addition the following issues are also discussed at the meetings of the Board:

- Annual operating and capital expenditure budgets and periodical review thereof.
- Investment /expansion /modernization /diversification plans of the Company.
- Overall strategy and business plans.
- Approval of quarterly / half-yearly / annual results (after review by Audit Committee).
- Compliance with statutory / regulatory requirements and review of major pending legal cases.
- Major accounting practices, provisions and write-offs.
- Transactions pertaining to acquisition /disposal of fixed assets /related party transactions.
- Review of working of various committees of the Board.
- Significant labour problems, if any.
- Minutes of the meeting of other committee and other committee of board.
- Any material default in financial obligation to and by the Company, or substantial non payment for goods sold by company.

### Details of Shareholding of Directors as on 31st March, 2013 :

Sr. No.	Name of Director	Number of shares
1.	Mr. Parasram Jhamnani	5,58,300
2.	Mr. Raj Kumar Jain	Nil
3.	Mr. Gajraj Singh	Nil
4.	Mr. Anupam Garg	Nil

**The Company has not issued any shares / debentures during the year.**

## Board Meetings

As per the statutory provisions the Board is required to meet at least once every quarter and minimum 4 times in a year with the time gap between two consecutive meetings not exceeding four months. Additional meetings are held as and when necessary. As against this, during the period under review the Board held 5 (five) meetings on 15.05.2012 04.08.2012, 14.08.2012 10.11.2012, and 12.02.2013 to consider amongst other business, the quarterly / annual performance of the Company and its financial results.

The draft of the minutes prepared by Company Secretary is circulated among the Directors for their comment / suggestion and finally after incorporating their views, final minutes are recorded in the minute's books. Post meeting, important decisions taken are communicated to the concerned officials and departments for the effective implementation of the same.

Name	Category	No of committees Position in other companies		No of Directorship in other companies	No of Board meeting		Attendance at the last AGM	Resignation
Mr. Parasram Jhamnani	Chairman & Non Executive	Nil	Nil	Nil	5	5	Present	N.A
Mr. Raj Kumar Jain	Non Executive and Independent	Nil	Nil	Nil	5	5	Present	N.A
Mr. Gajraj Singh	Non Executive and Independent	Nil	Nil	Nil	5	5	Present	N.A
Mr. Anupam Garg	Non Executive and Independent	Nil	Nil	Nil	5	4	Absent	N.A

### 3. BOARD COMMITTEES

The Company has two Board-level committees - Audit Committee and Shareholders' /Investors' Grievance Committee. The committee appointed by the board focuses on specific area and take informed decision within their delegated authority. The committee also makes specific recommendations to the board on various matters from time to time.

All decisions pertaining to the constitution of committees, appointment of members and fixing of terms of service for committee members are taken by the Board of Directors. Details of the committees, including the number of meetings held during the financial year and the related attendance are provided below:

#### 1) AUDIT COMMITTEE

##### Composition

The Audit Committee comprises of four (4) Non- Executive Directors out of which (3) three are Independent Directors as on the last day of financial year 2012-13 and is chaired by Mr. Rajkumar Jain, an Independent and Non Executive Director. The composition is strictly according with the provision of section 292A of the Companies Act, 1956 and listing agreement entered with Stock Exchanges. The details of the composition and attendance at its meetings during the financial year 2012-13 are set out in the following table :

Name of the Member	Position	Status	Meetings Held	Meetings Attended
Mr. Raj Kumar Jain	Chairman	Non Executive & Independent Director	5	5
Mr. Parasram Jhamnani	Member	Non-Executive Director	5	5
Mr. Gajraj Singh	Member	Non Executive & Independent Director	5	5
Mr. Anupam Garg	Member	Non Executive & Independent Director	5	4

### Meetings of the Audit Committee

During the period under review the Committee met 5 (five) times on 15.05.2012 04.08.2012, 14.08.2012 10.11.2012, and 12.02.2013.

### Terms of Reference

The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and at the same time maintain the integrity and quality of the financial reporting.

### The role of the Audit Committee includes:

1. Oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending the board, the appointment, reappointment and, if required, the replacement or removal of Statutory Auditors and fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by them.
4. Reviewing with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Directors' Report in terms of section 217(2AA) of the Companies Act, 1956.
  - Changes if any in accounting policies, practices, and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by the management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of related party transactions.
  - Qualifications in draft audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the board for approval.
- 5 A. Reviewing, with the management, the statement of uses / application of funds raised through an issue i.e. public issue, rights issue, preferential issue, etc.
6. Reviewing with the management, the performance of statutory and internal auditors, and adequacy of internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the Internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
8. Discussion with internal auditors on any significant findings and follow up thereon.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of any nature and reporting the matter to the Board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
12. To review the functioning of the whistle blower mechanism.
- 12A Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
13. Carrying out such other work as may be specifically referred to the committee by the Board of Directors and / or other Committees of Directors of the Company.
14. To review the following information:
  - a. Management Discussion and Analysis of financial condition and results of operation;
  - b. Statements of significant related party transactions;
  - c. Management letters/letters of internal control weakness issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weakness; and
  - e. The appointment, removal and terms of remuneration of the chief internal auditors.

### Power of Audit Committee

- To investigate any activity with in terms of reference.
- To seek information from any employee in respect of matter under its preview.
- Obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if consider necessary.

### 2) SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE

The Shareholders' / Investors' Grievance Committee has been constituted as per the provisions set out in the Listing Agreement. The Terms of reference include, to:

- Approve transfers, transmissions, issue of duplicate certificates, transposition, change of names, etc. and to do all such acts, deeds, matters and things as connected therein.
- Review complaints of the shareholders and the action taken by the Company.
- Take note of the Quarterly Secretarial Audit Report and half yearly Compliance Certificate under Clause 47 of the Listing Agreement.

### Composition and attendance

The Shareholders'/Investors' Grievance Committee comprises of four (4) Directors and is chaired by Mr. Gajraj Singh, an Independent and Non Executive Director. Mr. Parasram Jhamnani acts as the Compliance Officer of the Company.

Name of the Member	Position	Status	Meetings Held	Meetings Attended
Mr. Gajraj Singh	Chairman	Non Executive & Independent Director	4	4
Mr. Parasram Jhamnani	Member	Non Executive Director	4	4
Mr. Rajkumar Jain	Member	Non Executive & Independent Director	4	4
Mr. Anupam Garg	Member	Non Executive & Independent Director	4	3

### Meetings of the Shareholders / Investor Grievance Committee

During the period the Committee met 4 (Four) time under review to redress the grievances of the shareholders of the Company on 15.05.2012, 04.08.2012, 14.08.2012 and 12.02.2013.

**Complaint received and attended during the year**

Number of complaints received from the investors comprising non-receipt of dividend warrants, non-receipt of securities sent for transfer and transmission, complaints received from SEBI and so on.	11
Number of Complaints Resolved	11
Number of Complaints not resolved as on 31st March, 2013	NIL
Number of Complaints pending as on 31st March, 2013	NIL

**4. CODE OF BUSINESS CONDUCT AND ETHICS FOR DIRECTORS AND SENIOR MANAGEMENT**

The Company has laid down a code of conduct and Ethics for the members of the board and identified senior management personnel of the Company. Our Principals are enshrined a Code of conduct for all our board members and senior management of the Company and are adhered to, in letter and spirit. The code of conduct has been posted on the Company's website: -www.chambalkota.in. The code of conduct has been circulated to all the members of the board and senior management personnel and they have affirmed their compliance with the said code of conduct for the financial year ended 31st March 2013. This code ensures compliance with the provision of revised clause 49 of the Listing Agreement executed with the Stock Exchanges. A declaration to this effect signed by Mr. Parasram Jhamnani, Chairman & Non Executive Director of the Company forms part of this report.

**Declaration regarding compliance with the code of business conduct and ethics**

I hereby confirm that :

The Company has obtained from all the members of the board and senior management, affirmation that they have complied with the code of business conduct and ethics for directors and senior management in respect of the financial year 2012-13.

**5. WHISTLE BLOWER POLICY**

With the rapid expansion of the business in terms of volume, value and geography, the risk associated with each of them has also increased considerably. One such risk identified is the risk of fraud and misconduct. To strengthen the process of conducting business in a fair, transparent and ethical manner, the Company has set up a mechanism of Whistle Blower Policy. The Company takes any activity of fraud or misconduct very seriously. This Policy is intended to govern reporting and investigation of allegations on violations of the Code of Conduct of the Company, for which a dedicated email id cddl@chambalkota.in has been established. Mr. Rajkumar Jain, Chairman of the Audit Committee of the Company has been nominated by the Board as Ombudsperson for this purpose. No employee was denied access to the Audit Committee during the year.

**6. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

Comprehensive guidelines in accordance with the SEBI regulations are in place. The code of Conduct and corporate disclosure practices framed by the company has helped in ensuring compliance with the requirements.



## 7. GENERAL BODY MEETINGS

### Annual General Meeting

Year	Date	Day	Time	Venue	Special Resolution Passed
2009-10	30.09.2010	Thursday	11.00 A.M	Registered Office	None
2010-11	30.09.2011	Friday	11.00 A.M.	Registered Office	None
2011-12	29.09.2012	Saturday	03.30 P.M.	Ramee Guestline Hotel, Plot No. 3, Kohinoor Road, Dadar (E), Mumbai-14	None

### Extra-Ordinary General Meeting

In addition to the Annual General Meeting, the Company holds general meeting of the shareholders as and when needed. There was no Extra-Ordinary General Meeting was held during the year.

### Postal Ballot

At the forthcoming AGM, no resolution is proposed to be passed through Postal Ballot.

### Compliance

- I. The Company is fully compliant with the applicable mandatory requirements of the revised Clause 49 of the Listing Agreements and of the Securities and Exchange Board of India (SEBI). The Company has complied with and adopted the mandatory requirements of Corporate Governance Code.
- II. The Company follows the guidelines as recommended from time to time by Institute of Company Secretaries of India (ICSI). One such instance is the adoption of Secretarial Standards in respect to preparation and recording of minutes and other statutory records and registers.
- III. In respect to audit qualifications, the Company is making conscious efforts towards moving into a regime of unqualified financial statements.

## 8. DISCLOSURES

### 1) RELATED PARTY TRANSACTION

Related party transactions are defined as transactions of the Company of a material nature with its Promoters, Directors or the Management, their subsidiary or relatives, etc. that may have potential conflict with the interest of the Company at large.

All transaction covered under the Related Party Transactions are regularly ratified and/or approved by the Board. There has been no transaction of the Company with its promoters, their subsidiary or the management that may have conflict with the interest of the Company at large.

### 2) DISCLOSURE OF ACCOUNTING TREATMENT

The Company has followed all the relevant accounting standards issued by Institute of Chartered Accountants of India (ICAI) to the extent applicable.

### 3) STATUTORY COMPLIANCE, PENALTIES AND STRICTURES:

The Company has not complied with the regulations pertaining to Listing Agreement and company law compliances. The trading in Equity shares of the Company is currently suspended in the stock exchanges.

### 4) TRANSACTION WITH NON EXECUTIVE DIRECTOR

There are no pecuniary relationships or transaction of Non Executive Director vis-à-vis the Company which had any potential conflict with the interest of the Company at large.

**9. MEANS OF COMMUNICATION**

- a. Quarterly, Half yearly and Annual financial Results are published in one English leading national newspaper i.e. Indian Express and one Marathi newspaper of repute circulated widely in the regional language of the state i.e. Maharashtra Times.
- b. The Company's Results and other Corporate announcement are regularly sent to the stock exchanges.
- c. All price sensitive information is made available at the earliest through newspapers and intimated to the stock exchanges for public dissemination.
- d. Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report.

**10. GENERAL SHAREHOLDER INFORMATION****A. Company Registration Details**

The Company is registered in the State of Maharashtra, India.

The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L99999MH1985PLC035789.

**B. Annual General Meeting**

Date : Saturday, 07th September, 2013

Time : 03:00 P.M.

Venue : Ramee Guestline Hotel,  
Plot No.3, Kohinoor road,  
Dadar (East), Mumbai-14

**C. Financial Year : 1st April 2013 to 31st March, 2014****D. Tentative Financial Calendar (For 2013-14)**

**The tentative schedule of Financial Results of the Company is as follows :**

June Quarter Ending Results :-	Within 45 days from end of quarter.
September Quarter Ending Results:-	Within 45 days from end of quarter.
December Quarter Ending Results:-	Within 45 days from end of quarter.
March Quarter/Year Ending Results	Within 60 days from end of quarter.

**E. Book Closure Date**

The Register of Members and the Share Transfer Books of the Company shall remain closed from Friday, 06th day of September, 2013 to Saturday, 07th day of September, 2013, (both days inclusive).

**F. Listing on Stock Exchanges**

The equity shares are presently listed on Bombay Stock Exchange Limited (BSE) and Jaipur Stock Exchange Limited (JSE).

**G. Payment of Listing fees**

The Company has paid the listing fee upto 31st March 2014 to the Bombay Stock Exchange (BSE).

**H. Stock Code**

Bombay Stock Exchange : 512301  
Jaipur Stock Exchange : 786

**I. Demat ISIN for NSDL and CDSL**

INE417N01011

**J. Stock Market price data**

BSE			
Month	High	Low	No. Of Shares
June, 2012	85.40	70.00	5,01,600
July, 2012	99.90	48.80	10,19,100
August, 2012	47.85	36.35	2,40,600
September, 2012	35.65	26.20	2,99,153
October, 2012	25.70	17.55	2,07,812
November, 2012	17.20	12.30	1,01,561
December, 2012	14.44	12.36	5,60,990
January, 2013	24.40	14.16	9,84,676
February, 2013	22.95	14.45	64,485
March, 2013	20.60	13.15	4,96,577

**K. Registrar and Share Transfer Agent**

M/s Adroit Corporate Services Pvt. Ltd., Mumbai, is the Registrar and Share Transfer Agent of the Company for handling both electronic and physical shares transfers. The address and contact detail of the same is given below:

Adroit Corporate Services Pvt Ltd.  
19/20 Jaferbhoy Industrial Estate,  
1st Floor, Makwana Road Marolnaka,  
Mumbai- 400059 Ph: 91-  
Fax: 91-  
e-mail: adroit@vsnl.net

**L. Share Transfer Process**

Share transfers are processed and share certificates duly endorsed are returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. A summary of transfer/transmission of securities of the Company so approved by the Company is placed at every Board meeting / Shareholders'/Investors' Grievance Committee. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement and files a copy of the said certificate with the Stock Exchanges. The certificate in this regards has been obtained from V. M. & Associates, Practicing Company Secretaries, and the same has been forwarded to Bombay Stock Exchange Limited and Jaipur Stock Exchange Limited.

**M. Reconciliation of Share Capital Audit**

Secretarial Audit for reconciliation of shares held with Depository Participants and in Physical form is being carried out in every quarter by a practicing Company Secretary and his audit report is placed before the Board for its perusal and filed regularly with the Stock Exchange within the stipulated time. The Audit Certificate for the same has been obtained from V. M. & Associates, Practicing Company Secretaries, and the same has been forwarded to Bombay Stock Exchange Limited and Jaipur Stock Exchange Limited.

**N. Outstanding GDRs/ADRs/Warrants Or Any Convertible Instruments**

The Company has not issued GDRs/ADRs/Warrants or any other instruments, which are convertible into equity shares of the Company during the financial year 2012-13 and no ADR/ GDR/ warrant convertible into equity share are pending for conversion as on 31st March 2013.

**O. Depository System**

Shareholders can trade in the Company's shares only in electronic form. The process for getting the shares dematerialized is as follows:

- (a) Shareholder submits the shares certificate along with Dematerialization Request Form (DRF) to Depository Participant (DP).
- (b) DP processes the DRF and generates a unique Dematerialization Request No.
- (c) DP forwards DRF and Share Certificates to Registrar and Share Transfer Agent (RTA).
- (d) RTA after processing the DRF confirms or rejects the request of Depositories.
- (e) If confirmed by the RTA, depositories give credit to shareholder in his account maintained with DP.
- (f) Physical shares received for dematerialization are processed and dematerialized within the stipulated period, provided the same are in order in all respect. Bad Deliveries are immediately returned to the DP.

**P. Shareholding Pattern As On 31st March ,2013**

Category	No. of Shares	Percentage
Indian Promoters	1198500	16.00%
Foreign Promoters	–	–
Persons Acting In Concert	–	–
Mutual Funds & UTI	–	–
Banks/ Financial Institutions	500	.01 %
Foreign Institutional Investors	–	–
Body Corporate	1106182	14.77%
Indian Public	5105850	68.18%
NRIs/ OCB	--	–
HUF	--	–
Any Other (Clearing Members Demat Transit)	77726	1.04%
<b>GRANDTOTAL</b>	<b>7488758</b>	<b>100%</b>

**Q. Distribution Schedule As On 31st March, 2013**

The shareholding pattern of the equity shares of as on 31st March 2013 is given below :

Share Holding of Nominal value of Rs	No. of Share Holders	% of Share holders	No. of Shares	Amount (In Rs.)	% of Total Shares
0001 - 5000	2265	96.02	983057	9830570	13.13
5001 - 10000	22	0.93	152036	1520360	2.03
10001 - 20000	18	0.76	246255	2462550	3.29
20001 - 50000	21	0.89	624650	6246500	8.34
50001 & above	33	1.40	5482760	54827600	73.21

**R. Address for correspondence**

Shareholder's correspondence relating to transfer/transmission/issue of duplicate shares or for any queries or grievances should be addressed to the Company's RTA at the address mentioned below:

Adroit Corporate Services Pvt. Ltd.  
19/20 Jaferbhoy Industrial Estate,  
1st Floor, Makwana Road Marolnaka,  
Mumbai- 400059 Ph: 91-  
Fax: 91-  
e-mail: adroit@vsnl.net

**S. In Compliance of Clause 47(f) of the Listing Agreement, the Company has designated exclusive Email ID for redressal of Investor Grievances i.e. chambalbreweries@gmail.com Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant.****11. CEO & CFO CERTIFICATE**

Certificate from CEO & CFO for the financial year ended on March 31, 2013 has been annexed to the Annual Report.

For and on behalf of the Board of Directors of  
Chambal Breweries And Distilleries Limited

PLACE : KOTA  
DATE : 06.08.2013

Sd/-  
PARASRAM JHAMNANI  
Director

Sd/-  
GAJRAJ SINGH  
Director

## MANAGEMENT DISCUSSION AND ANALYSIS

As management of the company offer readers of financial statements this narrative overview and analysis of the financial activities of the company for the financial year ended 31st March, 2013. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the financial statements, which follow this narrative.

### OUTLOOK

The Company is striving hard to improve cost efficiency, widen its reach to new consumer segments and consolidate further on its image. Barring unforeseen circumstances, the Company expects to improve its march towards improved profitability. Given the numerous initiatives that are being implemented combined with strong operational foundation of our business we remain confident about our growth prospects going forward.

### RISKS & CONCERNS

The nature of our business is such that it is subject to certain risks at different points of time. Some of these include escalation in the cost of raw materials and other inputs, increasing competitive intensity from other players, changes in regulation from central and state governments, changes in supplier distributor relationship, labor shortage. Your company has a proactive approach when it comes to risk management where it periodically reviews the risks and strives to develop appropriate risk mitigation measures for the same.

### INTERNAL CONTROL SYSTEMS

The Company has a well established and comprehensive internal control system. Documents, policies and authorization guidelines comply with the level of responsibility and standard operating procedures specific to the respective businesses. Observation made in internal audit reports on business processes, systems, procedures and internal control and implementation status of recommended remedial measures by Ernst & Young, Internal Auditors, are regularly

Presented to and reviewed by the Audit Committee of the Board. The system of internal control is being improved to ensure that all assets are safe and protected against loss from unauthorized use or disposition, and that all transactions are authorized, recorded and reported correctly. The Company regularly conducts internal check, using external and internal resources to monitor the effectiveness of internal control in the organization. It strictly adheres to corporate policy with respect to financial reporting and budgeting functions. The Audit Committee of the Board of Directors deals with significant control issues and instructs further areas to be covered.

### FINANCIAL CONTROLS

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

### HUMAN RESOURCES

The Company treats its human resources the most important assets and believes in its contribution to the all round growth of the Company. Human capital continues to be a vital resource for the Company. The Company has a continuous process to monitor individual performance. The Company continued to have cordial and harmonious relations with its employees.

**FINANCIAL PERFORMANCE**

The summarized financial performance of the Company as compared to last year is shown as under:

<b>Particulars</b>	<b>2012-13</b>	<b>2011-12</b>
Sales	4,52,12,017	4,03,34,835
Other Income	–	–
Profit/(Loss) before tax	2,42,697.03	8,13,238.34
Net Profit/(Loss) after tax	1,11,197.03	4,83,221.34
Payment of Dividend	–	–

**CAUTIONARY STATEMENT**

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

For and on behalf of the Board of Directors of  
Chambal Breweries And Distilleries Limited

PLACE : KOTA  
DATE : 06.08.2013

Sd/-  
PARASRAM JHAMNANI  
Director

Sd/-  
GAJRAJ SINGH  
Director

**CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)**

To  
The Board of Directors,  
Chambal Breweries And Distilleries Limited

We, Parasram Jhamnani, Chief Executive Officer (CEO) and Vinod Jhamnani, Chief Financial Officer (CFO) of Chambal Breweries And Distilleries Limited, to the best of our knowledge and belief hereby certify that:

- I. We have reviewed the balance sheet and statement of profit and loss, and all its notes, and confirm that:
  - a) Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact or contain statements that might be misleading.
  - b) Based on our knowledge and information, the financial statements, present in all material respects, a true and fair view of the Company's affairs and except as stated are in compliance with the existing accounting standards and or applicable laws and regulations.
- II. To the best of our knowledge and belief, no transactions entered into by the Company during the period are fraudulent, illegal or void of the Company's code of conduct.
- III. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company, and we have:
  - a) Designed such controls and procedures to ensure that material information relating to the Company is made known to us;
  - b) Designed such internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the Company's disclosure, controls and procedures.
- IV. We confirm that
  - a) There are no deficiencies in the design or operation of internal controls, which could materially adversely affect the Company's ability to record, process, summarize and report financial data;
  - b) There are no significant changes in internal controls during the period;
  - c) All significant changes in accounting policies during the year have been disclosed in the notes to the financial statements; and
  - d) There are no instances of significant fraud of which we are aware, that involves management or other employees who have a significant role in the Company's internal controls system.
- V. We affirm that we have not denied any personnel, access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to 'whistle blowers' from unfair termination and other unfair or prejudicial employment practices.

**PLACE : KOTA**  
**DATE : 06.08.2013**

**Sd/-**  
**PARASRAM JHAMNANI**  
**Chief Executive Officer**

**Sd/-**  
**VINOD JHAMNANI**  
**Chief Financial Officer**



## INDEPENDENT AUDITOR'S REPORT

To,  
The Members of  
**CHAMBAL BREWERIES And DISTILLERIES LIMITED**

### Report on the Financial Statements

We have audited the accompanying financial statements of M/s. CHAMBAL BREWERIES And DISTILLERIES LIMITED (the "company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

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

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

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

### Opinion

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

- (a) In case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2013.
- (b) In the case of the Statement of Profit and Loss, of the Profit of the company for the year ended 31st March, 2013.
- (c) In the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

2. As required by Section 227(3) of the Act, we report that :
- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - (b) In our opinion, proper books of accounts are required by the law have been kept by the company, so far as appears from our examination of the books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211 (3C) of the Act;
  - (e) On the basis of the written representation received from the Directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a directors in terms of Section 274 (1)(g) of the Act.

FOR BIPIN ZAVAR & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(Registration No. 121523W)

PLACE : **MUMBAI**  
DATED : **30.05.2013**

**SD/-**  
**BIPIN P. ZAVAR**  
**(Proprietor)**  
**Membership No. 110250**

**Annexure to the Auditors report of the even date to the members:**

- i) A) The company is maintained proper records to show full particulars including quantitative details & situation of its fixed assets.  
B) The fixed assets have been physically verified by the management during the year our opinion, the frequency of verification of the fixed assets by the management is reasonable having regard to the size of the company and the nature of the assets. The discrepancies noticed have been properly dealt with in the book of accounts,  
C) The assets disposed off during the year are not significant and therefore do not affected the going concern assumption,
- ii) A) The physical verification of inventory has been conducted at reasonable intervals by management.  
B) In our opinion and according to the information and explanations given to us, the procedures of physical verifications of inventory followed by the management were found reasonable and adequate in relation to the size of the company and the nature of its business.  
C) In our opinion the company has maintained proper records of inventory. The discrepancies between physical stock and the book stock were not material and have been properly dealt with in the book of accounts.
- iii) A) As informed to us, during the year the company has not taken any unsecured loan from the parties covered in the Register maintained under section 301 of the Act.
- iv) In our opinion according to the information and explanation given to us there are adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and for sale of goods. During the course of our audit, no major weakness has been noticed in the internal control.
- v) A) Based on the audit procedures applied by us and according to the information and explanation provided by the management, we are of the opinion that the transaction that need to be entered into the register maintained under section 301 of the Act have been properly in the said register.  
B) In our opinion and according to the information and explanations given to us the transactions entered in the registers maintained under section 301 and exceeding during the year by Rupees five lakh in respect of each party have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi) The company has not accepted any deposits from public.
- vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii) The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for the company.
- ix) A) According to the information and explanation given to us the company is generally regular in depositing undisputed statutory dues including Income Tax, Sales Tax, Excise Duty, Service Tax and any other statutory dues. There are no outstanding statutory dues for a period of more than six month from the date they become payable.  
B) According to the information and explanation given to us the company has no disputed dues of sale tax/ income tax/ excise duty/ cess and any other statutory dues.
- x) The company has accumulated losses of Rs.656445/- at the end of the financial year and has not incurred cash loss during the year nor has incurred any cash loss in the immediately year preceding.
- xi) Based on our audit procedure and on the information and explanations by the management, the company has not defaulted in repayment of dues to any financial institution or bank.
- xii) Based on our examination and according to the information and explanation given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debenture and other security.
- xiii) The company is not a chit/nidhi/natural benefit fund/ society and clauses xii of the order is not applicable.

- xiv) The company is not dealing or trading in shares, securities, debenture and other investment.
- xv) On the basis of the information and explanation given to us the company has not given any guarantee for loans taken by other from bank or financial institutions.
- xvi) The company has not taken any term loan during the year.
- xvii) On the basis of the information and explanation given to us the company has not used funds raised on short term basis for investment in long term use and vice versa.
- xviii) During the year, the company has not made any preferential allotment of share of parties and companies covered in the Register maintained under section 301 of the Act.
- xix) The company did not have any outstanding debentures during the year.
- xx) The company has not raised any money by public issues during the year.
- xxi) Based on the audit procedures performed and information and explanation given to us by the management, we report that no fraud on or by the company had been noticed or reported during the course or our audit.

FOR BIPIN ZAVAR & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(Registration No. 121523W)

PLACE : MUMBAI  
DATED : 30.05.2013

SD/-  
BIPIN P. ZAVAR  
(Proprietor)  
Membership No. 110250

**Balance Sheet as at 31<sup>st</sup> March 2013**

Particulars	Note No.	As at 31 March, 2013	As at 31 March, 2012
<b>A EQUITY AND LIABILITIES</b>			
1 Shareholders' funds			
(a) Share capital	2	74,887,580.00	74,887,580.00
(b) Reserves and surplus	3	72,526,995.19	72,415,798.16
2 Non-current liabilities			
(a) Long-term borrowings		-	-
3 Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables			
(c) Other current liabilities	4	76,189.00	48,517.00
(d) Short Term Provisions	5	134,556.97	330,016.97
<b>TOTAL</b>		<b>147,625,321.16</b>	<b>147,681,912.13</b>
<b>B ASSETS</b>			
1 Non-current assets			
(a) Fixed assets	6		
(i) Tangible assets		336,934.00	476,541.00
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(b) Non - Current Investments	7	17,000,000.00	17,000,000.00
(c) Loans, Advances & Deposits	8	98,971,373.64	96,677,662.00
2 Current assets			
(a) Inventories	9	2,995,492.00	2,566,680.77
(b) Cash and cash equivalents	10	5,172,236.63	9,480,703.84
(c) Short-term loans and advances	11	23,149,284.89	21,480,324.52
<b>TOTAL</b>		<b>147,625,321.16</b>	<b>147,681,912.13</b>
Summary of Significant accounting policies	1	-	-

The accompanying notes are integral part of the financial statements.

As per our report of even date

**For BIPIN ZAVAR AND ASSOCIATES**

Chartered Accountants

FRN - 121523W

BIPIN P. ZAVAR

(Proprietor)

M.No. 110250

Place : MUMBAI

Date : May 30, 2013

For and on behalf of the Board of Directors  
**CHAMBAL BREWERIES AND DISTILLERIES LIMITED**

Sd/-  
Director

Sd/-  
Director

**Chambal Breweries And Distilleries Limited**  
**Statement of Profit and Loss for the year ended 31 March, 2013**

Particulars	Note No.	For the year ended 31 March, 2013	For the year ended 31 March, 2012
<b>REVENUE</b>			
Revenue from operations (gross)			
Sale of Stock in Trade	12	45212017.00	40334835.00
Other Income		-	-
<b>Total revenue</b>		45212017.00	40334835
<b>Expenses</b>			
(a) Purchase of Stock in Trade	13	41134387.59	38643105.43
(b) Changes in inventories of finished goods	14	-428811.23	-2566680.77
(c) Employee benefits expense	15	750000.00	616000.00
(d) Finance costs	16	145357.81	6308.00
(e) Depreciation and amortisation expense	7	139607.00	139607.00
(f) Other expenses	17	3228778.80	2683257.00
<b>Total expenses</b>		44969319.97	39521596.66
Profit / (Loss) before exceptional and extraordinary items and tax		242697.03	813238.34
Exceptional items		-	-
Profit / (Loss) before extraordinary items and tax		242697.03	813238.34
Extraordinary items		-	-
Profit / (Loss) before tax		242697.03	813238.34
<b>Tax expense :</b>			
(a) Current tax expense for current year		131500.00	330017
(b) Deferred tax		-	-
		131500.00	330017
Profit / (Loss) from continuing operations		111197.03	483221.34
Profit / (Loss) from discontinuing operations (before tax)		-	-
Add / (Less): Tax expense of discontinuing operations		-	-
Profit / (Loss) from discontinuing operations (AfterTax)		-	-
Profit / (Loss) for the year		111197.03	483221.34
<b>Earnings per equity share :-</b>	18		
1) Basic		0.01	0.06
2) Diluted		0.01	0.06

The accompanying notes are integral part of the financial statements.

As per our report of even date

**For BIPIN ZAVAR AND ASSOCIATES**

Chartered Accountants

FRN - 121523W

BIPIN P. ZAVAR

(Proprietor)

M.No. 110250

Place : MUMBAI

Date : May 30, 2013

For and on behalf of the Board of Directors  
**CHAMBAL BREWERIES AND DISTILLERIES LIMITED**

Sd/-  
Director

Sd/-  
Director

**SCHEDULE FORMING PART OF AUDITED BALANCE SHEET AS AT MARCH 31, 2013  
AND AUDITED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE**

**Note 1 on financial statement - Significant Accounting Policies**

**1) Accounting convention :**

The Financial statements have been prepared in accordance with the applicable accounting standards specified by the Institute of Chartered Accountants of India. The Financial statements have also been prepared in accordance with the relevant provisions of the Companies Act, 1956.

**2) Recognition of Income & Expenditure :**

All Income and expenditure items having a material bearing on the financial statements are recognised on accrual basis. Dividend on shares held by the Company is accounted for as and when it is declared and interest on investment is accounted for on accrual basis. Legal and Allied expenses are provided on accrual / payment basis.

**3) Fixed Assets and Depreciation :**

Fixed assets are stated at cost of acquisition less accumulated depreciation. Direct Cost are capitalised until the asset are ready to be put to use. These cost includes freight, installation cost. Duties and taxes and other allocated expenses including finance cost relating to specific borrowing incurred during the construction period. Deprecation on fixed asset is provided on straight line method on pro-rata basis as per Schedule XIV of the Companies Act, 1956.

**4) Stock**

The stock in trade if any have been valued at cost or market price whichever is lower. statutes, shall be accounted for in the year of assessment.

**5) Investment**

Investments are valued at cost.

**6) Gratuity / Retirement Benefits**

These are accounted on cash basis.

**7) Taxation**

Provision for Income Tax is made as per the provisions of the Income Tax Act, 1961. And the provision for Fringe Benefit Tax is made as per the provision of the Income Tax Act, 1961.

**Notes 2 to Financial Statement for the year ended 31st March,2013**

Particular	As At 31-03-2013	As At 31-03-2012
	Rs.	Rs.
EQUITY AND LIABILITIES		
SHARE HOLDERS' FUNDS		
<b>2 SHARE CAPITAL</b>		
Authorised		
10000000 Equity Shares of Rs.10/-each	100000000.00	100000000.00
(31st March-2012 :10000000 Equity shares of Rs.10/-each)		
<b>Issued, subscribed and Paid up capital</b>		
74,88,758 Equity Shares of Rs.10 /-each	74887580.00	74887580.00
(31st March-2012 : 7488758 Equity shares of Rs.10/-each)	74887580.00	74887580.00

**A) Terms / Right attached to equity shares**

The Company has one class of issued shares referred to as equity shares having a par value Rs 10/-each holder of equity shares is entitled to one vote per share. The dividend proposed by the board of directors, If any, is subjected to the approval of shareholders in Annual General Meeting. In the event of liquidation of the Company the holder of the equity shares will be entitled to revive remaining assets of the Company after settlement of all preferential amount. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

**B) Reconciliation of the number of Shares outstanding and the amount of Share Capital as at March 31, 2013. and March 31, 2012**

Equity Shares (issued Capital )	As at 31-03-2013		As At 31-03-2012	
	In Numbers	Rs.	In Numbers	Rs.
Shares outstanding at the beginning of the year	7488758	74887580.00	7488758	74887580.00
Shares issued during the year		-	-	- -
Shares outstanding at the end of the year	7488758	74887580.00	7488758	74887580.00

**C) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date :**

Equity Shares	3/31/2013	3/31/2012	3/31/2011	3/31/2010	3/31/2009
Fully paid up pursuant to contract (S)	-	-	-	-	
without payment being received in cash *					

**D) Details of Shareholders holding more than 5% shares in the Company :**

S.No.	Name of Shareholder	Equity Shares			
		As at 31 March 2013		As at 31 March 2012	
		No of Shares held	% of Holding	No of Shares held	% of Holding
1	Parasram Jhamnani	558300	7.46	558300	7.46

**Notes 3 to Financial Statement for the year ended 31st March,2013****3) RESERVES AND SURPLUS**

Particular	As at 31-03-2013	As at 31-03-2012
<b>A) SHARE PREMIUM :-</b>		
Balance as per last Financial Statement	73183440.00	73183440.00
<b>B) PROFIT AND LOSS ACCOUNT :-</b>		
Add:- Profit /(Loss) for the year	-767641.84	-1250863.18
	111197.03	483221.34
	72526995.19	72415798.16



**Notes 4 to Financial Statement for the year ended 31st March,2013****4) CURRENT LIABILITES**

Particular	As at 31-03-2013	As at 31-03-2012
Sundry Creditors for Expenses	42481.00	9191.00
Audit Fees Payable	33708.00	39326.00
<b>Total Amount</b>	<b>76189.00</b>	<b>48517.00</b>

**Notes 5 to Financial Statement for the year ended 31st March,2013****5) SHORTTERM PROVISIONS**

Particular	As at 31-03-2013	As at 31-03-2012
Provision for Income Tax	134556.97	330016.97
	-	
<b>Total Amount</b>	<b>134556.97</b>	<b>330016.97</b>

**Notes 6 to Financial Statement for the year ended 31st March,2013.****NON CURRENT ASSETS****6)-FIXED ASSETS**

Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Balance as	Addition	Deletions	Balance as	Balance as	Depreciation	Deduction	Balance as	Balance as	Balance as
	at 01-04-2012			at 31-03-2013	at 01-04-2012	Charge for the year		at 31-03-2013	at 31-03-2013	at 31-03-2012
A) Tangible Assets										
Office Equipment	1299000.00	-	-	1299000.00	1075041.00	82227.00	-	1157268.00	141732.00	223959.00
Refrigerator	1208000.00	-	-	1208000.00	955420.00	57380.00	-	1012800.00	195200.00	252580.00
Computer	1303000.00	-	-	1303000.00	1302999.00	0.00	-	1302999.00	1.00	1.00
Furniture	1250000.00	-	-	1250000.00	1249999.00	0.00	-	1249999.00	1.00	1.00
Total Assets	5060000.00	-	-	5060000.00	4583459.00	139607.00	-	4723066.00	336934.00	476541.00
Previous Year	5060000.00	-	-	5060000.00	4443852.00	139607.00	-	4583459.00	476541.00	N.A.

**Notes 7 to financial Statements for the year ended 31st March 2013****NON CURRENT ASSETS**

	As at 31-03-13	As at 31-03-12
<b>NON CURRENT ASSETS</b>		
<b>7) NON CURRENT INVESTMENT (VALUED AT COST)</b>		
Investment in equity instruments (unquoted)		
In fully paid -up Equity shares of :		
Rajasthan Telematics Ltd.- 100000 shares of Rs.100/- each (Previous year 100000 shares of Rs.100/- each)	15000000.00	15000000.00
K.K Distilleries Pvt.Ltd. - 20000 shares of Rs.100/- each (Previous year 20000 shares of Rs.100/- each)	2000000.00	2000000.00
<b>Total</b>	<b>17000000.00</b>	<b>17000000.00</b>

**Notes 8&9 to financial Statements for the year ended 31st March 2013****NON CURRENT ASSETS**

	As at 31-03-13	As at 31-03-12
<b>NON CURRENT ASSETS</b>		
<b>8) LONGTERM LOANS, ADVANCES &amp; DEPOSITS</b>		
(Unsecured, Considered Good unless otherwise stated)		
Loans & Advances to related parties	35291034.22	32190362.58
Loans & Advances to be recovered in cash or in kind or for value to be received	34174019.42	33204019.42
Advance for Purchase of Land to related parties	28806320.00	30583280.00
Deposit with Bombay Stock Exchange	700000.00	700000.00
	<b>98971373.64</b>	<b>96677662.00</b>
<b>CURRENT ASSETS</b>		
<b>9) INVENTORIES</b> (Valued at lower of cost and net realisable value)		
Stock in Trade	2995492.00	2566680.77
	<b>2995492.00</b>	<b>2566680.77</b>

**Notes 10&11 to financial Statements for the year ended 31st March 2013**

	<b>As at 31-03-2013</b>	<b>As At 31-03-2012</b>
10) CASH AND CASH EQUIVALENTS		
A) Balance with Banks	24380.76	59828.97
B) Cash on Hand	5147855.87	9420874.87
	9480703.84	5172236.63
11) SHORT-TERM LOANS AND ADVANCES (Unsecured, Considered Good)		
Capital Advance to Vendor for Plant & Machinery	22000000.00	20000000.00
Income Tax Refund Receivable	188571.00	188571.00
Advance to Vendor	360713.89	391753.52
Advance recovered in cash or in kind or for value to be received	600000.00	900000.00
	21480324.52	23149284.89

**Notes 12,13,14 & 15 to financial Statements for the year ended 31st March 2013**

	<b>As at 31-03-2013</b>	<b>As At 31-03-2012</b>
12) REVENUE FROM OPERATIONS :-		
Details of Gross Sales under broad heads		
Sale of IMFL & Beer		
Sale of Fabrics		
Revenue from Operations	45212017.00	40334835.00
<b>Total</b>	<b>45212017.00</b>	<b>40334835.00</b>

The company as obtained a license to sale/purchase of IMFL and Beer from of one of the director of the company who has been allotted a license by the state of Rajasthan. The company has entered into an agreement with the said director, whereby the company is carrying the said business in favor of the company by paying license charges to him.

	<b>As at 31-03-2013</b>	<b>As At 31-03-2012</b>
13) PURCHASE OF STOCK INTRADE		
Details of Gross Sales under broad heads		
Sale of IMFL & Beer		
Sale of Fabrics		
Revenue from Operations	41134387.59	38643105.43
<b>Total</b>	<b>41134387.59</b>	<b>38643105.43</b>

	<b>As at 31-03-2013</b>	<b>As At 31-03-2012</b>
14) CHANGES IN INVENTORIES OF FINISHED GOODS		
Details of changes in inventory		
Inventory at the end of the year		
IMFL & Beer	2995492.00	2566680.77
Less - Inventory at the beginning of the year		
IMFL & Beer	2566680.77	-
<b>Total</b>	<b>428811.23</b>	<b>2566680.77</b>

**15) EMPLOYEE BENEFITS EXPENSES**

	<b>Year ended 3/31/2013</b>	<b>Year Ended 3/31/2012</b>
15) EMPLOYEE BENEFITS EXPENSES		
Employee Benefits Expense		
a) Salaries ,Wages and Bonus	750000.00	616000.00
<b>Total</b>	<b>750000.00</b>	<b>616000.00</b>

**Notes 16,17,18&19 to financial Statements for the year ended 31st March 2013**

	Year ended 3/31/2013	Year Ended 3/31/2012
<b>16) FINANCE COST</b>		
Bank Charges	145357.81	6308.00
Total	145357.81	6308.00

	Year ended 3/31/2013	Year Ended 3/31/2012
<b>17) OTHER EXPENSES</b>		
Auditors Remuneration	33708.00	39326.00
Conveyance & Travelling Exp.	130500.00	166052.00
Licence Fees Exp.	360000.00	360000.00
Listing Fees	1361690.00	905920.00
Office & General Exp.	13312.40	530615.00
Office Rent	360000.00	360000.00
Printing & Stationery	49866.00	55060.00
Legal & Professional fees	447812.40	95656.00
Repairs & Maintenance	20890.00	35628.00
Stock Exchange Renewal Fees	-	135000.00
Service Charges for use of Licence	451000.00	
<b>TOTAL</b>	<b>3228778.80</b>	<b>2683257.00</b>
Payments to the Auditor as		
a) For Statutory Audit	22472.00	22472.00
b) For Taxation Matters	16854.00	16854.00
<b>TOTAL</b>	<b>39326.00</b>	<b>39326.00</b>
<b>18) EARNINGS PER SHARE</b>		
Profit / Loss after taxation as per		
Profit & Loss Account		
Number of equity shares outstanding	7488758	7488758
Basic & Diluted Earnings per share in rupee (Face value of Rs 10/- Per shares )	0.01	0.06

- 19) The Balance in parties accounts are subject to confirmation and reconciliation , If any. In the opinion of the management all current assets including stock in trade / sundry debtors and loans and advances in the normal course of business would realize the value at least to the extent stated in the Balance sheet.

**Notes 20,21,22 , 23, 24 & 25 financial Statements for the year ended 31st March 2013****20) Micro, Small and Medium Enterprises**

There are no Micro, Small and Medium enterprises in respect of whom the Company dues are outstanding for more than 45 days at the Balance sheet date. The above information regarding Micro, Small and /Medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

21) Figures have been rounded of the nearest thousands and decimals thereof.

22) The Company has only one reportable business segment namely trading of IMFL and Beer

**23) CONTINGENT LIABILITIES ( to the extent not provided for )**

	As at 3/31/2013	As at 3/31/2012
a) Guarantee given by Bankers and outstanding	Nil	Nil
b) Estimated amount of contracts remaining to be executed on Capital Accounts and not Provided for (net after advance Payment )	Nil	Nil
c) Counter guarantee given	Nil	Nil

**24) RELATED PARTY DISCLOSURES (As identified by the management and relied upon by Auditors)**

a) Name of related parties and nature of relationship where control exists are as under:-

I) Associate Companies

- 1) Rajasthan Telematics Ltd.
- 2) K.K Distilleries Pvt.Ltd.
- 3) K.K. Industries

II) Key Management Personnel

- 1) Parasram Jhamnani
- 2) Raj Kumar Jain
- 3) Gajraj Singh
- 4) Anupam Garg

III) Relatives of Key Management Personnel

- 1) Bharat Jhamnani
- 2) Smt Jyoti Jhamnani
- 3) Vinod Jhamnani

Transaction during the year with related parties / Key Management Personnel are as Under :-

Nature of Transactions	Associate Companies	Relatives of Key Managerial Personnel	Key Managerial Personnel	Total Rs 12-13
Managerial Remuneration				
Purchases				
Sales				
Loan Advanced	Rs.3100000/- (Rs.NIL)			Rs.3100000/- (Rs.NIL)
Advance for Purchase of Land	NIL	NIL (Rs.30583280 /-)	NIL	NIL (Rs.30583280/-)
Amount Receivable as on Closing date	Rs.35290224/- (Rs.32190224/-)	Rs.28806320/- (Rs.30583280/-)	NIL (Rs.NIL)	Rs.64096544/- (Rs.62773504/-)
	Rs.17000000/- (Rs.17000000/-)			Rs.17000000/- (Rs.17000000/-)
Investment in Equity Shares				

**Notes 26 & 27 financial Statements for the year ended 31st March 2013**

	As at 3/31/2013	As at 3/31/2012
26) Expenditure in Foreign currency	Nil	Nil
27) Earnings on Foreign currency	Nil	Nil

Signatures to Significant Accounting Policies and Notes 1 to 27 to the Financial Statements

As per our report of even date

**For BIPIN ZAVAR AND ASSOCIATES**

Chartered Accountants

FRN - 121523W

BIPIN P. ZAVAR

(Proprietor)

M.No. 110250

Place : MUMBAI

Date : May 30, 2013

For and on behalf of the Board of Directors

**CHAMBAL BREWERIES AND DISTILLERIES LIMITED**

Sd/-  
Director

Sd/-  
Director

**21) CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013**

<b>Particulars</b>	<b>As At 31-03-2013 Rs.</b>	<b>As At 31-03-2012 Rs.</b>
Cash Flow from Operating Activities		
'Net Profit before Tax	242697.03	813238.34
Adjustment for :		
'Depreciation	139607	139607
Preliminary Expenses Writtenoff	-	-
'Loss on sales of Fixed Assets	-	-
Profit/Loss on sales of Investments	-	-
'Dividend Income	-	-
'Interest Expenses	-	-
'Operating Profit before Working Capital changes	382304	952846
Adjustment for :		
'Trade & Other receivables	864,062	864,062
'Inventories	(2,566,681)	(2,566,681)
'Trade Payable	(136,596)	(136,596)
'Cash generated from Operation	(1456911)	(886369)
Less :		
'Taxes Paid	17,402.00	17,402.00
Net Cash from Operating Activities	(1474313)	(903771)
Cash Flow from Investing Activities		
'Purchase of Fixed Assets / Capital Expenditure	-	-
'Sale of fixed Assets	-	-
'Purchase/ Sale of Investments	-	-
'Profit on Sale of Investment	-	-
'Dividend received	-	-
'Net Cash from Investing Activities	-	-
Cash Flow from Financing Activities		
'Repayment of Long Term Loan	-	-
'Short Term borrowings	-	-
'Dividend Paid	-	-
'Interest Expenses	-	-
'Net Cash from Financing Activities	-	-
Net decrease in cash & cash Equivalents (A+B+C)	(1474313)	(903771)
Opening Balance of Cash & Cash Equivalents	9480704	10384476
Closing Balance of Cash & Cash Equivalents	8006391	9480705

Sd/-  
**BIPIN ZAVAR & ASSOCIATES**  
FRN - 121523W  
Chartered Accountants  
Membership No.110250

Sd/-  
Director  
  
Sd/-  
Director

Place : **MUMBAI**  
Dated : **May 30, 2013**





**Chambal Breweries & Distilleries Limited**  
**Registered Office : Room No. 8, 102 C, Madhavwadi, Cross Road, Naigaon ,Dadar,Mumbai**

ATTENDANCE SLIP

(Please Fill Attendance Slip And Hand It Over At The Entrance Of The Meeting Hall)  
 Joint shareholders may obtain additional slip at the venue of the meeting.

DP ID*	
Client ID*	

Master Folio No.	
No. of Share held	

NAME AND ADDRESS OF THE SHAREHOLDER

No. of Share(s) held :

I hereby record my presence at the ANNUAL GENERAL MEETING of the Company held on Saturday , the 07th day of September, 2013 at 03:00 P.M. at Ramee Guestline Hotel, Plot No 3.,Kohinoor Road, Dadar(East), Mumbai-14.

Signature of the shareholder or proxy

\* Applicable for investors holding shares in electronic form.

..... **Tear Here** .....

**Chambal Breweries & Distilleries Limited**  
**Registered Office : Room No. 8, 102 C, Madhavwadi, Cross Road, Naigaon ,Dadar,Mumbai**

PROXY FORM

DP ID*	
Client ID*	

Master Folio No.	
No. of Share held	

I/ I/We.....of.....district of..... being member/members of Chambal Breweries & Distilleries Limited hereby appoint Mr./Mrs. .... of.....in the district of..... or failing him Mr./Mrs..... of..... in the district of..... as my/our proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company held at Ramee Guestline Hotel, Plot No 3.,Kohinoor Road, Dadar(East), Mumbai-14 at 03.00 p.m. on 07th day of September,2013 and at adjourned thereof.

Signature .....

Affix Re.1 Revenue Stamp
-----------------------------------

\* Applicable for investors holding shares in electronic form.

- NOTE : (1) The Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.
- (2) Members holding shares under more than one folio may use photocopy of this Proxy Form for other folios. The Company shall provide additional form on request.

