

# SOM DISTILLERIES & BREWERIES LIMITED

Cash Flow Statement for The Year Ended 31st March 2015

Particulars	Year Ended 31 March, 2015	Year Ended 31 March, 2014
<b>Cash flow from operating activities</b>		
Profit before Tax	254,510,285	254,823,087
<b>Non-cash adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation on continuing operations	39,069,954	48,084,766
Interest Expense	23,479,534	1,679,049
Dividend Income	(7,334,323)	(1,795,619)
<b>Operating profit before working capital changes</b>	<b>309,725,450</b>	<b>302,791,283</b>
<b>Movements in working capital:</b>		
Increase/(decrease) in trade payables	20,255,276	(44,676,640)
Increase/(decrease) in short term provisions	48,593,509	(23,832,906)
Increase/(decrease) in other current liabilities	123,897,176	(107,995,142)
Increase/(decrease) in other long term liabilities	9,989,000	200,000
Decrease/(increase) in trade receivables	(255,859,547)	152,618,584
Decrease/(increase) in inventories	(107,965,826)	147,519,790
Decrease/(increase) in long term loan & advances	(8,491,462)	(778,815)
Decrease/(increase) in Short loan & advances	(156,425,287)	(333,821,229)
<b>Cash generated from/(used in) operations</b>	<b>(16,281,711)</b>	<b>92,024,925</b>
Direct Taxes Paid (net of refunds)	(95,641,102)	(50,975,726)
<b>Net Cash flow from/(used in) operating activities (A)</b>	<b>(111,922,813)</b>	<b>41,049,199</b>
<b>Cash flow from Investing activities</b>		
Purchase of fixed assets, CWIP and capital advances	(31,003,634)	(16,182,060)
Proceeds from sale of fixed assets		1,684,784
Proceeds from sale/maturity of current investment		
Dividend Received	7,334,323	1,795,619
<b>Net Cash flow from/(used in) Investing activities (B)</b>	<b>(23,669,311)</b>	<b>(12,701,657)</b>
Long term borrowings	547,527,694	(50,940,412)
Interest paid	(23,479,534)	(1,679,049)
Dividend paid	(41,283,600)	(41,283,600)
Dividend distribution tax	(8,404,370)	(7,016,148)
<b>Net Cash flow from/(used in) Financing activities (C)</b>	<b>474,360,191</b>	<b>(100,919,209)</b>
Net increase/(decrease) in cash and cash equivalents	338,768,066	(72,571,667)
Cash and cash equivalents at the beginning of the year	63,530,345	136,102,013
<b>Cash and cash equivalents at the end of the year</b>	<b>402,298,411</b>	<b>63,530,346</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	20,696,919	35,515,260
With Banks - on current account	363,651,383	20,749,872
With Banks - on deposit account	17,950,109	7,265,213
<b>Total Cash and cash equivalents</b>	<b>402,298,411</b>	<b>63,530,345</b>

For and on Behalf of the Board

Rajesh Dubey  
(Chief Financial Officer)

Mayank Bhaduria  
(Company Secretary)

D.N. Singh  
(Director)

S.Lal  
(Chairman & Managing Director)

This is the Cash Flow Account referred to in our Report of even date

For K.C. KHANNA & CO.  
Chartered Accountants  
Firm Registration No: 000481 N

Harsha Chandra  
Partner  
Membership No. 080489

Bhopal  
Dated: 27th July, 2015

## NOTES TO THE FINANCIAL STATEMENTS (Year Ended 31.03.2015)

### (1) Company Information

Som Distilleries & Breweries Ltd. is a Public company domiciled in India and incorporated under the provisions of Companies Act, 1956. Its shares are listed on NSE and BSE. The Company is engaged in the manufacture and sale of Beer and Indian made foreign Liquor (IMFL). The Company is a market leader in Beer in the state of Madhya Pradesh. The company caters to both domestic and international markets.

### (2) Significant Accounting Policies

#### 2.1 Basis for preparation of accounts

These financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 70 days for the purpose of current/non-current classification of assets and liabilities.

#### 2.2 Revenue Recognition

All revenues are generally recognized on accrual basis except where there is uncertainty of ultimate realisation.

### 2.3 Expenditure

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

### 2.4 Fixed Assets and depreciation

Fixed assets other than land (including site development) are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost (freight, duties, levies etc.) of bringing the asset to its working condition for its intended use and capitalization of interest and other expenses incurred upto the date of commissioning.

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the labour quarters where useful life is different than those prescribed in Schedule II are used.

### 2.5 Impairment of Asset

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment of the assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the asset exceeds the recoverable amount.

### 2.6 Inventories

Inventories are stated at lower of cost and net realizable value. Costs are arrived at as follows:

- Raw materials, components, packing material, stores and spares on first in first out basis.
- Stock in process and finished goods taking into account the annual average cost of materials consumed, direct production expenses, interest, depreciation and related Government duties.



Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

## 2.7 Foreign Currency Transaction

Transactions denominated in foreign currency are recorded at the exchange rates prevailing on the date of the transactions.

Current assets and liabilities in foreign currency are converted at the exchange rate prevailing at the year end and exchange differences are recognized in the Profit and Loss Account.

## 2.8 Retirement and Other Employee Benefits

### Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

These benefits include performance incentive and compensated absences.

### Post-Employment Benefits

#### Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund.

The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

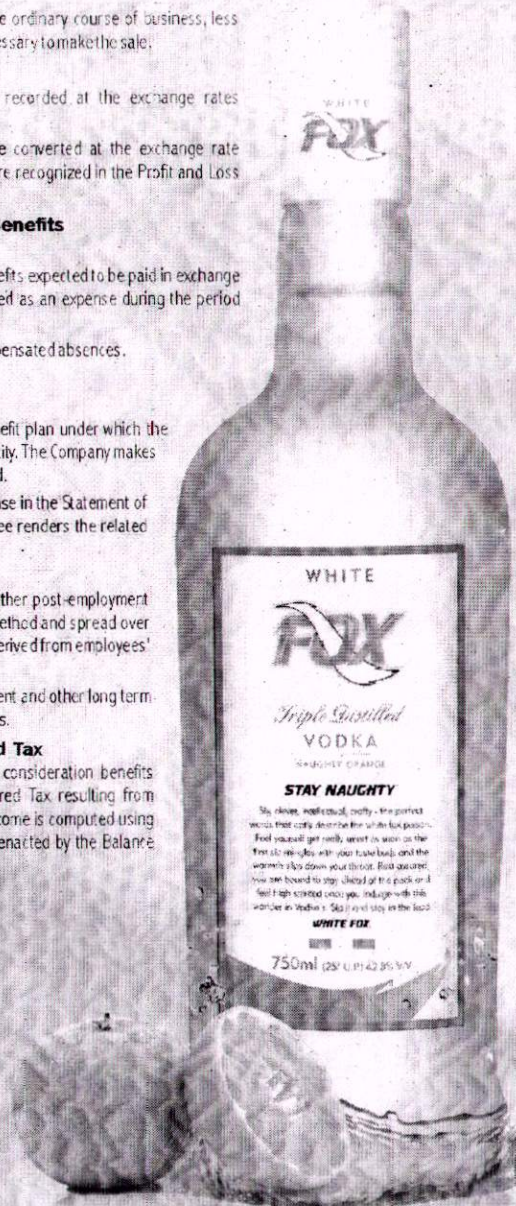
#### Defined Benefit Plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Statement of Profit and Loss.

## 2.9 Provision for Current and Deferred Tax

Provision for Current Tax is made after taking into consideration benefits admissible under the Income Tax Act, 1961. Deferred Tax resulting from 'timing difference' between taxable and accounting income is computed using tax rates and laws that are enacted or substantively enacted by the Balance Sheet date.



## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

	As At 31.03.2015	As At 31.03.2014
<b>[3] Share Capital</b>		
<b>Authorized</b>		
3,50,00,000 Equity Shares of Rs. 10 each	350,000,000	350,000,000
<b>Issued, Subscribed and Fully Paid</b>		
2,75,22,400 Equity Shares of Rs. 10 each	275,224,000	275,224,000

### Terms/Rights attached to the class of shares.

(a) The company has one class of equity shares having par value of Rs. 10 per Share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after the distribution of all preferential amounts in proportion to their shareholding.

### (b) Details of Shareholders holding more than 5% Shares in the Company.

NAME OF SHARE HOLDERS	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	%	No. of Shares	%
Som Distilleries Private Limited	2,994,658	10.881%	2,926,508	10.63%
Sh. Jagdish Kumar Arora	1,809,117	6.57%	1,809,117	6.57%

	As At 31.03.2015	As At 31.03.2014
<b>[4] Reserves &amp; Surplus</b>		
<b>Capital Reserve</b>	3,930,000	3,930,000
(Amount forfeited against share warrants)		
<b>Securities Premium Reserve</b>	122,111,040	122,111,040
<b>Surplus - In Statement of Profit &amp; Loss</b>		
Balance as per last Financial Statement	672,260,990	517,549,874
Less: Adjustment in value of Fixed Assets	3,760,883	-
(As per Schedule-II of Companies Act, 2013)		
Add: Profit for the year	161,694,433	203,010,864
Amount available for appropriation	<b>830,194,540</b>	<b>720,560,738</b>
<b>Less:</b>		
Proposed Dividend	41,283,600	41,283,600
Dividend Distribution Tax	8,404,370	7,016,148
<b>Balance at the end of the year</b>	<b>780,506,570</b>	<b>672,260,990</b>
<b>Total Reserves &amp; Surplus</b>	<b>906,547,610</b>	<b>798,302,030</b>



# NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

[5] Long Term Borrowings		As At 31.03.2015	As At 31.03.2014
(i) IFCI Venture Capital Ltd. (Unsecured)	78,750,000	45,049,931	
(iii) IFCI Ltd. (Secured)	200,000,000		
(iiii) Vehicle Loans (Secured)			
(Secured by Hypothecation of respective Vehicles)			
(a) From Banks	7,524,185	8,992,617	198,617
(b) From Others	-	54,241,165	
<b>Grand Total</b>	<b>286,274,185</b>	<b>54,241,165</b>	

(a) Loan from IFCI Venture Capital Fund Ltd. is secured by personal guarantees of promoters and collaterals given by associates.

(b) Loan from IFCI Ltd. is secured by mortgage of land and hypothecation of the factory plant & machinery.

(c) Interest on vehicle loans varies from 8.5% to 12.75% p.a. Tenor of these loans ranges from 3 to 5 years. Respective vehicles have been hypothecated to the lending institutions to secure their loans. Repayment of these loans is regular as per the fixed equated monthly instalments.

as per the fixed equated monthly instalments.

[6] Deferred Tax Liability (Net)		As At 31.03.2015	As At 31.03.2014
Difference between depreciation as per books of account and the Income Tax Act 1961.	132,831,289	135,623,510	
<b>Gross Deferred Tax Liability</b>	<b>132,831,289</b>	<b>135,623,510</b>	
<b>Deferred Tax Assets</b>	<b>959,243</b>	<b>926,214</b>	
Impact of expenditure charged to the statement of profit and loss in the current year, but allowed for tax purposes on payment basis			
MAT Credit difference	19,090,961	19,090,961	
<b>Gross Deferred Tax Assets</b>	<b>20,050,204</b>	<b>20,017,175</b>	
<b>Deferred Tax Liability (Net)</b>	<b>112,781,085</b>	<b>115,606,335</b>	

(a) Deferred tax assets and Deferred tax liabilities have been offset wherever the company has a legally enforceable right to set off current tax assets against current tax liabilities.

(b) Deferred tax assets and Deferred tax liabilities relate to income taxes levied by the same taxation authority.

# NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

[7] Other Long Term Liabilities		As At 31.03.2015	As At 31.03.2014
Security Deposits (Unsecured)	12,328,276	2,339,276	
<b>Short Term Borrowings</b>	<b>12,328,276</b>	<b>2,339,276</b>	
Vehicle Loans (Secured)			
(Secured by Hypothecation of respective Vehicles)			
From Banks	3,294,978	2,866,905	384,048
From Others	-		
Cash Credit from Bank	315,450,650		
<b>Total</b>	<b>318,745,628</b>	<b>3,250,953</b>	
<b>Other Current Liabilities</b>	<b>3,408,810</b>	<b>13,862,532</b>	
Bank Overdrafts (Bank)	3,408,810	13,862,532	
Advances from customers	8,510,710	8,068,374	
Expenses Payable	175,337,719	67,816,449	
Statutory dues payable	27,314,746	10,553,892	
Un paid Dividend	3,810,642	2,913,786	
Other Payables	45,888,102	37,158,520	
<b>Total</b>	<b>264,270,729</b>	<b>140,373,553</b>	
<b>Short Term Provisions</b>	<b>3,387,890</b>	<b>3,930,519</b>	
Employee Benefits	3,387,890	41,283,600	
Proposed Dividend	41,283,600	15,841,486	
Dividend tax	15,841,486	75,350,890	
Income tax (Current Year)	75,350,890	87,270,357	
<b>Total</b>	<b>135,863,866</b>	<b>87,270,357</b>	



# NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

## [11] Tangible Fixed Assets

PARTICULARS	GROSS BLOCK		DEPRECIATION		TRANSFER TO RESERVE		NET BLOCK	
	AS AT 01/04/2014	ADDITION/ (DISPOSAL)	AS AT 31/03/2015	UPTO 31/03/2014	FOR THE YEAR	AS AT 31/03/2015	AS AT 31/03/2015	AS AT 31/03/2014
LAND (FREEHOLD) & SITE DEVELOPMENT	10,451,783	-	10,451,783	-	-	10,451,783	10,451,783	10,451,783
BUILDINGS & CIVIL WORKS	162,038,222	-	162,038,222	39,571,770	10,896,306	50,468,076	108,673,917	122,466,452
PLANT & MACHINERY	785,132,973	10,394,957	795,527,930	275,035,824	22,964,473	298,000,297	497,527,633	510,037,149
FURNITURE & FIXTURES	1,884,423	-	1,884,423	1,808,523	20,016	1,828,540	7,918	75,899
OFFICE EQUIPMENTS	6,189,677	237,724	6,427,401	4,666,187	242,803	4,908,990	799,791	1,523,490
VEHICLES	58,592,532	1,907,832	60,500,364	30,840,314	4,946,356	35,786,669	24,615,625	27,752,218
INTANGIBLE ASSETS	500,000	-	500,000	500,000	-	500,000	-	-
<b>TOTAL</b>	<b>1,024,789,610</b>	<b>12,540,513</b>	<b>1,037,330,123</b>	<b>352,422,617</b>	<b>39,069,954</b>	<b>391,492,572</b>	<b>642,076,667</b>	<b>672,366,990</b>
<b>PREVIOUS YEAR</b>	<b>1,012,168,170</b>	<b>12,621,440</b>	<b>1,024,789,610</b>	<b>304,337,852</b>	<b>48,084,767</b>	<b>352,422,618</b>	-	-
Capital work in Progress	1,875,839	18,463,120	20,338,959	-	-	-	20,338,959	-
<b>GRAND TOTAL</b>							<b>662,415,626</b>	<b>672,366,990</b>

# NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

	As At 31.03.2015	As At 31.03.2014
<b>[12] Long Term Loans &amp; Advances</b>		
<b>Security Deposits</b>		
Security Deposit	37,378,291	28,976,829
Earnest Money	4,325,000	4,325,000
<b>Total</b>	<b>41,703,291</b>	<b>33,211,829</b>
<b>Note:</b> All the above amounts are unsecured and considered good.		
<b>[13] Inventory</b>		
(as taken, valued and certified by the Management)		
Raw Materials	25,722,445	22,460,404
Stores, Consumables & Packing Materials	75,392,389	49,210,968
Stock In Process	33,674,998	32,521,642
Finished Goods	126,964,670	49,595,662
<b>Total</b>	<b>261,754,502</b>	<b>153,788,676</b>
<b>[14] Trade Receivables</b>		
(Unsecured, considered good)		
Outstanding for a period exceeding six months	11,153,572	6,745,439
Other Debts	581,977,895	330,526,481
<b>Total</b>	<b>593,131,467</b>	<b>337,271,920</b>
<b>[15] Cash and Cash Equivalents</b>		
Cash in hand	20,696,919	35,515,260
Balance With Scheduled Banks		
Current Accounts	363,651,383	20,749,872
Deposit Accounts	14,139,467	4,351,427
Unpaid Dividend accounts	3,810,642	2,913,786
<b>Total</b>	<b>402,298,411</b>	<b>63,530,345</b>
<b>[16] Short Term Loans &amp; Advances</b>		
<b>Advances to a Related Party</b>	227,212,413	74,393,832
<b>Capital Advances</b>	68,702,758	20,602,924
<b>Others</b>		
Staff Advances	1,629,938	4,845,561
Prepaid Expenses	16,653,484	9,119,057
Advances to suppliers	75,416,139	33,665,161
Advances to Retailers	155,688,707	246,251,617
<b>Total</b>	<b>249,388,268</b>	<b>293,881,396</b>
<b>Grand Total</b>	<b>545,303,439</b>	<b>388,878,152</b>

**Note:** All the above amounts are unsecured and considered good.



NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

[17]	Revenue from Operations	2,153,388,894	1,941,618,806
	Less: Production Duties	(91,819,449)	(38,893,767)
[18]	Revenue from Operations (Net)	2,061,569,445	1,902,725,039
	Interest	865,645	2,090,992
	Dividends	7,334,323	1,795,619
	Other Revenues	3,714,781	14,687,384
[19]	Cost of Materials Consumed	11,914,749	18,573,995
	Opening Stocks	71,671,372	140,805,333
	Add : Purchases (Raw Materials & Chemicals)	433,805,697	289,424,603
	Add : Purchases (Packing Material)	609,730,703	440,205,774
	Less : Closing Stocks	101,114,834	71,671,372
	Total	1,014,092,938	798,764,338

	Quantities (MT)		Quantities (Proof KL)	
	2014-15	2013-14	2014-15	2013-14
BEER				
Barley Malt	5,717.69	4,682.15	141,061.582	119,633.110
Sugar	1,743.45	1,473.34	53,738.388	49,512,939
Hops	21.71	13.70	11,301.610	4,279,343
Chemicals & Essences			14,663,703	11,987,730
IMFL				
ENA Spirit	4,384.04	3,961.50	125,224,730	115,018,159
Chemicals & Essences			2,016,720	1,821,447
Malt Spirit	33.52	10.02	15,928,790	1,805,741

NOTE: MATERIALS CONSUMED  
(AS CERTIFIED BY THE MANAGEMENT)

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

[20]	Employee Benefits Expense	50,233,902	1,498,544
	Salaries, allowances & Bonus	45,628,832	861,752
[21]	Financial Costs	53,579,957	1,847,511
	Employer's contribution to PF & Gratuity	861,752	1,808,760
[22]	Other Expenses	23,479,534	1,679,049
	Staff welfare expenses	18,429,953	5,049,581
	Bank Interest	5,049,581	1,260,830
	Other Interest & Charges	418,219	
[23]	Exceptional Items	(585,787)	80,307
	Prior period Items (Net)	(585,787)	80,307
	Auditors Remuneration	174,158	202,248
	(a) Audit fees	61,798	
	(b) Other Services	112,360	140,450
	Donations	2,337,970	84,590,383
	Traveling & Conveyance	12,073,752	3,401,275
	Legal & Professional	12,231,790	84,590,383
	Sales promotion	37,176,219	3,401,275
	Advertisement & Publicity	11,591,587	830,450
	Freight outward	102,562,271	32,491,277
	Other selling expenses	20,159,834	26,673,275
	General expenses	3,700,798	821,250
	Postage, Telegrams & Telephones	4,725,653	72,948,957
	Others Repair & Maintenance	1,089,773	13,200,328
	Vehicle Running & Maintenance	7,178,629	67,205,494
	Total	767,859,677	15,996,773
	Total	691,182,314	13,200,328



## Other Notes

(24) The Company had sought but has not received information from any of the suppliers of their being a Micro, Small or Medium Enterprise Unit under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, amounts due to Micro and Small Scale Enterprises outstanding as on March 31st 2015 are not ascertainable.

**(25) Employees Benefits:**

The required disclosures of employees benefits as per Accounting Standard – 15 are given hereunder:-

(i) **In respect of Short Term Employee Benefits:**

The Company has at present only the scheme of cumulative benefit of leave encashment payable at the end of each calendar year and the same have been provided for on accrual basis.

(ii) **In respect of Defined Benefit Scheme (Based on Actuarial Valuation) of Gratuity:**

(A) Change in Obligation over the year ended 31.3.2015	2014-15	2013-14
Present Value of defined obligation as on 01.04.2014	18,16,112	
Interest Cost	1,45,289	
Current Service Cost	2,52,218	
Benefits paid (if any)	(3,02,078)	
Actuarial (gain)/loss	4,23,498	
Present value of the obligation at the end of the period	23,35,039	18,16,112
(B) Expenses recognized during the year ended 31.03.2015		
Current Service Cost	2,52,218	
Interest Cost	1,45,289	
Expected return on plan asset	(1,25,417)	
Net Actuarial Gains/losses	4,23,498	
Current Service Cost & Actuarial losses in respect of separated employees	6,95,588	
(C) Principal Actuarial Assumptions		
Discount Rate	8.00% per annum	8.00% per annum
Salary Growth Rate	5.00% per annum	5.00% per annum
Mortality	IALLM 2006-08 Ultimate	IALLM 2006-08 Ultimate
Expected Rate of Return	8.75% per annum	0
Withdrawal Rate (Per Annum)	2.00% p.a.	2.00% p.a.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant facts.

## Other Notes (Contd.)

**[26] Imports**

**(a) Value of Imports Calculated on CIF Basis**

(As certified by the Management)	2014-15	2013-14
i) Raw & Packing Materials	39,65,654	-
ii) Components and Spare Parts	1,29,01,179	59,41,145

**(b) Expenditure in Foreign Currency**

Bank Charges	86,934	29,629
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**(27) Composition of raw material, packing materials, stores, spares consumed.  
(As certified by the Management)**

Particulars	Raw Materials & Packing Materials		Stores & Spares	
	2014-15	2013-14	2014-15	2013-14
<b>Imported</b>				
Percentage	-	-	15.94%	18.98%
Value (₹)	-	-	48,28,377	59,41,145
<b>Indigenous</b>				
Percentage	100%	100%	84.06%	81.02%
Value (₹)	101,40,92,938	78,01,32,208	2,54,61,328	2,53,51,932
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Total</b>	<b>101,40,92,938</b>	<b>78,01,32,208</b>	<b>3,02,89,705</b>	<b>3,12,93,077</b>

**[28] Earnings in Foreign Exchange**

**Exports of Goods calculated on FOB Basis**

	2014-15	2013-14
- Direct	2,41,23,029	1,12,67,830
- Indirect	-	-



## Other Notes (Contd.)

### [29] Contingent Liabilities

	2014-15	2013-14
i) Claims against the Company not acknowledged as debts/ Disputed		
- Commercial Tax Department	9,34,44,729	48,93,903
- Income Tax Department	2,17,50,660	--
ii) Guarantees given by Bankers on behalf of the company not provided for	15,00,000	10,00,000
Corporate guarantee given to a bank on behalf of another company	7,25,00,000	7,25,00,000
iii) Estimated amount of contracts remaining to be executed on capital account and not provided for.	2,96,00,000	2,93,00,000

[30] The company is engaged in the business of manufacture and sale of Alcoholic beverages (Beer and IMFL) which constitutes a single business segment. The company's exports outside India did not exceed the threshold limits for disclosure as envisaged in AS 17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India. In view of the above, primary and secondary reporting disclosures for business/ geographical segment as envisaged in AS - 17 are not applicable to the Company.

[31] Information as per Accounting Standard (AS) 18: "Related Party Disclosures" is:

a) Related Party

Associates	Key Managerial Personnel Managerial Personnel	Relatives of Key Managerial Personnel
Som Distilleries Private Limited	<b>Mr. S. Lal</b> (Key Managerial Personnel)	-

b) Transactions with Related Parties

(In Rupees)

Nature of Transactions	Som Distilleries P. Ltd. (Associate)	Key Managerial Personnel	Relatives of Key Managerial Personnel
Purchase of Goods	12,42,75,000 (11,52,12,750)	<b>Mr. S. Lal</b>	--
Other transactions	Dr. 152,19,74,535 (Dr. 1,38,30,13,989) Cr. 124,48,80,954 (Cr. 1,19,34,07,407)	--	--
Closing Balance	Dr. 22,72,12,413 (7,43,93,832)	--	--

[32] Earnings per share in accordance with Accounting Standard (AS) 20 on "Earnings per Share" are given below

S. No.	Particulars	31.03.2015	31.03.2014
a)	Numerator Profit/(Loss) after tax ₹	16,16,94,433	203,010,864
b)	Weighted average number of equity shares Nos.	2,75,22,400	2,75,22,400
c)	Basic & Diluted earnings per shares (₹)	5.88	7.38
d)	Nominal value of shares (₹)	10.00	10.00

[33] The company's pending litigations pertain to claims and cases occurring in the normal course of business. The company has reviewed its pending litigations and expects that the outcome of the proceedings will not have any material effect on its financial position.

[34] Balances standing at the debit or credit in the accounts of various parties are subject to confirmation and reconciliation.

[35] All figures in the Balance Sheet, Profit & Loss Account and Schedules have been rounded off to the nearest rupee.

[36] Previous year's figures have been regrouped/ restated wherever considered necessary to make them comparable to those of the current year.

[37] During the financial year 2014-15, the company has spent an amount of Rs. 23.38 lacs on Corporate social responsibility for the purpose of children education and medical aid.

Signatures to Schedules 1 to 37

**Rajesh Dubey**  
(Chief Financial Officer)

**Mayank Bhaduria**  
(Company Secretary)

**D.N. SINGH**  
(Director)

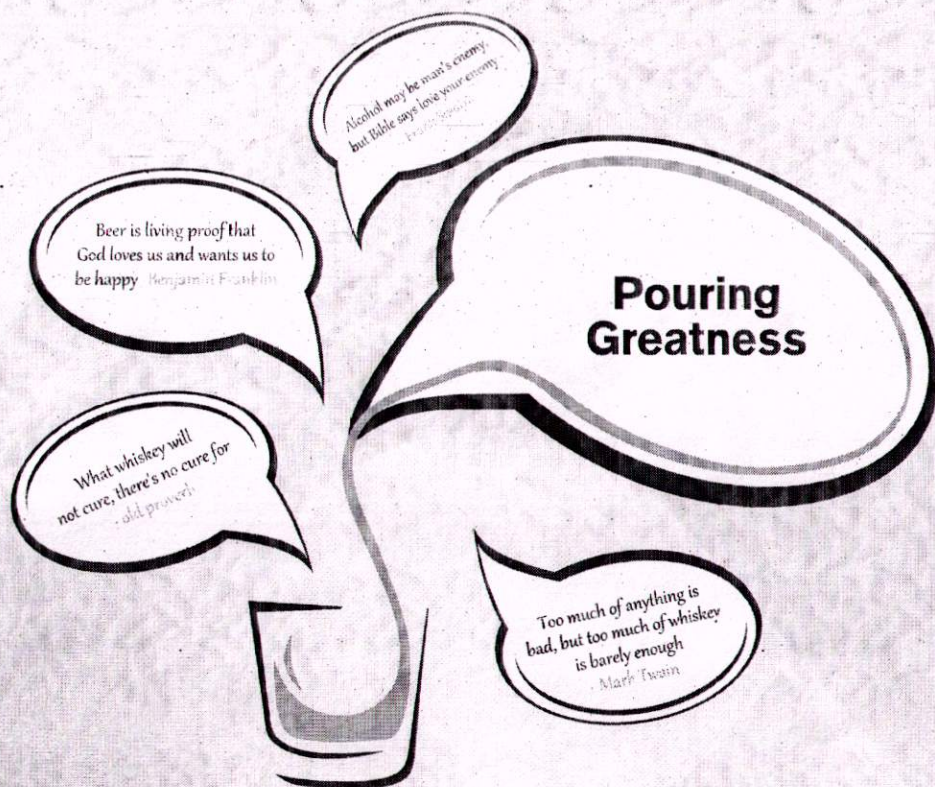
**S. LAL**  
(Chairman & Managing Director)

**Place: Bhopal**  
**Date: 27/07/2015**

**For K.C. KHANNA & CO.**  
Chartered Accountants  
Firm Registration No: 00048 IN

**Harsha Chandra**  
Partner  
Membership No: 080489





## Som Distilleries & Breweries Limited

Registered Office: 1 A, Zee Plaza, Arjun Nagar, Safdarganj Enclave, Kamal cinema road, New Delhi - 110029

### ATTENDANCE SLIP

I/We hereby record my/our presence at the 22<sup>nd</sup> Annual General Meeting on the above named Company held on Wednesday, the 30<sup>th</sup> September 2015 at 10.00 A.M. at Executive Club, Dolly Farms and Resorts Pvt. Ltd. 349, Village Shoorpur, P.O. Fatehpur Beri, New Delhi-110030.

Names and Address of Shareholder: \_\_\_\_\_

Folio No./DPIDCLIENTID No.: \_\_\_\_\_

SIGNATURE OF THE SHAREHOLDERS OR PROXY	NO. OF SHARES HELD

**Note :** Shareholder/Proxy holder must bring this admission Slip to the meeting and hand over at the venue duly signed.

## POLLING PAPER SOM DISTILLERIES & BREWERIES LIMITED

CIN No. L74899DL1993PLC052787

Registered Office: 1-A Zee Plaza, Arjun Nagar, Safdarjung Enclave, Kamal Cinema Road, New Delhi

Email: somdistilleries@rediffmail.com, web: www.somindia.net,

Works: Village Rojrachak, Distt. Raigarh, Ph. No. 011-26169909, 26169712

### ASSENT / DISSENT FORM FOR VOTING ON AGM RESOLUTIONS

(1)	Name (s) & Registered Address of the sole / first named Member	_____
(2)	Name(s) of the Joint-Holder(s), if any, in block letters	_____
(3)	i) Registered Folio No.	_____
	ii) *DP ID No. & Client ID No.	_____
	[*Applicable to Members holding shares in dematerialized form]	
(4)	Number of Equity Share (s) held	_____

I / We hereby exercise my / our vote in respect of the following resolutions to be passed for the business stated in the Notice dated 27<sup>th</sup> July, 2015 of the 22<sup>nd</sup> Annual General Meeting held at Delhi on 30.09.2015, by conveying my / our assent or dissent to the resolutions by placing tick (✓) mark in the appropriate box below.

S. No	Resolution	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
<b>Ordinary Business/Resolution proposed</b>			
1.	"Resolved that report of the Board of Directors dated 27.07.2015 and audited Balance sheet as at 31.03.2015 and Profit & Loss Account for the year 2014-2015 be and are hereby adopted."		
2.	"Resolved that Shri Surjeet Lal, who retired by rotation at this meeting and offered himself for reappointment, be and is hereby reappointed as a Director."		
3.	"Resolved that as recommended by the Board of Directors, the company do hereby declare a dividend of 15% i.e. ₹ 1.50 per share of ₹ 10 on all the 2,75,22,400 equity shares of the company for the year 2014-15 which dividend may be paid to the holders of shares on the date of this annual general meeting."		
4.	"Resolved that pursuant to the provisions of Section 139(1) of the Companies Act 2013 and the Companies (Audit and Auditors) Rules, 2014, K.C. Khanna & Company, Chartered Accountants, Bhopal, who had completed more than 10 year of audit of the company up to 31.03.2014 and were appointed as auditor for the year 2014-15 be and are hereby appointed as Auditors of the Company for two more years i.e. for 2015-16 and 2016-17 in view of the transitional period allowed i.e. from the conclusion of this 22 <sup>nd</sup> Annual General Meeting		



	till the conclusion of 24th Annual General Meeting to be held in 2017 (subject to ratification of their appointment by the Members of the Company at every subsequent Annual General Meeting) at a remuneration to be decided by the Chairman cum Managing Director with the consent of the auditors".		
	<b>Special Business/Resolution Proposed</b>		
5.	<b>APPOINTMENT OF SHRI DEENANATH SINGH AS AN INDEPENDENT DIRECTOR</b> "Resolved that pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 approval of the members of the Company be and is hereby accorded for the appointment of Shri. Deenanath Singh (DIN: 00281542), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6), as an independent Director of the Company not liable to retire by rotation for a period of five years with effect from 01.04.2014."		
6.	<b>APPOINTMENT OF SHRI SHAILENDRA SINGH SENGAR AS AN INDEPENDENT DIRECTOR</b> "Resolved that pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 approval of the members of the Company be and is hereby accorded for the appointment of Shri. Shaileendra Singh Sengar (DIN: 00281444) who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6), as an independent Director of the Company not liable to retire by rotation, for a period of five years with effect from 01.04.2014."		
7.	<b>APPOINTMENT OF MS. NISHI ARORA AS AN INDEPENDENT DIRECTOR/WOMEN DIRECTOR</b> "Resolved that pursuant to the provisions of Sections 149, 150, 152, 161 read with Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement, approval of the members of the Company be and is hereby accorded for the appointment of Ms. Nishi Arora (DIN: 07021730) who was appointed as an Additional Director from 14.11.2014 pursuant to the provisions of Section 161 and as per second proviso of section 149(1) of the Companies Act, 2013, and who holds office up to the date of this Annual General Meeting and in respect of whom the company has received a notice in writing under section 160 of the Act from a member proposing her candidature for the office of Director, as an independent Director of the Company not liable to retire by rotation, for a period of five years with effect from 14.11.2014."		

Place : NEW DELHI  
Date : 30.09.2015

Signature of the Member/ Authorized Representative

**Notes:** (i) If you opt to cast your vote by e-voting, there is no need to fill up and sign this form. (ii) Please read the instructions printed overleaf carefully before exercising your vote.

## INSTRUCTIONS

### General Instructions

- As per the Companies Act, 2013, Company has to provide e-voting facility to its shareholders. However the shareholders, who do not have access to e-voting facility, may convey their Assent / Dissent in Physical Assent / Dissent Form. If a shareholder has opted for e-voting, then he/she should not vote by Physical Assent / Dissent Form. However, in case Shareholders cast their vote through both physical assent/dissent form and e-voting, then vote caste through e-voting shall be considered, and vote caste through physical assent/dissent shall be treated as invalid.
- The notice of Annual General Meeting was dispatched/e-mailed to the members whose names appeared on the Register of Members as on 28.08.2015
- Members are requested to fill the Form in indelible ink and avoid filling it by using erasable writing medium(s) like pencil.
- There will be one Assent / Dissent Form for every folio / Client id irrespective of the number of joint holders.
- Members are requested not to send any other paper along with the Assent / Dissent Form. They are also requested not to write anything in the Assent / Dissent form except giving their assent or dissent and putting their signature.

### Instructions for voting physically on Assent / Dissent Form.

- A Member desiring to exercise vote by Assent / Dissent should complete this Assent / Dissent Form and hand it over before the meeting site.
- This Form should be completed and signed by the Shareholder (as per the specimen signature registered with the Company/ Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Shareholder and in his absence, by the next named Shareholder.
- In respect of shares held by corporate and institutional shareholders (companies, trusts, societies etc.), the completed Assent/Dissent Form should be accompanied by a certified copy of the relevant Board Resolution/appropriate authorization, with the specimen signature(s) of the authorized signatory(ies) duly attested.
- The consent must be accorded by recording the assent in the column "FOR" or dissent in the column "AGAINST" by placing a tick mark (✓) in the appropriate column in the Form. The assent or dissent received in any other form shall not be considered valid.
- The Scrutinizer's decision on the validity of the Assent/ Dissent Form will be final and binding.
- Incomplete, unsigned or incorrectly ticked Assent/ Dissent Forms will be rejected.





## Notes for Shareholders

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the RTA.

Electronic copy of the Annual Report for the year/period ended 31st March, 2015 along with the notice of the 22nd Annual General Meeting of the Company (including Ballot Form, Attendance Slip and Proxy Form) is being sent to all the members whose email IDs are registered with the RTA/Depository Participants. For members who have not registered their email address, physical copies of the Annual Report is being sent by other permissible means.

Members may also note that the Notice of 22nd Annual General Meeting and the Annual Report for period ended 31st March, 2015 will also be available on the Company's website [www.somindia.in](http://www.somindia.in) and on the website of CDSL, [www.evotingindia.com](http://www.evotingindia.com) for their download. Even after registering for e-communication, members are entitled to receive such communication in physical mode & free of cost, upon making a specific request for the same by any permissible mode free of cost.

Briefcase, Bag(s), Carry Bag(s), Helmet, Eatables, Drinks, etc. will not be allowed inside the Meeting Hall.

Members may kindly note that no 'Gifts' will be distributed at the Annual General Meeting.

Members / Proxy coming to attend the Annual General Meeting are requested to carry their original photo ID (passport/driving license/ voter's card/PAN card) proof with them for the purpose of verification at the venue.

Members wishing to seek further information or clarification on the Financial Statements or operations of the Company at the meeting are requested to send their queries, at least 10 days before the date of meeting, addressed to the Company Secretary at the registered office of the company.

Members must always mention their Folio / DP-ID & Client ID Number in all correspondence with the company or RTA.

## E-voting

- In Compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Clause 35B of Listing Agreement, your Company is pleased to offer E-voting facility to the Members of the Company to exercise their right to vote by electronic means in respect of the items contained in the notice.
- The Company has engaged the services of Central Depository Services (India) Limited as the Authorized Agency to provide E-voting facility. E-voting is optional and a member may physically vote at the Annual General Meeting at his discretion.
- The Board of Directors have appointed FCS Mr. Madan Mohan Chawla, Practising Company Secretary, Bhopal as the Scrutinizer for conducting the E-voting process in fair and transparent manner.
- The E-voting facility will be available during the following voting period after which the portal will be blocked and shall not be available for E-voting. Once the vote on a resolution is cast by any member, he/she shall not be allowed to change it subsequently. Commencement of E-voting Thursday, 25th September, 2015, 10:00 a.m. End of E-voting Saturday, 29th September, 2015, 5:00 p.m.
- The cut-off date for the purpose of E-voting is 23rd September 2015. The Voting rights of members shall be in proportion to their equity shareholding in the paid up equity share capital of the company as on cut-off date.
- The Results of E-voting and Physical Voting at the Annual General Meeting along with the scrutinizers' report shall be placed on the website of the Company viz. [www.somindia.in](http://www.somindia.in) and shall also be communicated to the Stock Exchange.

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

- The voting period begins on 25/09/2015 at 10:00 a.m. and ends on 29/09/2015 at 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23/09/2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- Click on Shareholders.
- Now Enter your User ID:
  - For CDSL : 16 digits beneficiary ID,
  - For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (as mentioned on the address label of the envelope of this Annual Report) in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
<b>DOB</b>	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
<b>Dividend Bank Details</b>	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- After entering these details appropriately, click on "SUBMIT" tab.



- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the Som Distilleries and Breweries limited.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non-Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.somindia.in](http://www.somindia.in) and on the website of CDSL <http://www.evotingindia.com> within three days of the passing of the Resolutions at the 22nd AGM of the Company and shall also be communicated to BSE Limited and NSE Limited where the shares of the Company are listed.

## Form No. MGT-11

### PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013  
and rule 19(3) of the Companies

(Management and Administration) Rules, 2014]

CIN : \_\_\_\_\_  
Name of the company : \_\_\_\_\_  
Registered Office : \_\_\_\_\_

Name of the member (s) : \_\_\_\_\_  
Registered address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_  
Folio No/ Client Id : \_\_\_\_\_  
DP ID : \_\_\_\_\_

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_  
Signature : \_\_\_\_\_, or failing him

2. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_  
Signature : \_\_\_\_\_, or failing him



3. Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_  
 Signature : \_\_\_\_\_, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the \_\_\_\_\_  
 \_\_\_\_\_ Annual general meeting/ Extraordinary general meeting of the company, to be held on the  
 \_\_\_\_\_ day of \_\_\_\_\_ At \_\_\_\_\_ a.m. / p.m. at \_\_\_\_\_ (place) and at any  
 adjournment thereof in respect of such resolutions as are indicated below:

1. "Resolved that report of the Board of Directors dated 27.07.2015 and audited Balance sheet as at 31.03.2015 and Profit & Loss Account for the year 2014-2015 be and are hereby adopted."
2. "Resolved that Shri Surjeet Lal, who retired by rotation at this meeting and offered himself for reappointment, be and is hereby reappointed as a Director."
3. "Resolved that as recommended by the Board of Directors, the company do hereby declare a dividend of 15% i.e. ₹ 1.50 per share of ₹ 10 on all the 2,75,22,400 equity shares of the company for the year 2014-15 which dividend may be paid to the holders of shares on the date of this annual general meeting."
4. "Resolved that pursuant to the provisions of Section 139(1) of the Companies Act 2013 and the Companies (Audit and Auditors) Rules, 2014, K.C. Khanna & Company, Chartered Accountants, Bhopal, who had completed more than 10 year of audit of the company up to 31.03.2014 and were appointed as auditor for the year 2014-15 be and are hereby appointed as Auditors of the Company for two more years i.e. for 2015-16 and 2016-17 in view of the transitional period allowed i.e. from the conclusion of this 22nd Annual General Meeting till the conclusion of 24th Annual General Meeting to be held in 2017 (subject to ratification of their appointment by the Members of the Company at every subsequent Annual General Meeting) at a remuneration to be decided by the Chairman cum Managing Director with the consent of the auditors".

#### Special Business/Resolution Proposed

##### 5. APPOINTMENT OF SHRI DEENANATH SINGH AS AN INDEPENDENT DIRECTOR

"Resolved that pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 approval of the members of the Company be and is hereby accorded for the appointment of Shri. Deenanath Singh (DIN: 00281542), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6), as an independent Director of the Company not liable to retire by rotation for a period of five years with effect from 01.04.2014."

##### 6. APPOINTMENT OF SHRI SHAILENDRA SINGH SENER AS AN INDEPENDENT DIRECTOR

"Resolved that pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 approval of the members of the Company be and is hereby accorded for the appointment of Shri. Shaileendra Singh Senger (DIN: 00281444) who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6), as an independent Director of the Company not liable to retire by rotation, for a period of five years with effect from 01.04.2014."

##### 7. APPOINTMENT OF MS. NISHI ARORA AS AN INDEPENDENT DIRECTOR/WOMEN DIRECTOR

"Resolved that pursuant to the provisions of Sections 149, 150, 152, 161 read with Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement, approval of the members of the Company be and is hereby accorded for the appointment of Ms. Nishi Arora (DIN: 07021730) who was appointed as an Additional Director from 14.11.2014 pursuant to the provisions of Section 161 and as per second proviso of section 149(1) of the Companies Act, 2013, and who holds office up to the date of this Annual General Meeting and in respect of whom the company has received a notice in writing under section 160 of the Act from a member proposing her candidature for the office of Director, as an independent Director of the Company not liable to retire by rotation, for a period of five years with effect from 14.11.2014."



**100% PREMIUM  
GRAIN WHISKY**

