

## FORM AOC-3

(Pursuant to first proviso to sub-section (1) of section 136 of the Act and Rule 10 of Companies (Accounts) Rules, 2014 )

Statement containing salient features of Balance Sheet and Profit and Loss Account

## Form of Abridged Financial Statements

Name of the Company **MOHAN MEAKIN LIMITED**Abridged Balance Sheet as at **31/03/15** (Rupees in lacs)

Sr. No.	Particulars	Figures at the end of	
		Current reporting period (31/03/15)	Previous reporting period (31/03/14)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
<b>(a) Paid-up Share Capital</b>			
	(i) Equity	425.42	425.42
	(ii) Preference	-	-
<b>(b) Reserves and surplus</b>			
	(i) Capital Reserves (including Revaluation reserve, if any)	-	-
	(ii) Revenue Reserves	763.63	763.63
	(iii) Surplus	1,084.23	707.90
	(iv) Share Premium	0.04	0.04
<b>(c) Money received against share warrants</b>			
		-	-
		<b>2,273.32</b>	<b>1,896.99</b>
<b>(2) Share application money pending allotment</b>			
<b>(3) Non-current liabilities</b>			
<b>(a) Long-term borrowings</b>			
		343.50	746.88
<b>(b) Deferred tax liabilities(Net)</b>			
		-	-
<b>(c) Other Long-term liabilities</b>			
		1,339.40	1,334.07
<b>(d) Long-term provisions</b>			
		100.09	105.28
		<b>1,782.99</b>	<b>2,186.23</b>
<b>(4) Current liabilities</b>			
<b>(a) Short-term borrowings</b>			
		6,406.13	7,258.95
<b>(b) Trade Payables</b>			
		6,071.42	6,975.77
<b>(c) Other current liabilities</b>			
		2,736.01	2,886.88
<b>(d) Short-term provisions</b>			
		11.86	12.25
	<b>Total of (1) to (4)</b>	<b>19,281.73</b>	<b>21,217.07</b>
<b>II. ASSETS</b>			
<b>(5) Non-current assets</b>			
<b>(a) Fixed assets</b>			
	(i) Tangible assets (original cost less Depreciation)	2,967.22	2,349.47
	(ii) Intangible assets (original cost less Depreciation/amortisation)	-	-
	(iii) Capital work-in-progress	584.12	537.09
	(iv) Intangible assets under development	37.97	-
<b>(b) Non-current investments</b>			
		46.48	40.72
<b>(c) Deferred tax assets(net)</b>			
		349.29	559.20
<b>(d) Long-term loans and advances</b>			
		1,543.29	1,230.58
<b>(e) Other Non-Current Assets</b>			
		121.62	126.09
<b>(6) Current assets</b>			
<b>(a) Current investments</b>			
		-	-
<b>(b) Inventories</b>			
		4,831.15	5,566.06
<b>(c) Trade Receivables</b>			
		6,976.56	8,788.61
<b>(d) cash and cash equivalents</b>			
		506.92	648.76
<b>(e) short-term loans and advances</b>			
		1,275.33	1,063.93
<b>(f) Other current assets</b>			
		41.78	306.56
	<b>Total of (5) to (6)</b>	<b>19,281.73</b>	<b>21,217.07</b>

**Note:** Complete Balance Sheet, Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Schedule III to the Act are available at the Company's website at link [www.mohanmeakin.com/annual-report.php](http://www.mohanmeakin.com/annual-report.php)

**Abridged Profit and Loss Account for the year ended on 31/03/15**

(Rupees in lacs)

Sr. No.	Particulars	Figures for the current reporting period (31/03/15)	Figures for the previous reporting period (31/03/14)
I.	Income		
	Revenue from operations *	40,951.19	39,999.07
II.	Other income	613.47	565.88
III.	Total income (I + II)	41,564.66	40,564.95
IV.	Expenditure		
(a)	Cost of materials consumed	8,213.93	7,619.91
(b)	Purchase of stock-in-trade	22,153.88	23,343.59
(c)	Change in inventories of finished goods, work-in-progress and stock-in-trade	936.76	(411.30)
(d)	Employees benefits expenses	2,262.57	2,111.35
(e)	Finance Costs	1,121.55	1,112.81
(f)	Depreciation and amortisation expenses	395.17	285.17
(g)	Other expenses	6,833.90	7,078.24
	Total Expenditure (a to g)	41,917.76	41,139.77
V.	Profit / (loss) before exceptional and extraordinary items and tax (III - IV)	(353.10)	(574.82)
VI.	Exceptional items	939.34	-
VII.	Profit / (loss) before extraordinary items and tax (V - VI)	586.24	(574.82)
VIII.	Extraordinary items	-	-
IX.	Profit / (loss) before tax (VII - VIII)	586.24	(574.82)
X.	1. Tax expense	-	(39.90)
	2. Deferred tax	209.91	(278.52)
XI.	Profit / (loss) after tax for the period from continuing operations (IX-X)	376.33	(256.40)
XII.	Profit / (loss) from discontinued operations	-	(1,688.67)
XIII.	Tax expenses of discontinued operations	-	-
XIV.	Profit / (loss) from discontinued operations (after tax) (XII - XIII)	-	(1,688.67)
XV.	Profit / (loss) for the year (XI + XIV)	376.33	(1,945.07)
XVI.	Earnings per equity share :		
	- Basic/ Diluted (Rs.)		
	a) Continuing operations	4.42	(3.01)
	b) Total operations	4.42	(22.86)

\* Details of Revenue from Operations:

a) In respect of a company other than a finance :-

(Rupees in lacs)

S. No.	Particulars	Figures for the current reporting period (31/03/15)	Figures for the previous reporting period (31/03/14)
	Sale of products - Manufactured goods	28,651.77	28,657.59
	Sale of traded goods	22,737.42	24,273.26
		<b>51,389.19</b>	<b>52,930.85</b>
	Less : Discontinuing operation *	-	2,264.17
		<b>51,389.19</b>	<b>50,666.68</b>
	Less : Excise duty	11,614.52	11,999.33
	Less : Discontinuing operation *	-	247.20
		<b>11,614.52</b>	<b>11,752.13</b>
	Trf.to Units		
	<b>Sub-total (A)</b>	<b>39,774.67</b>	<b>38,914.55</b>
	<b>Other operating revenues</b>		
	- Other miscellaneous sales #	293.12	292.58
	- Export incentives	31.34	19.15
	- Royalty income	835.84	758.02
	- Cold storage charges	16.22	22.02
		<b>1,176.52</b>	<b>1,091.77</b>
	Less : Discontinuing operation *	-	7.25
	<b>Sub-total (B)</b>	<b>1,176.52</b>	<b>1,084.52</b>
	<b>Total (A)+(B)</b>	<b>40,951.19</b>	<b>39,999.07</b>

b)	In respect of a finance company, revenue from operations :	<b>Not Applicable</b>
	(a) Revenue from interest; and	
	(b) Revenue from Other financial services	
<b>NOTES TO THE ABRIDGED BALANCE SHEET AND THE ABRIDGED PROFIT AND LOSS ACCOUNT</b>		
(Serial number is same as in main Balance Sheet)		
20. The total amount of contingent liabilities and that of commitments :		
	<b>Particulars</b>	<b>As at 31/03/15 Rs. in lacs</b>
		<b>As at 31/03/14 Rs. in lacs</b>
(i)	<b>Contingent liabilities</b>	
	<b>In respect of -</b>	
	Claims against the Company not acknowledged as debts (excluding claims by employees, where amount is not ascertainable) <sup>1</sup>	915.06
	Income tax matters <sup>1</sup>	423.95
	Excise / Service tax / Customs duty matters <sup>1</sup>	387.45
	Sales tax matters <sup>1</sup>	1,484.82
		1,490.41
(ii)	<b>Commitments</b>	
	Estimated amount of contracts remaining to be executed on capital account and not provided for	33.83
		33.28
	Matters are subject to legal proceedings in the ordinary course of business. The legal proceedings, when ultimately concluded will not, in the opinion of the management, have a material effect on the results of the operations or financial position. Liabilities include interest and penalty.	
b)	(i) The Company had entered into long term contract with GAIL India Ltd. in December 2008 for a period of 20 years for lifting the agreed quantity of gas of 25000 SCM per day for its glass bottling unit at Mohan Nagar, Ghaziabad. During the previous year, the Company had closed down its glass bottling unit due to concessional fuel prices by GAIL India Ltd./its subsidiary to competitors located in Ferozabad resulting in huge losses to the Company since fuel constitutes the principal raw material in the manufacture of glass. In view of these conditions, the Company had requested the GAIL India Ltd. to reduce the quantity of gas to be delivered under the Agreement from 25000 SCM per day to 4000 SCM per day. Pursuant to the said request GAIL India Ltd. has replaced the meters and pipeline at Mohan Nagar to cater for the reduced off take and has accepted Letter of Credit under the Agreement to cover payment for the reduced off take.	
	Notwithstanding above, during the current year, the Company has received demand from GAIL India Ltd. of Rs. 9.94 crores out of the total deficiency/liability of Rs. 26 crores for the shortfall in the quantity of gas taken during the calendar year January 1, 2014 to December 31, 2014 based on an off take of 25000 SCM per day. The Company has obtained a stay against GAIL India Ltd. taking coercive measures for the recovery of the amount demanded, and based on legal advice received has claimed from GAIL India Ltd., the losses which the Company has incurred because of the discriminatory pricing policies adopted by GAIL India Ltd., and proposes to take further appropriate legal steps against GAIL India Ltd. Based on the terms and conditions of the force majeure and timely submission of notice on reduction of agreed quantity of gas from 25000 SCM per day to 4000 SCM per day, the management is confident that the demand is not tenable and will be dropped and thus the Company does not foresee any losses as on the reporting date.	
	(ii) There are no other long term contracts for which there were any material foreseeable losses.	
11.	Book Value and Market Value of Quoted Investments :	
	Aggregate amount of quoted investments - Rs.22.13 lacs (previous year Rs.17.37 lacs); Market value - Rs.84.97 lacs (previous year Rs.53.70 lacs).	

33. Related party disclosures under Accounting Standard-18

A. Name of related party and relationship

- i) Associate Companies : National Cereals Products Limited (NCPL), Mohan Closures Limited (MCL)
- ii) Key Managerial Personnel : Brig. (Dr.) Kapil Mohan, VSM, (Retd.) Ph.D. Mr. Hemant Mohan
- iii) Relatives of Key Managerial Personnel : Mrs. Pushpa Mohan (Wife of Brig. (Dr.) Kapil Mohan), VSM, (Retd.) Ph.D.), Mrs. Seema Bakshi (Daughter of Brig. (Dr.) Kapil Mohan), VSM, (Retd.) Ph.D.), Mrs. Usha Mohan (Mother of Mr. Hemant Mohan), Mrs. Poonam Narang and Mrs. Molina Chandra (Sister of Mr. Hemant Mohan), Mr. Vinay Mohan (Brother of Mr. Hemant Mohan) and Mrs. Shalini Mohan (Wife of Mr. Vinay Mohan)
- iv) Enterprises over which Key Managerial Personnel and/or their relatives exercise significant influence : Mohan Rocky Springwater Breweries Limited (Brig. (Dr.) Kapil Mohan, VSM, (Retd.) Ph.D. and Mr. Vinay Mohan are Directors), Mohan Dairy Farm (proprietary concern of Brig. (Dr.) Kapil Mohan (HUF)) and Modern Dairy Farm (proprietary concern of Mrs. Pushpa Mohan) (upto 31.03.2014 only), Trade Links Private Limited (Mr. Vinay Mohan is Chairman cum Managing Director), Mohan Shakti Trust (Brig. (Dr.) Kapil Mohan is Chairman, Mr. Hemant Mohan and Mr. Vinay Mohan are Trustees and Narinder Mohan Foundation (Brig. (Dr.) Kapil Mohan, VSM, (Retd.) Ph.D. is Chairman and Mr. Hemant Mohan is Trustee)

B. Transactions with related parties referred to in - (A)

i) Transactions with Associate Companies

Particulars	Year ended	Year ended
	31/03/15	31/03/14
	Rs. in lacs	Rs. in lacs
Sales (MCL)	-	0.43
Purchases		
- NCPL	213.45	358.76
- MCL	47.10	47.66
Electricity and water charges recovered		
- NCPL	9.41	4.60
- MCL	1.30	1.48
Rent income		
- NCPL	2.10	3.06
- MCL	1.80	1.80
Expenses recovered		
- NCPL	0.28	1.19
- MCL	-	-
Expenses incurred on Company's behalf reimbursed to		
- NCPL	2.94	11.04
Interest incurred on Company's behalf reimbursed to		
- NCPL	1.93	18.15
Balances outstanding as at the year end		
Payable		
- NCPL	492.54	861.32
- MCL	1.29	9.44
Transactions with Key Managerial Personnel		
Interest on fixed deposit taken	5.92	12.65
Remuneration		
- Brig. (Dr.) Kapil Mohan	41.70	27.42
- Mr. Hemant Mohan	42.19	37.83
Balances outstanding as at the year end		
Payable	9.00	8.68
Fixed deposits taken	-	115.05
Transactions with relatives of Key Managerial Personnel		
<u>Particulars</u>		
Interest on fixed deposit taken	4.99	6.76
Sitting fees to a non-working director	0.45	0.20
Balances outstanding as at the year end		
Fixed deposits taken	-	61.43
Transactions with enterprises over which Key Managerial Personnel and/or their relatives exercise significant influence		

Purchases of traded goods		
- Mohan Rocky Springwater Breweries Limited	18,513.54	19,647.97
Purchases of services		
- Narinder Mohan Foundation	3.78	5.38
Sales		
- Mohan Rocky Springwater Breweries Limited	338.34	95.87
- Trade Links Private Limited	4,101.57	4,282.28
Royalty from		
- Trade Links Private Limited	3.00	6.00
- Mohan Rocky Springwater Breweries Limited	1.60	
Commission to a selling agent		
- Trade Links Private Limited	79.97	87.43
Depot handling charges to a selling agent		
- Trade Links Private Limited	92.78	119.31
Rent income		
-OTHERS	-	0.96
Expenses recovered		
- Narinder Mohan Foundation	-	-
- Mohan Rocky Springwater Breweries Limited	2.46	1.85
- Trade Links Private Limited	13.41	13.13
- Others	-	1.90
Expenses incurred on Company's behalf reimbursed *		
- Trade Links Private Limited	13.14	22.79
Balances outstanding as at the year end (Payable) /		
Receivable		
- Mohan Rocky Springwater Breweries Limited	348.51	445.19
- Trade Links Private Limited	361.83	946.92
Payable		
- Mohan Shakti Trust	0.46	223.73
- Narinder Mohan Foundation	0.02	30.28
- Others	-	0.11
* This exclude the amount of Rs.62.68 lacs (previous year Rs.224.89 lacs) paid by Trade Links Private Limited out of the advance money given by the Company for disbursing the Company's expense.		

## 17. Details of cash and cash equivalents:

*(Rupees in lacs)*

S. No.	Particulars	Figures for the current reporting period (31/03/15)	Figures for the previous reporting period (31/03/14)
(a)	Balances with banks;	499.47	630.73
(b)	Cheques, drafts on hand;	-	10.00
(c)	Cash in hand;	7.45	8.03
(d)	Others (specify nature)		

**Abridged Cash Flow Statement**

S. No.	Particulars	Figures for the current reporting period (31/03/15)	Figures for the previous reporting period (31/03/14)
1	Cash flows from Operating activities	2,132.60	(226.13)
2	Cash flows from Investing activities	50.89	139.28
3	Cash flows from Financing activities	(2,325.33)	(102.08)
4	Net increase/(decrease) In cash and cash Equivalents	(141.84)	(188.93)
5	Cash and cash equivalents At the beginning of period	648.76	837.69
6	Cash and cash equivalents At the end of period	506.92	648.76

<b>32. Segment reporting</b>				
Particulars	Year ended 31/03/15			
	Alcoholic	Non-Alcoholic	Unallocated	Total
	Rs.in lacs	Rs.in lacs	Rs.in lacs	Rs.in lacs
<b>Segment revenue</b>				
External sales (including excise duty)	36,771.23	3,003.44	-	<b>39,774.67</b>
Inter segment revenue	-	-	-	-
<b>Total segment revenue</b>	<b>36,771.23</b>	<b>3,003.44</b>	-	<b>39,774.67</b>
Less : Inter segment revenue	-	-	-	-
<b>Net segment revenue</b>	<b>36,771.23</b>	<b>3,003.44</b>	-	<b>39,774.67</b>
Other income (excluding interest income)	1,160.30	16.22	-	<b>1,176.52</b>
<b>Total</b>	<b>37,931.53</b>	<b>3,019.66</b>	-	<b>40,951.19</b>
Unallocated other income (without considering exceptional items)	-	-	-	-
<b>Total revenue</b>	<b>37,931.53</b>	<b>3,019.66</b>	-	<b>40,951.19</b>
<b>Segment results before exceptional items #</b>	1,049.64	133.18	(528.37)	<b>654.45</b>
Exceptional items (see note 34)				
Depreciation on account of change in accounting policy	786.26	92.31	60.77	<b>939.34</b>
Voluntary retirement scheme expenses	-	-	-	-
Profit on sale of freehold land	-	-	-	-
<b>Segment results after exceptional items</b>	<b>1,835.90</b>	<b>225.49</b>	<b>(467.60)</b>	<b>1,593.79</b>
<b>Interest income</b>				114.00
Profit for the year before finance costs and tax				<b>1,707.79</b>
Finance costs				(1,121.55)
<b>Profit for the year before tax</b>				<b>586.24</b>
Provision for current tax				-
Less : Minimum alternative tax (MAT) credit entitlement				-
Deferred tax charge / (benefits)				209.91
Provision for taxation relating to earlier years (net)				-
<b>Profit/(loss) for the year</b>				<b>376.33</b>
<b>Other information</b>				
Segment assets	16,268.98	891.65	2,121.10	<b>19,281.73</b>
<b>Total assets</b>				<b>19,281.73</b>
Segment liabilities	7,860.25	621.96	992.24	<b>9,474.45</b>
Share capital and reserves				2,273.32
Secured and unsecured loans				7,533.96
<b>Total liabilities</b>				<b>19,281.73</b>
Capital expenditure	<b>90.78</b>	<b>2.67</b>	<b>66.61</b>	<b>160.06</b>
Depreciation	<b>271.45</b>	<b>23.59</b>	<b>100.14</b>	<b>395.17</b>
Non cash expenses other than depreciation	<b>67.71</b>	-	<b>371.10</b>	<b>438.81</b>

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF MOHAN MEAKIN LIMITED**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of Mohan Meakin Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information, in which are incorporated the Returns for the year ended on that date audited by the branch auditors of the Company's branch located at Lucknow.

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including 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 adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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 the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We 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 the 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 the effectiveness of such controls. An audit also includes evaluating the appropriateness of the 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.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

#### **Emphasis of Matters**

Attention is invited to note 20(b)(i) of the financial statement which describes the uncertainty related to the outcome of the case filed by the Company against the demand raised by GAIL (India) Limited amounting Rs.9.94 crores out of total deficiency / liability of Rs.26 crores based on deficiency in the lifted quantity of gas per day, inspite of Company taking appropriate action under the agreement entered with GAIL (India) Limited.

Our opinion is not qualified in respect of the above matter.

#### **Other Matter**

We did not audit the financial statement of Lucknow branch included in the financial statements of the Company whose financial statements reflect total assets of Rs.438 lacs as at 31st March, 2015 and total revenues of Rs.76 lacs for the year ended on that date, as considered in the financial statements. The financial statement of the Lucknow branch have been audited by the branch auditor whose report have been furnished to us, and our opinion in so far as it related to the amounts and disclosures included in respect of the Lucknow branch, is based solely on the report of such branch auditor.

Our opinion is not qualified in respect of this matter.



**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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 and proper returns adequate for the purposes of our audit have been received from the branch at Lucknow not visited by us.

(c) The reports on the accounts of the branch located at Lucknow audited under Section 143(8) of the Act by branch auditors have been forwarded to us and have been properly dealt with by us in preparing this report.

(d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branch not visited by us.

(e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(f) On the basis of the written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164(2)(g) of the Act.

(g) With respect to the other matters to be included in the Auditor's 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:

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 20(a) and 20(b)(i) to the financial statements;

(ii) The Company did not have any long-term contracts for which there were any material foreseeable losses - Refer Note 20(b) to the financial statements;

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For A. F. FERGUSON ASSOCIATES**  
**Chartered Accountants**  
**(Firm's Registration No. 102849W)**

**Vijay Agarwal**  
**(Partner)**  
**(Membership No. 094468)**

**NEW DELHI, May 25, 2015**

**DIRECTOR'S REPORT****TO THE MEMBERS :**

The Directors present their 81st Annual Report on the business and operations of the Company with the Audited Statement of Accounts for the year ended 31st March, 2015 together with the report of Auditors, Messrs. A.F. Ferguson Associates.

**FINANCIAL RESULTS :-**

	Year ended 31/03/15 (Rs. in lacs)	Year ended 31/03/14 (Rs. in lacs)
Revenue from Operation	52,565.71	51,751.20
Less: Excise duty	11,614.52	11,752.13
Revenue from Operation (Net)	40,951.19	39,999.07
Other Income	613.47	565.88
Net Revenue from Operation & Other income	41,564.66	40,564.95
Less: Total Expenditure excluding Exceptional items	41,917.76	41,139.77
<b>Profit/(Loss) before exceptional items &amp; tax</b>	(353.10)	(574.82)
Exceptional items	939.34	-
<b>Profit/(loss) before tax</b>	586.24	(574.82)
Tax Expenses:		
Provision for current tax	133.00	-
Minimum alternate tax (MAT) credit entitlement	(133.00)	-
Deferred tax charges/(benefits)	209.91	(278.52)
Provision for taxation relating to earlier year	-	(39.90)
Profit/(Loss) from continuing operations	376.33	(256.40)
Profit/(Loss) from discontinuing operations	-	(1,688.67)
Profit/(Loss) for the year	376.33	(1,945.07)
Balance brought forward from previous year	707.90	2,652.97
Balance carried to Balance Sheet	1,084.23	707.90

**RESULTS:**

The total net revenue, after adjusting excise duty, from operations and other income of the Company registered a marginal increase from Rs.40,564 lacs last year to Rs.41,564 lacs during the year under review, which, though not on expected lines, is satisfactory in the face of stiff competition. However, the Company has earned a higher Profit for the year before tax amounting to Rs.586 lacs as against Loss of Rs.574 lacs during previous year.

**DIVIDEND:**

In view of the growth requirements of the business and the inadequacy of profits of the Company, the Directors have not recommended any Dividend for the year ended 31.3.2015.

**DIRECTORS:**

In terms of the Articles of Association of the Company, Brig. (Dr.) Kapil Mohan, VSM (Retd.) Ph.D., and Shri Hemant Mohan, Directors liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment. We recommend their re-appointment as their advice from time to time is essential for running the Company.

**RE-APPOINTMENT OF MANAGING DIRECTOR:**

The term of re-appointment of the Managing Director, Brig. (Dr.) Kapil Mohan, VSM (Retd.) Ph.D., will expire on 31.3.2016. Keeping in view his long experience in the liquor industry and his contributions towards the progress of the Company, the Board of Directors has recommended his re-appointment for a further period of 3 years w.e.f. 1.4.2016 on the remuneration package as approved by the Nomination & Remuneration Committee and the proposal for his re-appointment is being placed in the forthcoming Annual General Meeting of the Company, for its approval.

**RE-APPOINTMENT OF DY. MANAGING DIRECTOR:**

The term of re-appointment of the Dy. Managing Director, Shri Hemant Mohan will expire on 31.3.2016. Keeping in view his talent and experience, the Board of Directors has recommended his re-appointment for a further period of 3 years w.e.f. 1.4.2016 on the remuneration package as approved by the Nomination & Remuneration Committee and the proposal for his re-appointment is being placed in the forthcoming Annual General Meeting of the Company, for its approval.

**AUDITORS:**

M/s. A.F. Ferguson Associates, Chartered Accountants/ Statutory Auditors of the Company, have been appointed last year for a period of 3 years i.e. to hold office till the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2017 subject to ratification of their appointment at every Annual General Meeting. As such Directors recommended ratification of their appointment for the financial year ending 31st March, 2016 for approval of the shareholders as an Ordinary Resolution as provided under Section 139 of the Companies Act, 2013.

M/s. Mohan & Co., Chartered Accountants, for the audit of accounts of the Company's Lucknow Branch will retire at the conclusion of the forthcoming Annual General Meeting. They being eligible, offer themselves for reappointment. The Directors recommend their appointment for approval of the shareholders as an Ordinary Resolution.

**ANNEXURE TO THE AUDITORS' REPORT:**

The Notes on financial Statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

**DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

**SECRETARIAL AUDITOR:**

Shri Pradeep Kumar Tuli, Prop. M/s. Tuli Pradeep & Associates as Practising Company Secretary was appointed to conduct the Secretarial Audit for the financial year 2014-15 as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The Secretarial Audit Report for financial year 2014-2015 forms part of the Annual Report as Annexure-I to the Board's Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Board has appointed Shri Pradeep Kumar Tuli, Prop. M/s. Tuli & Associates, Practising Company Secretary as Secretarial Auditor of the Company for the financial year 2015-16.

**RELATED PARTY TRANSACTIONS:**

Section 188 of the Companies Act, 2013 prescribes that no Company shall enter into Agreements/Arrangements/ Contracts with related party unless the consent of the Board of Directors is given in Resolution at the Meeting of the Board. It bars the related party to vote on such Special Resolution. It also provides that no Contract or Arrangement shall be entered into except with the prior approval of the Company by Special Resolution. Although the Company has entered into a Agreements/ Arrangements/Contracts with related parties and the Board has thoroughly examined that these Agreements/ Contracts are on arm's length basis, however, the Board thinks it fit to place all the Agreements/Arrangements/ Contracts where the Directors are interested being common Director or otherwise with these related parties, before the Shareholders.

Although according to Board of Directors these transactions were entered into by the Company in its ordinary course of business much earlier before the Companies Act, 2013 came into force, yet out of abundant caution these are placed before the shareholders by way of Special Resolution as prescribed under the Companies Act, 2013 and revised Clause 49 of the Listing Agreement. The parties with whom the Company has entered into Agreements/Arrangements/ Contracts for a term of one year from 1.4.2015 to 31.3.2016 are as under :-

1. M/s. Mohan Breweries & Distilleries Ltd., Chennai
2. " Mohan Rocky Springwater Breweries Ltd., Mumbai.
3. " Mohan Zupack Ltd., New Delhi
4. " Mohan Closures Ltd., New Delhi
5. " Trade Links (P) Ltd., New Delhi
6. " John Oakey & Mohan Ltd., Delhi
7. " Arthos Breweries Ltd., Chennai
8. " National Cereals Products Ltd., Solan Brewery

Disclosures of particulars in the prescribed Form, of Contracts/Arrangement, entered into by the Company with related parties referred to in Section 188(2) of the Companies Act, 2013 is annexed as per Annexure-II.

**TRANSACTIONS WITH NATIONAL CEREALS PRODUCTS LIMITED:**

The purchases made by the Company during the year included purchases aggregating to Rs.2,11,64,402/- made from National Cereals Products Ltd., which has been manufacturing the bulk requirements of barley malt for the last more than five decades. Out of the total shareholding of 13,14,528 of National Cereals Products Ltd., the Company i.e. Mohan Meakin Ltd., holds 341352 shares (approx.26%), Mohan Family holds 366310 shares (approx. 28%) (including 48,536 shares (3.69%) held by Brig.(Dr.) Kapil Mohan, VSM (Retd.) Ph.D., Managing Director). Mrs. Comilla Mohan, Sister-in-law (brother's wife) of Brig.(Dr.) Kapil Mohan, VSM (Retd.) Ph.D., is the Managing Director of National Cereals Products Limited. Under the provisions of Companies Act, 2013 the Agreement with this Company (NCP) being a related party is placed before you as a Special Resolution.

Most of the Agreements/Arrangements/Contracts are continuing since long time with other parties to give bottling rights of different brands of Beer/Whisky at different stations like Chennai, Mumbai so that the Company's products are available throughout the Country wherever possible otherwise the Company's production/sales would be affected which ultimately would affect its profitability. It is economically unviable for the Company to dispatch its goods to these stations from its own manufacturing centers which are based in the North. With these arrangements the Company is getting handsome amount of Royalty/Commission every year.

The Board and Audit Committee are of the view that these are in the ordinary course of business and are at arm's length and these Agreements/Arrangements/Contracts should continue.

To comply with the relevant provisions of the Companies Act as well as revised clause 49 of the Listing Agreement with the Stock Exchanges, the Audit Committee and Board which has already approved these Agreements/ Arrangements/Contracts, yet out of abundant caution the same are placed before the shareholders by way of Special Resolution as prescribed under the Companies Act, 2013 and revised Clause 49 of the Listing Agreement.

The details of all material transactions with related parties shall be disclosed quarterly along with compliance report of Corporate Governance as envisaged under revised Clause 49 of the Listing Agreement.

**FIXED DEPOSITS:**

The Company had stopped its Fixed Deposits Scheme w.e.f. 1.4.2014, and refunded the entire amount of Fixed Deposits lying with the Company to the Depositors within one year i.e. before 31st March, 2015.

**Transfer of Amounts to Investor Education and Protection Fund:**

Complying with the provisions of Section 124/125 of the Companies Act, 2013, amounts which remaining unpaid or unclaimed for a period of seven years have been transferred by the Company, from time to time on due dates, to the Investor Education and Protection Fund.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the Company's website ([www.mohanmeakin.com](http://www.mohanmeakin.com)).

The information regarding unpaid and unclaimed amounts has also been filed online with the Registrar of Companies on 5.03.2015 vide SRN No.536576031.

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

As per the Companies Act, 2013, all Companies having net worth of Rs.500 crore or more, or turnover of Rs.1,000 crore or more or a net profit of Rs.5 crore or more during any financial year are required to constitute a Corporate Social Responsibility (CSR) Committee of the Board of Directors comprising three or more Directors, at least one of whom should be an Independent Director and such company shall spend at least 2% of the average net profits of the Company's three immediately preceding financial year.

The Company constituted the Corporate Social Responsibility Committee comprising of 4 Independent Directors as required under Section 135 of the Companies Act, 2013 ; the composition of the Committee is under :-

- |                        |            |
|------------------------|------------|
| 1. Shri L.K. Malhotra  | - Chairman |
| 2. " J.K. Jain         | - Member   |
| 3. " Swaraj Suri       | - Member   |
| 4. " Yash Kumar Sehgal | - Member   |

Since the Company does not meet the requirement of Clause 5 of Section 135 of the Companies Act, 2013, therefore no activities could be undertaken by the Company so far.

**Insurance:**

All the insurable instrument of the Company including Building, Machinery and other assets etc., is adequately insured.

**PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES:**

In terms of the provisions of Section 197(12) of the Companies Act, 2013, the ratio of the remuneration of each Director to the median Employees' Remuneration is annexed herewith as Annexure-III to this Report. The Statement showing the particulars under Rule 5 (2) and 5 (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 required to be included in the Directors' Report is not applicable, as no employee of the Company was in receipt of Remuneration equal to or above the limit mentioned in the said Rules.

**EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in Form MGT-9 as required under Section 92 of the Companies Act, 2013 is included in this Report as Annexure-IV and forms part of this Report.

**CASH FLOW:**

Cash Flow Statement for the year 2014-2015 is attached to the Balance Sheet.

**ENERGY CONSERVATION TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & 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-V to this Report

**DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, and based on the representations received from the operating management and after due enquiry the Directors hereby confirm that:

a) The financial statements are prepared in accordance with the accounting standards issued by the Institute of Chartered Accountants of India and the requirements of the Companies Act, 2013, to the extent applicable to us, and guidelines issued by SEBI on the historical cost convention as a going concern and on the accrual basis. There are no material departures from prescribed accounting standards in the adoption of the accounting standards as these have been adopted in consultation with Statutory Auditors.

b) The Board of Directors accepts responsibility for the integrity and objectivity of these financial statements. The accounting policies used in the preparation of the financial statements have been consistently applied except as otherwise stated in the notes accompanying the respective tables. The estimates and judgments related to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner, the form and substance of transactions, and reasonably present our state of affairs and profits for the year.

c) They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

**CORPORATE GOVERNANCE & MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:**

Corporate Governance & Management's Discussion and Analysis Reports for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate Section forming part of the Annual Report.

Certificate of Practising Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges is also attached and forms a part of the Annual Report.

**BUSINESS RESPONSIBILITY REPORT.**

SEBI, vide its Circular No.CIR/CFD/DIL/8/2012 dated 13.8.2012, mandated inclusion of the Business Responsibility Report (BRR) as part of the Annual Report for listed entities. However, as the Company does not fall under the ambit of said Circular of the SEBI, the Business Responsibility Report is not required ; hence not prepared.

**CURRENT TREND:**

The sales of the Company's products for the first quarter of the current year are higher as compared to the corresponding period of the year under review. The Company is continuously taking all necessary steps to achieve higher sales and it is expected that the measures being taken will bring the desired results barring unforeseen circumstances.

**ACKNOWLEDGEMENT:**

Management Employees relations throughout the year have been very cordial as has been the case for the last many years. The continuous healthy relationship is due to far-sighted policy of your Managing Director, Brig. (Dr) Kapil Mohan, VSM (Retd.) Ph.D. Your Directors wish to place on record their deep sense of appreciation for the devoted services of the Executives, Staff and Workers of the Company for its success. The Board also acknowledges the support given by Banks, Customers and Government authorities.

Brig.(Dr) Kapil Mohan,	Managing Director
VSM (Retd.) Ph .D.	
Mr.Vinay Mohan	Director
Mrs. Shalini Mohan	Director
Mr. J.K. Jain	Director
Mr. Swaraj Suri	Director
Mr. L.K. Malhotra	Director
Mr. Yash Kumar Sehgal	Director

Mohan Nagar  
14<sup>th</sup> August, 2015.  
(Ghaziabad) U.P.