



AURANGABAD DISTILLERY LIMITED
18th Annual Report 2017-18

Registered Office: A/P Walchandnagar, Tal. Indapur, Pune 413114

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CORPORATE INFORMATION

Registered Office	A/P Walchandnagar, Tal. Indapur, Pune 413114
Board of Directors	Mr. Amardeepsingh Triloksingh Sethi (Chairman & Wholetime Director) Mr. Dharampal Kimatram Kalani (Managing Director) Mr. Kanyalal Kimatram Kalani (Director) Mr. Karan Yadav (Additional Director) Mrs. Jagjitkaur Amardeepsingh Sethi (Director) Mr. Tanaji Haribhau Yadav (Additional Director) Mr. Ashokchandra Dwarkadhish Dhish (Independent Director) Mr. Prakash Madhavrao Sawant (Independent Director) Mr. Avinash Nivrutti Salunke (Additional Independent Director)
Chief Financial Officer	Mr. Uday Balwant Hemade
Company Secretary & Compliance Officer	Mr. Chetan Kumbhojkar
Statutory Auditor	Natesh & Associates Chartered Accountants Nashik
Secretarial Auditors	Prajot Tungare & Associates Company Secretaries Pune
Share Transfer Agent	Bigshare Services Private Limited Mumbai
Website	www.aurangabaddistillery.com/

COMMITTEES OF THE BOARD

AUDIT COMMITTEE

Name of the Member	Category
Mr. Avinash Salunkhe	Chairman & Independent Director
Mr. Ashokchandra Dhish	Independent Director
Mr. Dharampal Kalani	Managing Director

NOMINATION & REMUNERATION COMMITTEE

Name of the Member	Category
Mr. Avinash Salunkhe	Chairman & Independent Director
Mr. Ashokchandra Dhish	Independent Director
Mr. Prakash Sawant	Independent Director

STAKEHOLDERS RELATIONSHIP COMMITTEE

Name of the Member	Category
Mr. Avinash Salunkhe	Chairman & Independent Director
Mr. Ashokchandra Dhish	Independent Director
Mr. Dharampal Kalani	Managing Director

BOARD'S REPORT

To
The Members
Aurangabad Distillery Limited

The Board of Directors has pleasure in presenting herewith their 18th Annual Report together with the Audited Financial Statements of your Company for the year ended 31st March, 2018.

FINANCIAL RESULTS:

The Company's financial performance for the year under review along with previous year's figures is given hereunder:

(Amount in Rs.)

Particulars	31 st March 2018	31 st March 2017
Total Revenue	50,67,70,559	40,91,15,345
Less: Total expenses	46,67,15,667	39,55,64,513
Profit Before Exceptional And Extraordinary Items And Tax	4,00,54,892	1,35,50,832
Exceptional Items	-	-
Profit Before Extraordinary Items And Tax	4,00,54,892	1,35,50,832
Extraordinary Items	-	-
Add / (Less) : Prior Period Incomes / (Expenses)	-	-
Add : Excess / (Short) Provision of Taxation For Previous Years	-	-
Profit Before Tax	4,00,54,892	1,35,50,832
Tax Expense:		
Less : Current Tax	1,21,70,000	27,50,000
Earlier Year Tax	76,966	8,51,628
Deferred Tax	13,78,166	31,05,114
Mat Credit Entitlements	(36,29,431)	-
Profit (Loss) For The Year	3,00,59,191	68,44,090

REVIEW OF OPERATIONS AND DIVIDEND

The Company generated revenue of Rs. 50,67,70,559/- during the current year as against revenue of Rs. 40,91,15,345/- generated in the preceding year. The operations of the Company have resulted into post tax profit of Rs. 3,00,59,191/- against post tax profit of Rs. 68,44,090/- in the preceding year. Owing to the growing business needs and the necessity to plough back the profits in the business, your Directors do not recommend any dividend for the year.

TRANSFER TO RESERVES

Your Company does not propose to transfer amounts to the General Reserve considering the availability of profits during the year under review.

ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, is furnished in "Annexure-I" and is attached to this Report.

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met 5 times during the year under review on 30th May, 2017, 17th August, 2017, 29th September 2017, 13th November 2017 and 05th March 2018 respectively. Notice of meetings with agenda along with necessary details was sent to the Directors in time.

Further following are the details with respect to Board meeting attendance by each Director.

Name of Director	Board Meetings held during the tenure of Director	Board Meeting Attended
Mr. Dharampal Kalani	5	5
Mr. Amardeepsingh Sethi	5	5
Mr. Kanyalal Kalani	5	5
Mrs. Jagjitkaur Sethi	5	5
Mr. Gurnamsing Bhatiyani#	4	0
Mr. Karan Yadav*	4	4
Mr. Ashokchandra Dhish	5	5
Mr. Prakash Sawant	5	5
Mr. Tanaji Yadav**	1	1
Mr. Avinash Salunke**	1	1

Mr. Gurnamsing Bhatiyani vacated his office from 17th February, 2018.

*Mr. Karan Yadav resigned from 15th November, 2017; and

**Mr. Tanaji Yadav and Mr. Avinash Salunke were appointed w.e.f. 13th November, 2017.

COMMITTEES OF THE BOARD:

i. Audit Committee

Composition of Audit Committee:

The Audit Committee was reconstituted by the Board of Directors in a meeting held on November 13, 2017. The Committee comprises of the following members:

Name of the Member	Category
Mr. Avinash Salunke	Chairman & Independent Director
Mr. Ashokchandra Dhish	Independent Director
Mr. Dharampal Kalani	Managing Director

ii. Nomination and Remuneration Committee

Composition of Nomination and Remuneration Committee:

The Nomination and Remuneration Committee was reconstituted by the Board of Directors in a meeting held on November 13, 2017. The Committee comprises of the following members:

Name of the Member	Category
Mr. Avinash Salunke	Chairman & Independent Director
Mr. Ashokchandra Dhish	Independent Director
Mr. Prakash Sawant	Independent Director

iii. Stakeholders Relationship Committee

Composition of Stakeholders Relationship Committee:

The Stakeholders Relationship Committee was reconstituted by the Board of Directors in a meeting held on November 13, 2017. The Committee comprises of the following members:

Name of the Member	Category
Mr. Avinash Salunke	Chairman & Independent Director
Mr. Ashokchandra Dhish	Independent Director
Mr. Dharampal Kalani	Managing Director

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mrs. Jagjitkaur Sethi, Director of the Company, retires by rotation and being eligible has offered herself for re-appointment.

The Company had appointed Mr. Avinash Salunkhe, Mr. Tanaji Yadav as Additional Directors of the Company in a Board Meeting held on 13th November 2017 and Mr. Karan Yadav was appointed as an Additional Director of the Company in a board meeting held on 16th August, 2018 pursuant to Section 161 of the Companies Act, 2013 (the Act) and they can hold the office till the conclusion of this Annual General Meeting (AGM). The Company has received notice under Section 160 of the Act in writing from the member signifying his intention to be proposed them as a candidate for Directorship.

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149(6) of the Act.

Mrs. Sheetal Jagetiya resigned from the post of Company Secretary and Compliance Officer w.e.f. 24th September, 2017 and in her place Mr. Chetan Kumbhojkar was appointed as Company Secretary and Compliance Officer of the Company w.e.f. 29th September, 2017.

Mr. Gurnamsing Bhatiyani vacated his position from the directorship of the Company w.e.f. 17th February, 2018.

NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits. The policy reflects the Company's objectives for good corporate governance as well as sustained long term value creation for shareholders.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors of your Company, to the best of their knowledge and ability, confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit & loss of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down proper internal financial controls and system which are adequate and are operating effectively.
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

AUDITORS & THEIR REPORTS

STATUTORY AUDITORS

M/s. Natesh & Associates, Chartered Accountants, Nashik, were appointed as Statutory Auditors of the Company at the Annual General Meeting of the Company held on 26th September 2014 to hold office till the conclusion of 19th Annual General Meeting subject to ratification by shareholders at every Annual General Meeting.

The Statutory Auditors' Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDITORS

The Board of Directors had appointed M/s. Prajot Tungare & Associates, Practicing Company Secretaries as the Secretarial Auditors of your Company to issue a Secretarial Audit Report pursuant to Section 204 of the Companies Act, 2013 for the financial year 2017-18.

Accordingly, the Secretarial Auditors have given their report, which is annexed hereto as "**Annexure II**".

Auditor comments/ observation:

- i. Scrutinizer Report was not submitted within 48 hours from the conclusion of annual general meeting
- ii. Financial results for Quarter ended 30.09.2017 was not submitted within 30 minutes.
- iii. Brief profile of Directors/ KMP was not submitted with the intimation letter.

Management Reply-

- i. Last Annual General Meeting of the Company was held on Friday, 29th September, 2017 and next two days being festival and weekly off for the RTA of the Company, the data required

for filing voting results to Exchange was not available. Results were intimated to Exchange on immediate next working day.

- ii. Due to technical difficulties there was delay in filing financial results to Exchange.
- iii. The Company has submitted its reply on the clarifications sought on the profile of Directors and KMP appointed in the Company.

COST AUDITORS

The Company is required to have the audit of its cost records conducted by a Cost Accountant in Practice. In this connection, the Audit Committee has recommended to the Board of Directors and the Board of Directors has approved the appointment of M/s. A. J. Paranjape & Co., Cost Accountants, as Cost Auditors of the Company to conduct the Cost Audit Functions for the financial year 2018-19.

As required under the provisions of Companies Act, 2013, a resolution seeking members approval for the remuneration payable to the Cost Auditors forms part of the Notice convening the Annual General Meeting of the Company.

SHARE CAPITAL

The paid up share capital of the Company as on 31st March, 2018 was Rs. 8.20 Crores. During the year under review the Company has not issued any types shares.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There were no loans, guarantees or investments made by the Company as referred under the under the provisions of the section 186 of the Companies Act, 2013 during the year, and hence the said provision are not applicable to the Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The transactions entered by the Company with related parties were in ordinary course of business and at arm's length basis. The particulars of transactions entered with related parties are annexed herewith as "**Annexure III**" to this report.

MATERIAL CHANGES AND COMMITMENT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which financial statements relate and on the date of this report.

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

The Particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in "**Annexure IV**" to this report.

DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company has a robust risk management framework comprising risk governance structure and defined risk management processes. The Company identifies all strategic, operational and financial

risks that the Company faces, by assessing and analyzing the latest trends in risk information available internally and externally and uses the same to plan for risk mitigation activities.

INTERNAL FINANCIAL CONTROLS

The Company has adopted adequate procedures for ensuring the internal financial controls. The Company adheres to best practices for safeguarding its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable and accurate financial information.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVE

The provisions of Section 135 of the Companies Act, 2013, are not applicable to the Company hence Company has not developed and implemented any Corporate Social Responsibility initiatives.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES AND THEIR POSITION & FINANCIAL PERFORMANCE

The Company does not have any Subsidiary, Joint venture or Associate Company.

DEPOSITS

Your Company has not accepted any deposits within the meaning as provided in the Companies Act, 2013.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the courts / regulators or tribunals impacting the going concern status and companies operations in future.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is presented in "Annexure V" to this report.

PERFORMANCE EVALUATION

The Company has devised a Policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which includes criteria for performance evaluation of the Non-executive Directors and Executive Directors. The evaluation process inter alia considers attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers, etc., which is in compliance with applicable laws, regulations and guidelines.

The Board carried out annual performance evaluation of the Board, Board Committees and Individual Directors and Chairperson. The Chairman of the respective Board Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Board Committees.

PARTICULARS OF EMPLOYEES

Disclosure as per Section 197 (12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as “**Annexure- VI**” to this report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In this regard, Internal Complaints Committee has been set up to redress complaints. During the year under review, there were no complaints received pursuant to the aforesaid Act.

ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of The Board of Directors
Aurangabad Distillery Limited

Amardeepsingh Sethi
Chairman & Wholetime Director
DIN: 00097644

Date: 16th August, 2018
Place: Pune

Aurangabad Distillery Limited
Annexure I to Director's Report

ANNEXURE - I										
Form No. MGT-9										
EXTRACT OF ANNUAL RETURN										
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]										
I. REGISTRATION AND OTHER DETAILS:										
i)	CIN	: L55000PN2000PLC177314								
ii)	Registration Date	: 08-03-00								
iii)	Name of the Company	: Aurangabad Distillery Limited								
iv)	Category	: Company limited by Shares								
v)	Sub Category	: Non-govt company								
vi)	Registered Office	: A/P Walchandnagar, Tal. Indapur Pune Pune MH 413114 IN								
	Telephone Number	: 1-2118-252507								
	Fax Number	: -								
	Email Id	: csaurangabaddistillery@gmail.com								
vii)	Whether listed company	: Yes (Listed on NSE Emerge Platform)								
viii)	Name, Address & Contact of Registrar and Transfer Agent	: Bigshare Services Private Limited 1st Floor Bharat Tin Works Building Opp.Vasant Oasis Makwana Road Marol Andheri (E) Mumbai - 400059 Maharashtra India. P : +91 022 62638204								
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY										
All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-										
Sr.No	Name and Description of main products / services				NIC Code of the product / service		% to total turnover of the Company			
1	Distilling, rectifying and blending of spirits; ethyl alcohol production from fermented materials				1101		100			
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATES COMPANIES										
Sr.No	Name and Address of the Company				CIN / GLN		Holding/Subsidiary Associate		% of Shares held	Applicable Section
1	Not Applicable									
IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)										
Categories of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share		
A. Promoters										
(1) Indian										
a) Individual/HUF	6,000,000	0	6,000,000	73.17	6,000,000	0	6,000,000	73.17	0	
b) Central Govt	0	0	0	0	-	0	-	-	-	
c) State Govt (s)	0	0	0	0	-	0	-	-	-	
d) Bodies Corp.	0	0	0	0	-	0	-	-	-	
e) Banks / FI	0	0	0	0	-	0	-	-	-	
f) Any Other....	0	0	0	0	-	0	-	-	-	
Sub-total (A) (1):-	6,000,000	0	6,000,000	73.17	6,000,000	0	6,000,000	73.17	0	
(2) Foreign										
a) NRIs -	0	0	0	0	0	0	0	0	0	
Individuals	0	0	0	0	0	0	0	0	0	
b) Other –	0	0	0	0	0	0	0	0	0	
Individuals	0	0	0	0	0	0	0	0	0	
c) Bodies Corp.	0	0	0	0	0	0	0	0	0	
d) Banks / FI	0	0	0	0	0	0	0	0	0	
e) Any Other....	0	0	0	0	0	0	0	0	0	
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0	
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	6,000,000	-	6,000,000	73.17	6,000,000	0	6,000,000	73.17	0	

Aurangabad Distillery Limited
Annexure I to Director's Report

B. Public									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	102,118	0	102,118	1.25	40,000	0	40,000	0.49	-0.76
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	717,882	0	717,882	8.75	814,000	0	814,000	9.93	1.17
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1,331,943	0	1,331,943	16.24	1,290,000	0	1,290,000	15.73	-0.51
c) Others (specify)Non resident Indian	-	0	-	0.00	2,000	0	2,000	0.02	0.02
i) Clearing Member	48,057	0	48,057	0.59	54,000	0	54,000	0.66	0.07
Sub-total (B)(2):-	2,200,000	0	2,200,000	26.83	2,200,000	0	2,200,000	26.83	
Total Public Shareholding	2,200,000	0	2,200,000	26.8332	2,200,000	0	2,200,000	26.83	
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	
Grand Total (A+B+C)	8,200,000	0	8,200,000	100.003	8,200,000	0	8,200,000	100	
(ii) Shareholding of Promoters									
Sl.No	Shareholders Name	Shareholding at the beginning			Share holding at the end of the			% change in share holding during the year	
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares		
1	Kanyalal Kimatram Kalani	1,020,000	12.44	0	1,020,000	12.44	0		
2	Dharampal Kimatram Kalani	990,000	12.07	0	990,000	12.07	0		
3	Hiralal Kimatram Kalani	990,000	12.07	0	990,000	12.07	0		
4	Amardeepsingh Triloksingh Sethi	525,000	6.40	0	525,000	6.40	0	-	
5	Jagjitkaur Amardeep Sethi	525,000	6.40	0	525,000	6.40	0	-	
6	Sethi Ramanjitkaur Hira	525,000	6.40	0	525,000	6.40	0	-	
7	Baljitkaur Ratansingh Sethi	525,000	6.40	0	525,000	6.40	0	-	
8	Ratansingh Triloksingh Sethi	375,000	4.57	0	375,000	4.57	0	-	
9	Memkur Triloksingh Sethi	375,000	4.57	0	375,000	4.57	0	-	
10	Hirasingh Triloksingh Sethi	150,000	1.83	0	150,000	1.83	0	-	
Total		6,000,000	73.17	0	6,000,000	73.17	0		
(iii) Change in Promoters' Shareholding (please specify, if there is no change)									
		Shareholding at the beginning of the year			Cumulative Shareholding during the year				
		No. of shares	% of total shares of the company		No. of shares		% of total shares of the company		
At the beginning of the year		NA							
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g.allotment / transfer /bonus/ sweat equity etc):									
At the End of the year									

Aurangabad Distillery Limited
Annexure I to Director's Report

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):					
Sl.No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Name of Shareholder	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	DHARMENDRA GORAKHNATH SHARMA	224,000	2.73	280,000	3.41
2	VINOD LODHA	118,000	1.44	118,000	1.44
3	LAXMI KANT BIYANI HUF	40,000	0.49	40,000	0.49
4	MANOJ AGARWAL	0	0	84,000	1.02
5	INDU JAIN	20,000	0.24	84,000	1.02
6	NIDHI BIYANI	76,000	0.93	74,000	0.90
7	LAXMI KANT BIYANI	60,000	0.73	60,000	0.73
8	RANJANA ROONGTA	28,000	0.34	54,000	0.66
9	GURNAMSING SURENDRASING BHATIYANI	48,000	0.59	48,000	0.59
10	PANKAJ LADHA (HUF)	20,000	0.24	44,000	0.54
(v) Shareholding of Directors and Key Managerial Personnel:					
Sl.No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	DHARAMPAL KIMATRAM KALANI				
	At the beginning of the year	990,000	12.0732	990,000	12.0732
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year			990,000	12.0732
2	AMARDEEPSINGH TRILOKSINGH				
	At the beginning of the year	525,000	6.4024	525,000	6.4024
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year			525,000	6.4024
3	KANYALAL KIMATRAM KALANI				
	At the beginning of the year	1,020,000	12.439	1,020,000	12.44
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	19.05.2016 (Bonus Issue)				
	At the End of the year			1,020,000	12.44
4	JAGJITKAUR AMARDEEPSINGH SETHI				
	At the beginning of the year	525,000	6.4024	525,000	6.4024
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year			525,000	6.4024

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Annexure I to Director's Report

5	AVINASH NIVRUTTI SALUNKE				
	At the beginning of the year		0		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year				0.00
6	ASHOKCHANDRA DWARKADHISH				
	At the beginning of the year	0	0		0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	0	0		0
	At the End of the year	0	0		0
7	PRAKASH MADHAVRAO SAWANT				
	At the beginning of the year	0	0		0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	0	0		0
	At the End of the year	0	0		0
8	TANAJI HARIBHAU YADAV				
	At the beginning of the year	4000	0.05	4000	0.05
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	0	0		0
	At the End of the year	0	0	4000	0.05
9	CHETAN RAMESH KUMBHOJKAR				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	0	0	0	0
	At the End of the year	0	0	0	0
10	UDAY BALWANT HEMADE				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	0	0	0	0
	At the End of the year	0	0	0	0

V. INDEBTEDNESS						
Indebtedness of the Company including interest outstanding/accrued but not due for payment						
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness		
	Secured Loans	Unsecured	Deposits	Total		
Indebtedness at the beginning of						
i) Principal Amount	162,301,418	105,279,101	-	267,580,519		
ii) Interest due but not paid			-			
iii) Interest accrued but not due			-			
Total (i+ii+iii)	162,301,418	105,279,101	-	267,580,519		
Change in Indebtedness during	-					
Addition	-	14,105,000	-	14,105,000		
Reduction	42,308,664.00	119,384,101	-	161,692,765		
Net Change	-42,308,664.00	-105,279,101	-	-147,587,765		
Indebtedness at the						
i) Principal Amount	119,992,754	0	-	119,992,754		
ii) Interest due but not paid			-			
iii) Interest accrued but not due			-			
Total (i+ii+iii)	119,992,754	0	-	119,992,754		
VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL						
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:						
Sl.No	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount		
		Dharampal Kalani (Managing Director) (From 1st April 2017 to 31st March 2018)	Amardeepsingh Sethi, (Wholetime Director) (From 1st April 2017 to 31st March 2018)			
1	Gross salary	1,200,000	1,200,000	2,400,000		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0		
2	Stock Option	0	0	0		
3	Sweat Equity	0	0	0		
4	Commission					
	as % of profit	0	0	0		
	others, specify	0	0	0		
	Others, please specify	0	0	0		
	Total (A)	1,200,000	1,200,000	2,400,000		
	Ceiling as per the Act			Within limit		
B. Remuneration to other directors:						
Sl.No	Particulars of Remuneration	Name of Directors				
		Gurnamsing Bhatiyani	Karan Yadav	Ashokchandra Dhish	Prakash Sawant	Total Amount
1	Independent Directors					
	• Fee for attending board / committee meetings	0	0	0	0	0
	• Commission	0	0	0	0	0
	• Others, please specify	0	0	0	0	0
	Total (1)	0	0	0	0	0
2	Other Non-Executive Directors	Kanyalal Kalani	Jagjitkaur Sethi	-	-	
	• Fee for attending board / committee meetings	0	0	-	-	
	• Commission	0	0	-	-	
	• Others, please specify	0	0	-	-	
	Total (2)	0	0	-	-	
	Total (B)=(1+2)	0	0	-	-	
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

Aurangabad Distillery Limited
Annexure I to Director's Report

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTd					
Sl.No	Particulars of Remuneration	Name of MD/WTd/ Manager			Total Amount
		Company Secretary (From 1st April 2017 to 24th September, 2017)	Company Secretary (From 1st October 2017 to 31st March 2018)	CFO	
1	Gross salary	63,000	60,000	302,162	425,162
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-			
2	Stock Option	-			
3	Sweat Equity	-			
4	Commission				
	as % of profit	-			
	others, specify	-			
	Others, please specify	-			
	Total (A)	63,000	60,000	302,162	425,162
	Ceiling as per the Act	-			
VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:					
Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICER IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

ANNEXURE- II

FORM MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
AURANGABAD DISTILLERY LIMITED
CIN: L55000PN2000PLC177314
A/P Walchandnagar, Tal. Indapur Pune MH 413114 IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Aurangabad Distillery Limited ("the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Management is responsible for the preparation and filing of all the forms, returns and documents for the compliances under the Companies Act, 2013, rules there under and all the laws and regulations listed hereinafter and to ensure that they are free from material non-compliance, whether due to fraud or error.

Secretarial Audit for the Company is conducted as a process of verification of records and documents on sample basis to check secretarial compliances with the provisions of laws, rules and procedures. The procedure for Secretarial Audit is selected on the Secretarial Auditor's judgment of material facts of the documents submitted. Our responsibility is to express an opinion on the secretarial compliances of the aforesaid laws done by the Company on the basis of our audit. We have conducted the audit solely on the basis of secretarial compliances and filing done by the Company, under the below mentioned laws.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby make our report on the basis of our opinion during the audit conducted covering the financial year ended on 31st March, 2018, on various secretarial compliances with statutory provisions listed hereunder and on Board processes and compliance mechanism to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;

- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings *[Not applicable to the Company during the Audit Period]*;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 *[there were no instances during the year requiring reporting]*;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 *[Not applicable to the Company during the Audit Period]*;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 *[Not applicable to the Company during the Audit Period]*;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 *[Not applicable to the Company during the Audit Period]*;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 *[Not applicable to the Company during the Audit Period]*; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 *[Not applicable to the Company during the Audit Period]*.

We further report that, having regards to the business operations of the Company, in our view following are the laws specifically applicable to the Company for which we have conducted audit on test-check basis, and on the basis of representation made by the Company and its Officers considering the secretarial compliance systems prevailing in the Company:

- a) Bombay Prohibition Act, 1949

We have also examined secretarial compliances with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; and

(ii) The Listing Agreements entered into by the Company with National Stock Exchange.

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- a. Scrutinizer Report was not submitted within 48 hours from the conclusion of annual general meeting;
- b. Financial results for Quarter ended 30.09.2017 was not submitted to the Stock Exchange within 30 minutes;
- c. Brief profile of Directors/ KMP was not submitted to the Stock Exchange with the intimation letter.

We further report that:

1. Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.
2. As per information and representation given, we also report that adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. As per minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and hence, no dissenting views have been recorded.

We further report that the compliance by the Company of applicable financial statements and laws has not been reviewed in this audit since the same has been subject to review by statutory financial audit and other designated professionals.

We further report that based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit and also on the review of representation provided by the Officers, Company Secretary and Director of the Company, in my opinion adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines as mentioned above.

For Prajot Tungare & Associates
Company Secretaries

CS Shweta Kulkarni
Partner
FCS: 8775
CP No: 11502

Date: 16th August 2018
Place: Pune

To,
The Members
Aurangabad Distillery Limited

Our report to be read along with this letter.

Management's Responsibility

- Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

Auditor's Responsibility

- Our responsibility was to express an opinion on the secretarial records, standards and procedures followed by the company with respect to secretarial compliances.
- We believe that audit evidence and information obtained from company's management is adequate and appropriate for us to provide a basis for our opinion.
- Where ever required, we have obtained Management representation about the compliance of laws, rules and regulations and happenings of events etc.

Disclaimer

- The Secretarial Audit is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management conducted the affairs of the Company.

For Prajot Tungare & Associates
Company Secretaries

CS Shweta Kulkarni
Partner
FCS: 8775
CP No: 11502

Date: 16th August 2018
Place: Pune

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis- Not Applicable

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
(a)	(b)	(c)	(d)	(e)	(f)

2. Details of material contracts or arrangement or transactions at arm's length basis-

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/ Transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
(a)	(b)	(c)	(d)	(e)	(f)
Brihan Karan Sugar Syndicate Pvt Ltd	Sale of Rectified Spirits	Ongoing Basis	8,98,81,320	NA	NA

Karan Bottling Company Pvt Ltd	Sale of Rectified Spirits	Ongoing Basis	8,71,78,400	NA	NA
Karan Agencies	Sale of Rectified Spirits	Ongoing Basis	1,82,23,952	NA	NA
Master Blenders Pvt Ltd	Sale of Rectified Spirits	Ongoing Basis	1,39,31,380	NA	NA
Nevitad Distilleries Pvt Ltd	Sale of Rectified Spirits	Ongoing Basis	2,31,27,000	NA	NA

For and on behalf of the Board of Directors
Aurangabad Distillery Limited

Amardeepsingh Triloksingh Sethi
Chairman & Wholetime Director
DIN: 00097644

FOR CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY:

- i) Energy conservation measures taken:- Making of Bio-Gas from Spent wash and is used in Boiler as fuel. It reduces consumption of Bagasse and company produces electricity through turbine which is captively consumed in our distillation process and reduces the dependency on purchased electricity.
- ii) Additional investments and proposals for reduction in consumption of energy: - NIL

B. IMPACT OF MEASURES TAKEN FOR ENERGY CONSERVATION:

Impact of measures taken for energy conservations
Reduce the Fuel cost & Electricity cost.

C. TECHNOLOGY ABSORPTION

Following are the details with respect to the said Technology Absorption aspect:

- efforts were made towards technology absorption.
- the benefits derived like product improvement, cost reduction, product development or import substitution:
- in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
- the details of technology imported;
- the year of import;
- whether the technology been fully absorbed;
- if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

Research and Development: NIL

D. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Details of inflows & outflows of Foreign Exchange

	2018 (Rupees)	2017 (Rupees)
Total foreign exchange earned	Nil	Nil
Total foreign exchange spent	Nil	Nil

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A development affecting the industry –

- a. The Government is implementing the ethanol program in a big way. This will increase the consumption of alcohol thus helping boost the revenue of distilleries. GST implementation has resulted in removal of various licenses issued by State Excise for procurement of denatured spirit. Thus with less of licensing industries that were using alternative solvents instead of alcohol will switch back to alcohol. This will increase the usage of alcohol in pharma, cosmetics & perfumeries and chemical industries.
- b. The Good rainfall last year and average rainfall expected this year will increase the sugarcane production and help in decreasing the price of molasses and bagasse our major raw materials.

SWOT Analysis –

- a. Strength - Increased focus of Government on ethanol blending in fuel and delicensing of Denatured Alcohol and stability in potable alcohol after the Hon. Supreme court clarified the order of highway ban thus resulting in most of the liquor vends opening within the city limits and many panchayats.
- b. Weakness – Stricter pollution norms and increase in minimum wages will drive the cost of production upwards.
- c. Opportunities – The de-licensing of industries using denatured spirit will give us opportunities to develop new customers in pharma, cosmetics & perfumeries and chemical industries.
- d. Threats - New distilleries will start with the shortage of alcohol.

Outlook for the future -

The Company has licensed a patent developed by The Central Salt & Marine Chemicals Research Institute (CSMCRI) for recovery of organics and potash from molasses based alcohol distillery effluent (spent wash). The Company is in the process of setting up a plant for recovery of organics and potash from distillery effluent. The technology aims at reducing discharge of hazardous liquid waste which contaminates the ground water. The effluent treated by applying the aforesaid technology will generate valuable organic matter which can be converted into animal feed formulations which have been considered potable by the National Dairy Research Institute in Karnal. The process will also produce potassium nitrate (fertilizer) and reclaimed water which can be used in molasses fermentation process. This will increase our revenue and profits. With the Oil Marketing companies floating tender for 329 crore litres there will higher consumption of alcohol that will move the price of alcohol upwards and we may have increased profitability.

We have already given advances for procurement of molasses so that we have assured supply of raw material in case there is any shortage of raw material as many sugar factories will setup distilleries.

Internal Financial Control -

The Company has engaged the services of an independent Chartered Accountant to carry out the internal audit and ensure that recording and reporting are adequate and proper, the internal controls exist in the system and that sufficient measures are taken to update the internal control system. The system also ensures that all transaction are appropriately authorized, recorded and reported. Exercises for safeguarding assets and protection against unauthorized use are undertaken from time to time.

Annexure VI

INFORMATION PURSUANT TO RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1.	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017–18 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2017-18:			
	Name of Director	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in remuneration
	Mr. Amardeepsingh Sethi	Chairman & Whole time Director	5.405405	-
	Mr. Dharampal Kalani	Managing Director	5.405405	-
	Mr. Kanaiyalal Kalani	Non-Executive Director	-	-
	Mrs. Jagjitkaur Sethi	Non-Executive Director	-	-
	Mr. Tanaji Yadav	Executive Director (Additional)	-	-
	Mr. Karan Yadav	Executive Director (Additional)	-	-
	Mr. Avinash Salunkhe	Independent Director	-	-
	Mr. Prakash Sawant	Independent Director	-	-
	Mr. Ashokchandra Dhish	Independent Director	-	-
	Mr. Uday Hemade	Chief Financial Officer	1.351351	-
	Mr. Chetan Kumbhojkar	Company Secretary & Compliance Officer	0.540541	
2.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year			
	Mr. Uday Hemade – 19.04 %			
3.	The percentage increase in the median remuneration of employees in the financial year.		2.65%	
4.	The number of permanent employees on the rolls of Company.		43	
5.	It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.			

Independent Auditor's Report

**To the members of ,
AURANGABAD DISTILLERY LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of AURANGABAD DISTILLERY LIMITED. ("the Company") which comprise the balance sheet as at 31st March 2018, 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

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Aurangabad Distillery Limited
Independent Auditor's Report 2017-18

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the company as at 31st March 2018 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent available.
- 2 As required by Section 143(3) of the Act, we report that:
 - a. We have sought 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 account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Company does not have any branch office and accordingly Section 143 (8) of the Act does not apply.
 - d. The balance sheet and statement of profit and loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - e. In our opinion, the balance sheet, statement of profit and loss and cash flow statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014; and
 - f. In our opinion no financial transactions or matters have any adverse effect on the functioning of the Company.
 - g. On the basis of the written representations received from the directors as on 31 March 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018, from being appointed as a director in terms of Section 164 (2) of the Act, and
 - h. In our opinion no qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;
 - i. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'
 - j. With respect to the others matters to be included in the auditors report in accordance with rule 11 of the companies(audit and auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - 1] The Company does not have any pending litigations which would impact its financial position
 - 2] The company did not have any long term contracts including derivative contracts for which there were any material foreseeable Losses.
 - 3] Since there are no amounts liable to be transferred to the Investor Education and Protection Fund by the Company, the clause 11 (c) of Chapter X of the Companies (Audit and Auditors) Rules 2014 is not applicable.

For Natesh & Associates

Chartered Accountants
FRN 106957W

Ramamurthi Natesh
Proprietor
M. NO. 036481
Place : Aurangabad
Date : 25th May 2018

Annexure "A" to the Auditor's Report

The Annexure referred to in our Independent Auditors Report to the members of the company on the financial Statements for the year ended 31 March 2018, we report that :

1.In respect of its Fixed Assets :

- a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As explained to us, all the fixed assets have been physically verified during the year by the management in accordance with a regular programme of verification of fixed assets at reasonable intervals which in our opinion is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanation given to us , no material discrepancies were noticed on such physical verification.
- c) According to the information and explanation given to us and on the basis of our examination of records of the company, the title deeds of immovable properties are held in the name of company.

2.In respect of its Inventories :

- a) The inventory has been physically verified by the management during the year at reasonable interval. In respect of inventory lying with third parties, these substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion the procedure of physical verification of inventory followed by management are reasonable and adequate in relation to the size of the company and nature of its business.
 - c) On the basis of our examination of inventory records, in our opinion, the company is maintaining proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification.
3. As per information given to us, the company has not granted any loans to parties covered in the register maintained under Section 189 of the Companies Act, 2013 (the Act) Accordingly para 3(iii) of the Order is not applicable.
4. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of loans and investments made.
5. In our opinion and according to information and explanations given to us, the company has not accepted deposits from the public during the year. Therefore the provisions of clause (v) of paragraph 3 of the order is not applicable to the company.
6. As per paragraph 3(vi) of the order the maintenance of cost records under Section 148(1) of the Companies Act, 2013 are prescribed by the Central Government vide Rule 3 of the Companies (Cost Records and Audit) Rules 2014, however the company has not produced cost audit report for our verification.
7. a) According to information and explanations given to us and the records of the company examined by us in our opinion the company is regular in depositing the undisputed statutory dues including Income Tax, Profession Tax dues, Provident Fund, Sales Tax, Service Tax, Duty of customs, Duty of excise, Goods and Service Tax, Cess and other statutory dues with the appropriate authorities. According to information given to us there are no arrears of outstanding statutory dues as applicable with the appropriate authorities.
- b) According to information and explanations given to us and the records of the company examined by us, there are no dues of service tax , custom duty, Goods and service Tax and cess which have not been deposited on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank, Government during the year.
9. In our opinion and according to the information and explanations given to us, the company has not raised any money by the way of initial public offer.
10. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no material instance of fraud on or by the company noticed or reported during the year.

Aurangabad Distillery Limited
Independent Auditor's Report 2017-18

11. According to the information and explanation given to us, the company has paid/provided managerial remuneration in accordance with requisite approvals mandated by provisions of section 197 read with Schedule V of the companies act, 2013.
12. According to the information and explanation given to us, the company is not a nidhi company . Accordingly para 3(xii) of the Order is not applicable.
13. According to the information and explanation given to us, based on our examination of the records of the Company, transactions with the related parties are in compliance with the sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanation given to us, based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the order is not applicable to the company.
15. According to the information and explanation given to us, based on our examination of the records of the Company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly para 3(xv) of the Order is not applicable.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Natesh & Associates

Chartered Accountants

FRN 106957W

Ramamurthi Natesh
Proprietor
M. No. 036481
Place : Aurangabad
Date: 25th May 2018

Annexure "B" to the Independent Auditor's Report:

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

We have audited the internal financial controls over financial reporting of Aurangabad Distillery Ltd. ('the Company') as of 31st March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Aurangabad Distillery Limited
Independent Auditor's Report 2017-18

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Natesh & Associates

Chartered Accountants

FRN 106957W

Ramamurthi Natesh

Proprietor

M. No. 036481

Place : Aurangabad

Date: 25th May 2018

Aurangabad Distillery Limited
Financial Statements 2017-18

BALANCE SHEET AS AT 31st March, 2018

(Amount in ₹)

PARTICULARS	Note No	As At March 31,2018	As At March 31,2017
I EQUITIES AND LIABILITIES			
1 SHARE HOLDER'S FUND			
Share Capital	1	82,000,000	82,000,000
Reserves & Surplus	2	185,147,963	155,088,772
		267,147,963	237,088,772
2 NON CURRENT LIABILITIES			
Long Term Borrowings	3	47,037,565	66,413,944
Deferred Tax Liability	4	44,075,665	42,697,499
		91,113,230	109,111,443
3 CURRENT LIABILITIES			
Short Term Borrowings	5	72,955,189	201,166,575
Trade Payables	6	9,073,613	2,417,286
Other Current Liabilities	7	62,432,055	46,523,876
Short Term provisions	8	20,662,990	11,405,671
		165,123,847	261,513,408
Total		523,385,040	607,713,623
II ASSETS			
1 NON CURRENT ASSETS			
Fixed Assets	9		
i) Tangible Assets		273,595,855	285,060,255
ii) Capital Work in Progress		1,440,448	4,345,671
Non Current Investments	10	28,300	28,300
Long Term Loans and Advances	11	11,551,000	2,300,000
Other Non Current Assets	12	2,841,216	3,776,670
		289,456,819	295,510,896
2 CURRENT ASSETS			
a) Inventories	13	79,668,821	163,585,692
b) Trade Receivables	14	9,050,423	334,598
c) Cash & Cash equivalents	15	2,394,027	2,548,338
d) Short term Loans & Advances	16	142,669,273	145,734,099
e) Other Current Assets	17	145,677	-
		233,928,221	312,202,727
Total		523,385,040	607,713,623

The accompanying notes 1 to 24 are an integral part of these Financial Statements.

As per our report of even date

For Natesh & Associates

Chartered Accountants

FRN 106957W

Ramamurthi Natesh

Proprietor

M. NO. 036481

Place: Aurangabad

Date: 25th May 2018

For and on behalf of the Board of Directors

Amardeepsingh Sethi

Chairman & Whole Time Director

DIN:00097644

Jagjitkaur Sethi

Director

DIN:01825035

Chetan Kumbhojkar

Company Secretary

Uday Hemade

Chief Financial Officer

Aurangabad Distillery Limited
Financial Statements 2017-18

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31st March, 2018

(Amount in ₹)

Particulars	Note No	Year ended March 31,2018	Year Ended March 31,2017
I Revenue			
Revenue from Operations	17	501,204,316	408,778,812
Other income	18	5,566,243	336,533
Total Revenue		506,770,559	409,115,345
II Expenses			
Cost of Material Consumed	19	327,630,845	227,630,742
Change in inventory of Finish Stock	20	(8,512,492)	3,099,303
Stock in Progress			
Employee Benefit Expenses	21	15,192,974	14,981,547
Financial Expenses	22	21,396,363	21,773,122
Depreciation & Amortisation Expenses	23	21,095,615	19,311,718
Other Expenses	24	89,912,362	108,768,081
Total Expense		466,715,667	395,564,513
III Profit before Tax		40,054,892	13,550,832
IV Tax Expense			
Current Tax		12,170,000	2,750,000
Earlier Year Tax		76,966	851,628
Deferred Tax		1,378,166	3,105,114
Mat Credit Entitlements		(3,629,431)	-
		9,995,701	6,706,742
V Profit After Tax For the Year		30,059,191	6,844,090
VI Earnings per Equity Share of Face Value of Rs.10/- Each			
Basic		3.67	0.98
Diluted		3.67	0.98

The accompanying notes 1 to 24 are an integral part of these Financial Statements.

As per our report of even date

For Natesh & Associates

Chartered Accountants

FRN 106957W

Ramamurthi Natesh

Proprietor

M. NO. 036481

Place: Aurangabad

Date:25th May 2018

For and on behalf of the Board of Directors

Amardeepsingh Sethi

Chairman & Whole Time Director

DIN:00097644

Jagjitkaur Sethi

Director

DIN:01825035

Chetan Kumbhojkar

Company Secretary

Uday Hemade

Chief Financial Officer

Cash Flow Statement for the Year Ended 31 March ,2018

PARTICULARS	Year Ended March 31,2018	Year Ended March 31,2017
A.CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit After Tax as per Profit & Loss Account	30,059,191	6,844,089
Adjusted For:		
Derpreciation Expense	20,160,161	18,376,264
Miscellaneous Expenditure	935,454	(3,704,486)
Interest Income	(5,521,024)	(310,245)
Interest Paid	20,258,074	20,268,024
Loss on Sale of Fixed Assets	-	-
Deferred Tax	1,378,166	3,105,114
	<u>37,210,831</u>	<u>37,734,671</u>
Operating Profit Before Working Capital Changes	67,270,022	44,578,760
Adjusted For:		
(Increase)/Decrease in Trade & Other Receivables	(8,715,825)	952,523
(Increase)/Decrease in Inventories	83,916,871	(124,672,876)
(Increase)/Decrease in Other Current assets	(145,677)	
Increase/(Decrease) in Trade Payable	6,656,327	(1,999,604)
Increase/(Decrease) in Other Current Liabilities and Provisions	25,165,498	(485,958)
	<u>106,877,194</u>	<u>(126,205,915)</u>
Net Cash Flow From Operating Activities (A)	<u>174,147,216</u>	<u>(81,627,155)</u>
B.CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(5,790,538)	(16,202,257)
Sale of Fixed Assets	-	-
Purchase of Investments	-	-
Interest Received	5,521,024	310,245
Movement in Loans & Advances	(6,186,174)	18,428,292
Net Cash Flow From Investing Activities (B)	<u>(6,455,688)</u>	<u>2,536,280</u>
C.CASH FLOW FROM FINANCING ACTIVITIES		
Long Term Borrowings	(19,376,379)	(40,684,681)
Short Term Borrowings	(128,211,386)	43,354,520
Dividend Paid	-	-
Interest on Term Loans & Others Paid	(20,258,074)	(20,268,024)
Proceeds from Issue of Equity Shares/ Share Warrants (Including Premium)	-	77,000,000
Net Cash Flow From Financing Activities (C)	<u>(167,845,839)</u>	<u>59,401,815</u>

Aurangabad Distillery Limited
Financial Statements 2017-18

Cash Flow Statement for the Year Ended 31 March ,2018

PARTICULARS	Year Ended March 31,2018	Year Ended March 31,2017
Net Change in Cash & Cash Equivalents (A+B+C)	(154,311)	(19,689,060)
Cash & Cash Equivalents at beginning of the year	2,548,338	22,237,397
Cash & Cash Equivalents at end of the year	2,394,027	2,548,338

Note:

- Figures in Brackets represent Cash Outflow.
- Previous Year Figures Regrouped wherever necessary.

As per our report of even date

For Natesh & Associates

Chartered Accountants

FRN 106957W

Ramamurthi Natesh

Proprietor

M. NO. 036481

Place: Aurangabad

Date: 25th May 2018

For and on behalf of the Board of Directors

Amardeepsingh Sethi

Chairman - Whole Time Director

DIN:00097644

Jagjitkaur Sethi

Director

DIN:01825035

Chetan Kumbhojkar

Company Secretary

Uday Hemade

Chief Financial Officer

Notes on Financial Statements for the Year Ended 31 March ,2018

1. SHARE CAPITAL

(Amount in ₹)

Particulars	As at March 31,2018	As at March 31,2017
Authorised Share Capital :		
9,000,000 Equity Shares of Rs.10 each (Previous year 9000000 shares of Rs.10 each)	90,000,000	90,000,000
Issued , Subscribed and Paid Up		
8,200,000 Equity Shares of Rs.10 each (Previous year 8200000 shares of Rs.10 each)	82,000,000	82,000,000
TOTAL	82,000,000	82,000,000

1.1 Reconciliation of shares outstanding at the beginning and at the end of the year

Equity Shares

At the beginning of the year	8,200,000	2,000,000
(+) Bonus Issue	Nil	4,000,000
(+) Issue during the year	Nil	2,200,000
Outstanding at the end of the year	8,200,000	8,200,000

1.2 The details of shareholders holding more than 5% Equity Shares :

Name of Shareholder	As at 31 March 2018		As at 31 March 2017	
	No. of Shares	% held	No. of Shares	% held
Amardeepsing T Sethi	525000	6.40%	525000	6.40%
Baljit R Sethi	525000	6.40%	525000	6.40%
Dharampal Kalani	990000	12.07%	990000	12.07%
Hiralal Kalani	990000	12.07%	990000	12.07%
Jagjit T Sethi	525000	6.40%	525000	6.40%
Kanayalal Kalani	1020000	12.44%	1020000	12.44%
Ramanjit H Sethi	525000	6.40%	525000	6.40%

Notes on Financial Statements for the Year Ended 31 March ,2018

2. RESERVE AND SURPLUS

(Amount in ₹)

PARTICULARS	As at March 31,2018	As at March 31,2017
a.Capital Reserve		
As per Last Balance Sheet	-	-
Add: Current year Transfer	-	-
	-	-
b.Securities Premium		
As per Last Balance Sheet	55,000,000	-
Add : Received during the year	-	55,000,000
	55,000,000	55,000,000
c.General Reserve		
As per Last Balance Sheet	-	-
Add: Transfer from Profit and Loss Account	-	-
	-	-
d.Profit & Loss Account		
As per Last Balance Sheet	100,088,772	133,244,682
Add :Profit for the year	30,059,191	6,844,090
Less: Appropriations/Adjustments		
Proposed Dividend		
Dividend Tax		
Transfer to General Reserve		
Bonus Issue	-	40,000,000
	130,147,963	100,088,772
TOTAL	185,147,963	155,088,772

3. LONG TERM BORROWINGS

(Amount in ₹)

PARTICULARS	As at March 31,2018	As at March 31,2017
SECURED		
Term Loan from Banks		
Term Loan facilities from ICICI Bank Ltd.	1,101,078	2,446,852
Term Loan facilities from HDFC Bank	45,936,487	63,967,092
TOTAL	47,037,565	66,413,944

Notes on Financial Statements for the Year Ended 31 March ,2018

3.1 Term Loans from ICICI Bank Ltd (Vehicle Loan)

i) Vehicle Loan are secured by respective vehicle. The same is repayable in 60 Equated monthly installments of Rs.63750/- .Amount payable within one year is Rs.765000/-.

3.2 Term Loans from HDFC Bank Ltd are secured by way of:

Primary : Stock , Book Debts and Plant & Machinery

Collateral : Industrial property at Gat No.45/2 ,47/2 and 50/2 , Walchandnagar, Taluka Indapur, Dist.Pune ,Village Rangaon (Ranmodwadi) , Walchandnagar along with Personal Guarantee of Director

4.DEFERRED TAX LIABILITY

(Amount in ₹)

PARTICULARS	As at March 31,2018	As at March 31,2017
Deferred Tax Liability	44,075,665	42,697,499
TOTAL	44,075,665	42,697,499

5.SHORT TERM BORROWINGS

PARTICULARS	As at March 31,2018	As at March 31,2017
SECURED		
Working Capital Loans from :		
HDFC Bank Ltd	72,955,189	95,887,474
UNSECURED		
Metri Spirits Private Limited	-	47,403,843
Satyam Spirits Private Limited	-	57,875,258
TOTAL	72,955,189	201,166,575

4.1 Working Capital limits from are secured by way of :

Primary : Stock , Book Debts and Plant & Machinery

Collateral : Industrial property at Gat No.45/2 ,47/2 and 50/2 , Walchandnagar, Taluka Indapur, Dist.Pune ,Village Rangaon (Ranmodwadi) , Walchandnagar along with Personal Guarantee of Director

Notes on Financial Statements for the Year Ended 31 March ,2018

6. TRADE PAYABLE

PARTICULARS	As at March 31,2018	As at March 31,2017
Micro , Medium and Small Enterprises	-	-
Other Creditors	9,073,613	2,417,286
TOTAL	9,073,613	2,417,286

7. OTHER CURRENT LIABILITIES

PARTICULARS	As at March 31,2018	As at March 31,2017
Current Maturities of Long Term Debt	25,261,236	25,273,668
Expenses Payable	16,146,025	1,619,578
Creditors for Capital Expenditure	711,200	689,064
Creditors for Other Expenses	12,682,605	17,018,557
Advance from Customer	7,630,989	1,923,009
TOTAL	62,432,055	46,523,876

8. SHORT TERM PROVISION

(Amount in ₹)

PARTICULARS	As at March 31,2018	As at March 31,2017
Provision for Employee Benefits	8,492,990	8,655,671
Other Provision		
Provision For Income Tax	12,170,000	2,750,000
TOTAL	20,662,990	11,405,671

Notes on Financial Statements for the Year Ended 31 March ,2018

9. FIXED ASSETS

(Amount in Rs)

PARTICULARS	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
	Opening Balance	Addition	Deduction	Closing Balance	Depr. Rate %	up to 31.3.2017	for the year	up to 31.03.2018	As on 31.03.2018	As on 31.3.2017
Factory Building	25,314,555	-	-	25,314,555	3.17%	8,312,708	802,471	9,115,179	16,199,376	17,001,847
Office Building	3,474,966	310,550	-	3,785,516	1.58%	539,961	58,883	598,844	3,186,672	2,935,005
Temporary Sheds for Bagasse	1,137,451	-	-	1,137,451	31.67%	270,173	360,231	630,404	507,047	867,278
Plant & Machinery	369,021,855	8,385,210	-	377,407,065	4.75%	111,918,146	17,822,592	129,740,738	247,666,327	257,103,709
Vehicle	8,330,945	-	-	8,330,945	9.50%	2,646,178	791,440	3,437,618	4,893,327	5,684,767
Tractor	1,509,296	-	-	1,509,296	11.88%	530,623	179,304	709,927	799,369	978,673
Office Equipments	371,330	-	-	371,330	19.00%	199,014	70,553	269,567	101,763	172,316
Furniture & Fittings	472,950	-	-	472,950	9.50%	186,047	44,930	230,977	241,973	286,903
Computers	208,284	-	-	208,284	31.67%	178,526	29,757	208,283	1	29,757
TOTAL RS.	409,841,632	8,695,760	-	418,537,392	-	124,781,376	20,160,161	144,941,537	273,595,855	285,060,255
Capital Work in Progress	4,345,671	5,903,332	8,808,555	1,440,448	-	-	-	-	1,440,448	4,345,671
GRAND TOTAL RS.	414,187,303	14,599,092	8,808,555	419,977,840		124,781,376	20,160,161	144,941,537	275,036,303	289,405,926
Previous year Rs.	397,985,046	49,427,513	33,255,256	414,187,303		106,405,112	18,376,264	124,781,376	289,405,926	-

Aurangabad Distillery Limited
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Details of Addition during the year ended on 31st March 2018

Description	Date of acquisition	Date of Capitalisation	Capitalised amount	No. of Days	Rate	Depn 31-Mar-18
Office Building						1.58%
Opening		08-Jun-17	18,315	296		235
Plywood for Office renovation	04-Apr-17	08-Jun-17	156,326	296		2,003
Glass for Office cabin	08-Apr-17	08-Jun-17	7,100	296		91
Material Making	12-Apr-17	08-Jun-17	23,924	296		307
Glass for Office Table	22-Apr-17	08-Jun-17	6,340	296		81
Goods Return	02-May-17	08-Jun-17	(1,455)	296		(19)
Furniture making Charges	05-Jun-17	08-Jun-17	100,000	296		1,281
TOTAL			310,550			3,979
Plant and Machinery						4.75%
R S Vat	Opening	20-Jul-17	1,194,203	254		39,474
Interest Capitalised		20-Jul-17	50,385	254		1,665
SUB TOTAL			1,244,588			41,140
Spirit Storage Tank Foundation						4.75%
Opening		20-Jul-17	323,330	254		10,688
3.50 Brass 20mm Stones	18-Apr-17	20-Jul-17	8,000	254		264
3.50 Brass 20mm Stones	18-Apr-17	20-Jul-17	28,900	254		955
Centric work	08-May-17	20-Jul-17	10,829	254		358
Centric work	30-May-17	20-Jul-17	23,623	254		781
Excavation and Civil Work	05-Jun-17	20-Jul-17	240,253	254		7,942
Fabrication and erection	10-Jun-17	20-Jul-17	286,824	254		9,481
Fabrication and erection	10-Jun-17	20-Jul-17	286,825	254		9,481
Fabrication and erection	15-Jun-17	20-Jul-17	282,942	254		9,353
Goods Return	28-Jun-17	20-Jul-17	(111,340)	254		(3,680)
Interest capitalised		20-Jul-17	58,232	254		1,925
SUB TOTAL			1,438,418			47,547
Spirit Storage Tank						4.75%
Opening		20-Jul-17	2,809,823	254		92,878
R S Storage tank	12-Apr-17	20-Jul-17	25,690	254		849
Steel	22-Apr-17	20-Jul-17	45,030	254		1,488
Calibration	15-May-17	20-Jul-17	82,800	254		2,737
Calibration	10-Jul-17	20-Jul-17	67,275	254		2,224
Interest capitalised		20-Jul-17	127,868	254		4,227
SUB TOTAL			3,158,486			104,403

Aurangabad Distillery Limited
Financial Statements 2017-18

Details of Addition during the year ended on 31st March 2018

Description	Date of acquisition	Date of Capitalisation	Capitalised amount	No. of Days	Rate	Depn 31-Mar-18
Fire Hydrant System						4.75%
M S pipe ,Electric control panel, 68 hp Engine Battery charges etc	23-May-17	30-May-17	950,780	305		37,738
Main Fire pump , Diesel engine, Jockey Pump etc	23-May-17	30-May-17	577,700	305		22,930
Pressure Gage , Pressure Switch, Butterfly Valve etc	23-May-17	30-May-17	562,350	305		22,321
Labour Charges	23-May-17	30-May-17	452,888	305		17,976
SUB TOTAL			<u>2,543,718</u>			<u>100,965</u>
TOTAL			<u>8,385,210</u>			<u>294,054</u>
WIP Plant and Machinery						
New Storage Tank						
New Storage tank	31-Mar-18		1,409,778			1,409,778
Transport Inward	31-Mar-18		30,670			30,670
TOTAL			<u>1,440,448</u>			<u>1,440,448</u>

Notes on Financial Statements for the Year Ended 31 March ,2018

10. NON CURRENT INVESTMENTS

(Amount in ₹)

PARTICULARS	As at March 31,2018	As at March 31,2017
Non Trade Investment		
Unquoted (At Cost)		
-in The Saraswat Co-op Bank Ltd	26,300	26,300
- National Savings Certificate	2,000	2,000
TOTAL	28,300	28,300

11. LONG TERM LOANS AND ADVANCE

PARTICULARS	As at March 31,2018	As at March 31,2017
Advance For Capital Goods	11,551,000	2,300,000
TOTAL	11,551,000	2,300,000

12. OTHER NON CURRENT ASSETS

PARTICULARS	As at March 31,2018	As at March 31,2017
Miscellaneous Expenditure		
Preliminary Expenditure not written off	2,841,216	3,776,670
TOTAL	2,841,216	3,776,670

13. INVENTORIES

PARTICULARS	As at March 31,2018	As at March 31,2017
Raw Materials	54,611,247	147,040,610
Work In Progress	3,365,973	2,803,774
Finished Goods	21,691,601	13,741,308
TOTAL	79,668,821	163,585,692

14. TRADE RECEIVABLES

PARTICULARS	As at March 31,2018	As at March 31,2017
(Unsecured & Considered Good)		
Over Six Months	-	-
Others	9,050,423	334,598
TOTAL	9,050,423	334,598

Notes on Financial Statements for the Year Ended 31 March ,2018

15.CASH & CASH EQUIVALENTS

(Amount in ₹)

PARTICULARS	As at March 31,2018	As at March 31,2017
Balances with Banks	929,590	957,708
Cash Balances	764,437	430,126
Fixed Deposits with Banks	700,000	1,160,504
TOTAL	2,394,027	2,548,338

16.SHORT TERM LOANS AND ADVANCES

PARTICULARS	As at March 31,2018	As at March 31,2017
Balances with Statutory Authorities	44,939,964	56,625,995
Advance Income Tax	5,517,773	2,018,604
Advance to Staff	93,000	92,000
Prepaid Expenses	5,417,644	2,005,619
Deposits Given	2,621,723	2,743,318
Other Short Term Loans and Advances	84,079,169	82,248,563
TOTAL	142,669,273	145,734,099

17.OTHER CURRENT ASSETS

PARTICULARS	As at March 31,2018	As at March 31,2017
Interest Receivable	145,677	-
TOTAL	145,677	-

Notes on Financial Statements for the Year Ended 31 March ,2018

17.REVENUE FROM OPERATIONS

(Amount in ₹)

PARTICULARS	As at March 31,2018	As at March 31,2017
Sale Of Finished Goods:		
Details of Sale		
- Denatured Alcohol (SDS)	66,839,991	77,739,007
- Rectified spirit	426,146,000	330,102,925
- Carbon Dioxide	-	936,880
- Others	8,218,325	-
TOTAL	501,204,316	408,778,812

18.OTHER INCOME

PARTICULARS	As at March 31,2018	As at March 31,2017
Interest Income	5,521,024	310,245
Other Operating Income	45,219	26,288
TOTAL	5,566,243	336,533

19.COST OF MATERIAL CONSUMED

PARTICULARS	As at March 31,2018	As at March 31,2017
Opening stock of Raw Materials	147,040,610	19,268,430
Add : Purchases	235,201,482	355,402,922
	382,242,092	374,671,352
Less : Closing stock of Raw Material	54,611,247	147,040,610
TOTAL	327,630,845	227,630,742

20.CHANGE IN INVENTORIES OF FINISHED GOODS,STOCK IN PROGRESS

(Amount in ₹)

PARTICULARS	As at March 31,2018	As at March 31,2017
Opening Stock		
Work in Progress	2,803,774	3,853,691
Finished goods	13,741,308	15,790,694
	16,545,082	19,644,385
Closing Stock		
Work in Progress	3,365,973	2,803,774
Finished goods	21,691,601	13,741,308
	25,057,574	16,545,082
TOTAL	(8,512,492)	3,099,303

Notes on Financial Statements for the Year Ended 31 March ,2018

21.EMPLOYEE BENEFIT EXPENSES

PARTICULARS	As at March 31,2018	As at March 31,2017
Salary & Wages (Including Bonus)	13,909,629	13,903,097
Contribution to Provident and Other Funds	1,179,515	900,450
Staff Welfare Expenses	103,830	178,000
TOTAL	15,192,974	14,981,547

22.FINANCE COST

PARTICULARS	As at March 31,2018	As at March 31,2017
Bank Charges	1,138,289	1,505,098
Interest on Working Capital	7,090,545	11,503,309
Interest - Term Loans	7,202,617	5,675,714
Interest - Others	5,964,912	3,089,001
TOTAL	21,396,363	21,773,122

23.DEPRECIATION AND AMORTISATION EXPENSE

PARTICULARS	As at March 31,2018	As at March 31,2017
Depreciation	20,160,161	18,376,264
Preliminary Expense Written Off	935,454	935,454
TOTAL	21,095,615	19,311,718

Notes on Financial Statements for the Year Ended 31 March ,2018

24.OTHER EXPENSES

PARTICULARS	As At March 31,2018		As At March 31,2017	
Manufacturing Expenses				
Power and Fuel	48,838,657		70,032,745	
Water Charges	5,752,102		12,054,815	
Pollution Control Expenses	86,200		257,740	
Freight Charges	16,806,630		10,125,199	
Repairs & Maintenance	1,808,420		2,285,555	
Other Manufacturing Expenses	7,593,839		6,891,296	
		80,885,848		101,647,350
Administrative & Other Expenses				
Auditors Remuneration	70,500		139,500	
Insurance Expenses	530,849		479,530	
Office & General expenses	871,549		918,686	
Legal & Professional Fees	2,389,684		1,338,454	
Taxes and Duties	4,744,548		4,058,901	
Sales Promotion & Conference Expenses	72,491		10,000	
Travelling & conveyance	346,893		175,660	
		9,026,514		7,120,731
TOTAL		89,912,362		108,768,081

Notes on Financial Statements for the Year Ended 31 March ,2018

1.Contingent Liabilities & Commitments :

(in Lakhs)

Particulars	2017-18
Commitments :	
Estimated amounts of contracts remaining to be executed and not provided for (Net of Advances Paid Rs.115.51)	2,840
Total	2,840

2.Deferred Tax

The major components of Deferred Tax assets and Liabilities on account of timing differences are as follows:

Particulars	2017-18	2016-17
Depreciation Deferred Tax Liability created for the year	1,348,506	2,893,039
Deferred Tax Asset created during the year	316,155	302,932
Deferred Tax Asset Reversed	345,815	515,007
Closing Deferred tax Liability for the year	1,378,166	3,105,114

3.Earning Per Share

Particulars	2017-18	2016-17
Nominal value of equity shares	10	10
Profit after Tax	30,059,191	6,844,090
Weighted average number of equity shares	8,200,000	6,994,521
Basic and Diluted Earning per share	3.67	0.98

4.Related Party Disclosure

(i) List of Related Parties

S.No	Name of Related Party	Relationship
1	Brihan Karan Sugars Syndicate Pvt Ltd	Enterprises over which relative of Key Management are able to exercise significant influence
2	Karan Bottling Company Pvt Ltd	Enterprises over which relative of Key Management are able to exercise significant influence
3	Karan Agencies	Enterprises over which relative of Key Management are able to exercise significant influence
4	Master Blenders Pvt Ltd	Enterprises over which of Key Management are able to exercise significant influence
5	Nevitad Distilleries Pvt Ltd	Enterprises over which relative of Key Management are able to exercise significant influence
6	Satyam Spirits Pvt Ltd	Enterprises over which relative of Key Management are able to exercise significant influence
7	Metri Spirits Pvt Ltd	Enterprises over which relative of Key Management are able to exercise significant influence
8	Dharampal Kalani	Key Managerial Personnel
9	Amardeepsingh Sethi	Key Managerial Personnel

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(ii) Transactions during the year with Related Parties :

Sr.No	Name of Party	Nature of Transaction	Amount in Rs.
1	Brihan Karan Sugars Syndicate Pvt Ltd	Sale of Rectified Spirits	89,881,320
2	Karan Bottling Company Pvt Ltd	Sale of Rectified Spirits	87,178,400
3	Karan Agencies	Sale of Rectified Spirits	18,223,952
4	Master Blenders Pvt Ltd	Sale of Rectified Spirits	13,931,380
5	Nevitad Distilleries Pvt Ltd	Sale of Rectified Spirits	23,127,000
6	Satyam Spirits Pvt Ltd	Loans & Advances	9,105,000
7	Metri Spirits Pvt Ltd	Loans & Advances	5,000,000
8	Dharampal Kalani	Remuneration	1,200,000
9	Amardeepsingh Sethi	Remuneration	1,200,000

(iii) Balances as at 31.03.2018

Sr.No	Nature	Name of Party	Amount in Rs. Debit /(Credit)
1	Sale of Rectified Spirits	Brihan Karan Sugars Syndicate Pvt Ltd	(1,220,339)
2	Sale of Rectified Spirits	Karan Bottling Company Pvt Ltd	(1,213,600)
3	Sale of Rectified Spirits	Karan Agencies	(215,048)
4	Sale of Rectified Spirits	Master Blenders Pvt Ltd	6,373,880
5	Sale of Rectified Spirits	Nevitad Distilleries Pvt Ltd	(573,000)

5.Auditor's Remuneration and Expenses

Particulars	2017-18	2016-17
(i) Statutory and Tax Audit Fees	70,500	102,700
(ii) Consultation and Certification	-	8,050
(iii) Other Services and Expenses Reimbursed	-	28,750
	70,500	139,500

6.Previous year's figures have been regrouped/recast wherever necessary to correspond with the current year's classification disclosure.

For Natesh & Associates

Chartered Accountants
FRN 106957W

Ramamurthi Natesh
Proprietor
M. NO. 036481
Place : Aurangabad
Date: 25th May 2018

For and on behalf of the Board of Directors

Dharampal Kalani
Managing Director
DIN: 00041021

Chetan Kumbhojkar
Company Secretary

Amardeepsingh Sethi
Director
DIN:00097644

Uday Hemade
Chief Financial Officer

Significant Accounting Policies and Notes

A. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention, on the basis of going concern assumption in accordance with Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

B. Use of Estimates

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

C. Fixed Assets

Fixed Assets are stated at cost net recoverable taxes including any cost directly attributable for bringing the assets to its working condition for its intended use less accumulated depreciation.

Projects under which assets are not ready for their intended use are disclosed under Capital Work in Progress.

D. Depreciation

Depreciation has been charged on fixed assets on Straight-Line Method basis. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

E. Investments

Current Investments are carried at lower of cost and fair value. Non-Current Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

F. Inventories

Item of Inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any. The cost of work in progress and finished goods is determined on absorption cost price which comprises of cost of purchase, cost of conversion, and other manufacturing overheads incurred in bringing them to their respective present location and condition.

G. Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue on sale of goods is recognized on passing of title to customers, Sales are excluding of VAT, Excise duty and adjustment for rate difference.

H .Employee Benefits

Defined Contribution Plan

The company makes contributions towards provident fund and superannuation fund to a defined contribution retirement benefit plan for qualifying employees. The Provident fund plan is operated by the Regional Provident Fund Commissioner. Under the schemes, the company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

Defined Benefit Plan

Company's liabilities towards gratuity, leave encashment of unavailed leave on retirement are determined on basis of valuations approved by management.

I. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit & Loss account.

J. Earning Per Share

Basic Earning per share is computed by dividing the net profit attributable to Equity Shareholders for the year , by weighted average number of equity shares outstanding during the year. Diluted earning per share is computed using weighted average number of equity shares outstanding at year-end.

K. Provision for Current & Deferred Tax

Provision for current tax is made after taking into account benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "Timing Difference" between taxable incomes & accounting income is accounted for using the tax rates and laws that are enacted or substantially enacted as on the balance sheet date.

L. Provisions, Contingent Liabilities & Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.