CONTENTS

Annual General Meeting on Wednesday, the 26th September, 2018 at Solan Brewery (H.P.) at 11:00 A.M.

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting, Shareholders are requested to kindly bring their copies to the Meeting.

BOARD OF DIRECTORS

Directors
Shri L.K. Malhotra, Chairman
Independent Director

Shri Hemant Mohan
Managing Director

Shri R.C. Jain,
Director Finance-cum-CFO

Shri M. Nandagopal
Independent Director

Shri Yash Kumar Sehgal
Independent Director

Shri N. Murugan
Independent Director

Shri Vinay Mohan
Non-Executive, Non-Independent

Mrs. Shalini Mohan
Non-Executive, Non-Independent

Secretary
Shri H.N. Handa,
B.Com., F.C.A., F.C.S.,
A.M.C.I.A. (London)

Statutory Auditors:
M/s. Haribhakti & Co., LLP,
Chartered Accountants,
New Delhi.

Bankers:
Punjab National Bank

Solicitors:
Koura & Company,
Advocates & Barristers,
New Delhi.

Registered Office:
Solan Brewery P.O.
(Shimla Hills)
Himachal Pradesh
Pin-173214.

Registrar & Transfer Agents:
M/s. Beetal Financial & Computer Services (P) Ltd.,
Beetal House, 3rd floor, 99, Madangir,
Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir, New Delhi-110062.

BOARD'S REPORT

TO THE MEMBERS :

The Directors present their 84th Annual Report on the business and operations of the Company with the Audited Financial Statements for the financial year ended 31st March, 2018 together with the report of Auditors, M/s. Haribhakti & Co., LLP,

FINANCIAL HIGHLIGHTS (STANDALONE) :-

	Year ended 31-03-2018 (Amt. in lacs) Rs.	Year ended 31-03-2017 (Amt. in lacs) Rs.
Income from Operations	65,576.93	58,097.24
Other Income	459.00	449.76
Total Income	**66,035.93**	**58,547.00**
Profit before Depreciation, Finance Cost and Taxation	2,312.27	1,877.40
Less : Depreciation	254.56	286.07
Profit before Finance Cost and Taxation	2,057.71	1,591.33
Less: Finance Cost	665.29	914.63
Profit before exceptional items and tax	**1,392.42**	**676.70**
Exceptional items	815.44	-
Profit before tax	**2,207.86**	**676.70**
Less: Provision for Taxation		
- Current Tax	474.68	168.00
- Deferred Tax (including MAT Credit)	179.34	30.11
Profit After tax	**1,553.84**	**478.59**
Add : Other Comprehensive Income/(Loss)	35.86	(11.01)
Total comprehensive income for the year	**1,589.70**	**467.58**
Add: Balance Retained earnings of earlier years	3,677.06	3,209.48
Add : Transfer from other reserves	-	-
Retained earnings available for appropriation	5,266.76	3,677.06
Less : Dividend paid on Equity Shares	-	-
Less: Income Tax on Dividend paid	-	-
Retained earnings carried forward	5,266.76	3,677.06

RESULTS:

The total net revenue, after adjusting excise duty, from operations and other income of the Company registered an increase from Rs. 58,547 lacs last year to Rs. 66,035.93 lacs. The profit during the year amounting to Rs.1392.42 lacs which does not include any item of exceptional income as compared to last year, is quite satisfactory in the face of stiff competition in the trade.

DIVIDEND:

In view of capital expenditure for working capital such as replacement of old plant and machinery and improving Brewing and Distillation technology and growth requirement of the business, the Directors could not recommend dividend for the year ended 31.03.2018.

RE-APPOINTMENT OF DIRECTOR:

In terms of the Articles of Association of the Company and in accordance with the provisions of Companies Act, 2013, Mrs. Shalini Mohan, Director (DIN No.06939483) retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. We recommend her re-appointment as her advice from time to time is beneficial to the Company.

INDEPENDENT DIRECTORS:

All Independent Directors have given the Declarations under Section 149(6) of the Companies Act and Regulation 16 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that they meet the criteria of independence.

RE-APPOINTMENT OF MANAGING DIRECTOR:

The term of re-appointment of Managing Director Shri Hemant Mohan will expire on 12.08.2019. Keeping his long experience in the liquor industry and his contributions towards the progress of the Company, the Nomination & remuneration Committee and the Board of Directors have recommended his re-appointment for a further period of three years w.e.f. 13.08.2019 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.

CHANGES IN KEY MANAGERIAL PERSONNEL.

There is no change in the Key Managerial Personnel during the year under Report.

BOARD PERFORMANCE EVALUATION:

The Company has devised a Performance Evaluation Framework and Policy, which sets a mechanism for the evaluation of the Board, Board Committees and Directors.

Performance Evaluation of the Board, Committees and Directors was carried out through an evaluation mechanism in terms of the aforesaid Performance Evaluation Framework and Policy.

The Performance evaluation of each individual Director, the Board and Committees was carried out through deliberations. The said performance evaluation was done based on the parameters stated in the templates designed under the aforesaid Framework and after taking into consideration the guidance note issued by the Securities and exchange Board of India on January 5, 2017.

INDEPENDENT DIRECTORS' MEETING:

One Meeting of the Independent Directors was held on 30th May, 2018, without the presence of the Executive Directors or management personnel. At the Independent Directors Meeting held on 30th May, 2018, the Independent Directors carried out performance evaluation of Non-Independent Directors and the Board of Directors as a whole, performance of Chairman of the Company, the quality, content and timelines of flow of information between the Management and the Board, based on the Performance Evaluation framework of the Company. All the Independent Directors were present at the aforesaid Meeting.

FAMILIRIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

The Company has in place a Familiarization Program for Independent Directors to provide insights into the Company's business to enable them contribute significantly to its success. The Executive Directors and Senior Management makes presentations periodically to familiarize the Independent Directors with the strategy operations and functions of the Company.

AUDITORS:

The Shareholders of the Company at the 83rd Annual General Meeting of the Company held on 29th September, 2017 had appointed M/s. Haribhakti & Co., LLP, Chartered Accountants New Delhi (Firm Regn. No.103523W/W100048) as Statutory Auditors of the Company for a term of one year holding office from the conclusion of 83rd Annual General Meeting until the conclusion of 84th Annual General Meeting of the Company to be held in the calendar year 2018. Accordingly, the Board of Directors, based on the recommendation of Audit Committee and subject to the approval of the Shareholders at the ensuing 84th Annual General Meeting of the Company, has proposed to re-appoint M/s. Haribhakti & Co., LLP, Chartered Accountants, New Delhi (firm Regn. No.103523W/W100048) as Statutory Auditors of the Company from the conclusion of 84th Annual General Meeting till the conclusion of 85th Annual General Meeting to be held in the Calendar year 2019, to conduct the audit of accounts of the Company at a remuneration of Rs.34 lacs + applicable taxes, + out of pocket expenses as may be incurred by them during the course of the Audit. The Company has received a written consent and a Certificate from M/s. Haribhakti & Co., LLP Chartered

Accountants to the effect that their re-appointment, if made, would be in accordance with the provisions of Section 139 and that they satisfy the criteria provided in Section 141 of the Companies Act, 2013 read with Rules framed thereunder.

BRANCH AUDITOR:

M/s Saxena & Saxena, Chartered Accountants, New Delhi, (having Registration No.006103N) be and are hereby re-appointed as Branch Auditor of the accounts of the Company's Lucknow Branch to hold office from the conclusion of 84th Annual General Meeting (AGM) till the conclusion of the 85th Annual General Meeting of the Company to be held in the year 2019 at a remuneration of Rs.40,000/- (Forty thousand only) plus applicable taxes + out of pocket expenses as may be incurred by them during the course of the Audit.

Accordingly, the Board of Directors, based on recommendation of the Audit Committee and subject to the approval of the Shareholders at the ensuing 84th Annual General Meeting has proposed to re-appointment of M/s. Saxena & Saxena, Chartered Accountants, New Delhi (firm Regn.No.006103N) as Branch Auditor of the Company for audit of accounts of Company's Lucknow Branch for a term of one year from the conclusion of 84th Annual General Meeting till the conclusion of 85th AGM to be held in the Calendar year 2019.

The Company has also received a written consent and a certificate from M/s. Saxena & Saxena, Chartered Accountants to the effect that their appointment if made would be in accordance with the provisions of Section 139 and that they satisfy the criteria provided in section 141 of the Companies Act, 2013 read with Rules framed thereunder.

The Notes of the financial statements referred to in the Auditors' Report issued by M/s. Haribhakti & Co., LLP, Chartered Accountants for the financial year ended 31st March, 2018 are self explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDIT:

Shri Ashutosh Kumar Pandey Prop. M/s. AKP & Associates, as Practising Company Secretary was appointed to conduct the Secretarial Audit for the financial year 2017-18 as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The Secretarial Audit Report for the financial year 2017-18 forms part of the Annual Report as Annexure-1 to the Board's Report.

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

The Board has appointed Shri Ashutosh Kumar Pandey Prop. M/s. AKP & Associates, Practising Company Secretary to carry out the Secretarial Audit of the Company for the financial year 2018-19.

CONSOLIDATED FINANCIAL STATEMENT IN RESPECT OF THE SUBSIDIARIES, ASSOCIATE COMPANY AND JOINT VENTURES.

There is no subsidiary Company of Mohan Meakin Limited but in view of the extended definition as provided under section 129(3) of the Companies Act, 2013, a separate statement containing the salient features of the financial statement of the Associate Companies are annexed in the prescribed format "AOC-1' - Annexure-II.

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. The Company has entered into Agreements/ Arrangements/Contracts with related parties and the Board has thoroughly examined that these Agreements/Contracts are in ordinary course of business and 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 Ordinary Resolution as prescribed under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The parties with whom the Company has entered into

Agreements/Arrangements/Contracts for a term of one year from 1.4.2018 to 31.3.2019 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. " National Cereals Products Ltd., Solan Brewery

Most of the Agreements/Arrangements/Contracts are continuing since long time with the 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 by way 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. The transactions are of repetitive nature. Relative party disclosure as stipulated in Schedule V-A(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is not applicable.

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

All related party transactions are placed on a quarterly basis before the Audit Committee for approval and before the Board for consideration and noting .

The Policy on related party transactions as approved by the Board is uploaded on the Company's website www.mohanmeakin.com.

DEPOSITS FROM PUBLIC:

During the financial year under review the Company has not accepted any deposits from public. However, the amount of interest remaining unpaid on the deposits has already been deposited in the Investor Education and Protection Fund as per provisions of Section 205A & 205C of the Companies Act, 1956.

Transfer of Amounts to Investor Education and Protection Fund:

Complying with the provisions of Sections 124 and 125 of the Companies Act, 2013, amounts remaining unpaid or unclaimed for a period of seven years have already been transferred by the Company, to the Investor Education and Protection Fund and as such there is no amount now lying in the Books of Accounts of the Company.

Corporate Social Responsibility Committee:

As prescribed under Section 135 of 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 in any financial year at least 2% of the average net profits of the Company's three immediately preceding financial years towards Corporate Social Responsibility activities.

The Company constituted the Corporate Social Responsibility Committee comprising of 3 Independent Directors as required under Section 135 of the Companies Act, 2013.

On the basis of the above criteria, the Company had a sum of Rs.11 lacs for spending on Corporate Social Responsibility activities for the year 2017-18.

The Annual Report on CSR activities in the prescribed Format is at ' Annexure-VII to this Report.

BUSINESS RESPONSIBILITY REPORT:

Regulation 34 (2)(f) of the Securities & Exchange Board of India (Listing Obligations and disclosures Requirements) Regulations 2015 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 Regulation of SEBI, the Business Responsibility Report is not required ; hence not being placed.

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-IV 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.

Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Your Company has zero tolerance for sexual harassment at its workplace and has adopted a policy on Prevention, Prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

During the year under report, the Company has not received any complaints from any Women employee.

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-V and forms part of this Report.

CASH FLOW STATEMENT:

Cash Flow Statement for the year 2017-2018 is attached to the Balance Sheet.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO.

The information on conservation of energy, technology absorption, foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as Annexure "VI".

DIRECTORS RESPONSIBILITY STATEMENT:

Your Directors make the following statements in terms of Section 134(3)(c)of the Companies Act, 2013:

a. that in the preparation of the annual financial statements for the year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any

b. that such accounting policies as mentioned in Note 2 of the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit of the Company to the year ended on that date.

c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. that the annual financial statements have been prepared on a going concern basis;

e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively, as defined and approved under the Act.

f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

CORPORATE GOVERNANCE & MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Corporate Governance & Management's Discussion and Analysis Reports for the year under review, as stipulated under Schedule V-C (Regulation 34(3) and 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 is presented in a separate Section forming part of the Annual Report.

Compliance Certificate of Practising Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated in Schedule V(E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 is annexed and forms a part of the Annual Report.

ACKNOWLEDGEMENT:

It is a matter of pride that the Management – Employees relations in your Company during the year under review continues to be very cordial as in the previous years. The employees continue to work with great dedication and commitment. 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.

BY ORDER OF THE BOARD OF DIRECTORS

(L.K. MALHOTRA)
CHAIRMAN.

Mohan Nagar – 14th August, 2018.
(Ghaziabad) U.P.

Annexure-I

Secretarial Audit Report

For the period 01/04/2017 to 31/03/2018

{Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,
The Members
Mohan Meakin Limited
Solan Brewery-173214
(Himachal Pradesh)

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mohan Meakin Limited (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's records and also the information provided by the Company, its officers, agents and authorized representatives during conduct of the secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I 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;

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;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; *[Not Applicable as the Company has not issued any further capital under the regulations during the period under review]*

d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; *[Not Applicable as there is no scheme for direct or indirect benefit of employees involving dealing in or subscribing to or purchasing securities of the company, directly or indirectly]*

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 *[Not Applicable as the Company has not issued and listed any debt securities during the financial year under review];*

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 *[Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review];*

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 *[Not applicable as the Company has not delisted and there was no proposal of delisting of its equity shares from any Stock Exchange during the financial year under review];*

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 *[Not applicable as the Company has not bought back and there was no proposal for buy-back of its securities during the financial year under review].*

Apart from other applicable laws, the Management has identified and confirmed the following laws as specifically applicable to the Company:-

a) The Indian Boiler Act, 1923

b) H.P.Ind. Establishment (National Festival & Holidays & Leave) Rules, 1970

c) Hazardous Waste Rules, 2008

d) Food and Safety Standard Act, 2006

e) Water (Prevention & Control of Pollution) Act 1974 and rules thereunder

f) Air (Prevention & Control of Pollution) Act 1981 and rules thereunder

g) The Environment (Protection) Act, 1986

h) Legal Metrology Act, 2009
i) The Standards of Weights and Measures Act, 1976

I have also examined compliance with the applicable clauses of the following:

a) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
b) The Listing Agreements entered into by the Company with Calcutta Stock Exchange and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except and to the extent of the reporting made herein this Report

I further report that:-

a) I have relied upon the explanation of the company, its officers and agents, to the effect that the company does not have any foreign direct investment nor it has any overseas direct investment.
b) In respect of other laws specifically applicable to the Company, I have relied on information/records produced by the company during the course of my audit and the reporting is limited to that extent only.
c) I have relied upon the explanation of the company, its officers and agents, to the effect that the company has complied with provisions of PF/ESI and there is no proceeding having material effect with regards to PF/ESI initiated and/or pending during the year under review.
d) I have relied upon the explanation of the company, its officers and agents, to the effect that the company has complied with provisions of Income Tax/TDS and there is no proceeding having material effect with regards to Income Tax/TDS initiated and/or pending during the year under review.
e) I have relied upon the explanation of the company, its officers and agents regarding other litigation which are subsisting as on date and which might have the potential to materially affect the company. Accordingly, I report that few litigations may be considered to have the potential to effect the company in either ways such as Litigation with Gail India Limited and UPSIDC. The effect of these two have been properly mentioned and quantified in the Balance Sheet and its Annexures.
f) The company has regularized the appointment of Mr. Ramesh Chand Jain (DIN- 00256210), who originally was appointed as an Additional Director, by way of necessary resolution passed at the previous Annual General Meeting. The consequent action is to be harmonized with signatory details of the company as maintained by MCA on its official website.
g) The company has regularized the appointment of Mr. Murugan Navamani (DIN- 01309393) as an independent director, who originally was appointed as an Additional Director, by way of necessary resolution passed at the previous Annual General Meeting. The consequent action is to be harmonized with signatory details of the company as maintained by MCA on its official website.
h) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director except and to the extent of the fact that Mr. Masilamani Nandagopal and Mr. Lalit kumar Malhotra are shareholders of the company.
i) Adequate notice is given to all Directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda are sent generally seven days in advance.
j) 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.
k) All decisions of the Board and Committees are carried with requisite majority

I further report that based on review of compliance mechanism established by the Company, I am of the opinion that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines except and to the extent of the report mentioned herein above.

I further report that during the audit period there were no instances of:

a) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
b) Redemption / buy-back of securities
c) Merger / amalgamation / reconstruction, etc.
d) Foreign technical collaborations

For AKP & Associates
Company Secretaries

Sd/-
Ashutosh Kumar Pandey
FCS-6847:CP-7385
Proprietor

Place: Noida
Date: 03.08.2018

Annexure A

To,
The Members
Mohan Meakin Limited
Solan Brewery-173214
(Himachal Pradesh)

Our Secretarial Audit Report for the financial year 31st March, 2018 is to be read along with this letter.

Management's Responsibility

a) It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

b) It is the responsibility of the management of the Company to file all e-forms and returns with the concerned authority and to ensure that the delay, if any, is duly condoned unless specifically reported.

Auditor's Responsibility

c) My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

d) I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

e) Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

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

g) I have not verified the correctness and appropriateness of financial records and books of account of the Company.

For AKP & Associates
Company Secretaries

Sd/-
Ashutosh Kumar Pandey
FCS-6847:CP-7385
Proprietor

Place: Noida
Date: 03.08.2018

Annexure II

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1.	Sl.No.	N.A,
2.	Name of the subsidiary	N.A.
3.	The date since when subsidiary was acquired	N.A.
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	N.A.
5.	Reporting currency and Exchange rates on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.
6.	Share capital	N.A.
7.	Reserves and surplus	N.A.
8.	Total assets	N.A.
9.	Total Liabilities	N.A.
10.	Investments	N.A.
11.	Turnover	N.A.
12.	Profit before taxation	N.A.
13.	Provision for taxation	N.A.
14.	Profit after taxation	N.A.
15.	Proposed Dividend	N.A.
16.	Extent of shareholding (in percentage)	N.A.

Notes:-**The following information shall be furnished at the end of the statement:**

1.	Names of subsidiaries which are yet to commence operations	N.A.
2.	Names of subsidiaries which have been liquidated or sold during the year.	N.A.

Part B Associates and Joint Ventures

Statement pursuant to Section129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S.No	Name of Associates or Joint Ventures	National Cereals Products Ltd	Mohan Closure Ltd.
1	Latest audited Balance Sheet Date	31.03.2018	31.03.2018
2.	Date on which the Associate or Joint Venture was associated or acquired	31.01.1967	21.11.1988
3.	Shares of Associate or Joint Ventures held by the company on the year end		
	No. of Shares	366408	30000
	Extent of Holdings (%)	27.87%	25%
4	Description of how there is significant influence	Holding above 20% of Equity Share Capital	Holding above 20% of Equity Share Capital
5.	Reason why associates is not consolidated	Both the Companies i.e. National Cereals Products Ltd and Mohan Closure Ltd being separate entities no consolidation can be done	Both the Companies i.e. NCP Ltd and Mohan Closure Ltd being separate entities no consolidation can be done
6.	Net worthy attributable to shareholding as per latest audited Balance Sheet	212.55	7.00
7.	Profit/(Loss) for the year		
	(i) Considered in consolidation (Rs. in Lacs)	(18.15)	(2.96)
	(ii) Not Considered in Consolidation	N.A.	N.A.

Notes

1. Names of Associate which are yet to commence operations: Nil
2. Names of Associate which have been liquidated or sold during the year : Nil

Annexure - III

FORM NO. AOC – 2

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 arms length transactions under third proviso thereto.

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

1. Details of contracts or arrangements or transactions not at arm's length basis : (a) Name(s) of the related party and nature of Relationship. (b) Nature of contracts/arrangements/transactions (c) Duration of the contracts/arrangements/transactions (d) Salient terms of the contracts or arrangements or Transactions including the value, if any (e) Justification for entering into such contracts or Arrangements or transactions (f) Date(s) of approval by the Board (g) Amount paid as advances, if any ; (h) Date on which the special resolution was passed in general Meeting as required under first proviso to Section 188.	No contracts or arrangements or Transactions have been entered into which were not at arm's Length basis for the year 2018-19.
2. Details of material contracts or arrangement or transactions at arm's length basis. (a) Name(s) of the related party and nature of relationship (b) Nature of contracts/arrangements/transactions (c) Duration of the contracts/arrangements/transactions (d) Salient terms of the contracts or arrangements or Transactions including the value, if any ; (e) Date(s) of approval by the Board, if any ; (f) Amount paid as advances, if any :	Details given below

Form No. AOC-2

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2019 are as follows:

Name of Related party and Nature of Relationship	The nature, duration of the Contract and particulars of the contract or arrangement	Salient terms of the Contract or arrangements including the value, if any	Any advance paid or received for the Contractor arrangement, if any	Date of approval by the Board
1.Mohan Breweries & Distilleries Ltd., Chennai.	**1. Manufacturing Agreement (Beer)**		MML has received Rs.68 lacs as security for due performance of the Agents	30-05-2018
The Company has one common Director i.e. Mr. M. Nandagopal	i) The Company has entered into royalty agreement with MBDL Chennai for Beer w.e.f. 01.04.2018 to 31.03.2019 for the States of Tamil Nadu, Kerala, Karnataka, Telangana and U.T. of Pondichery & Andaman.	Royalty on Beer for various MML's brands.		
	2. Manufacturing Agreement (IMFL)			
	(i) The Company has entered into royalty agreement with MBDL Chennai for IMFL w.e.f. 01.04.2018 to 31.03.2019 for the States of Tamilnadu, and U.T. of Andaman.	Royalty on IMFL for various MML's brands.	NIL	30-05-2018
	(ii) Sale of spirit, FM/Caramel & Bottles	The Company will sell spirit, FM, Caramel and Empty Glass Bottles of/for MML's brands as per the standard terms with all bottlers of MML brands.		
	3. Authorised Selling Agency Agreement			
	Commission paid to MBDL on sale of Corn Flakes and Juices Agreement for the period 1.4.2018 to 31.3.2019.	The Company has entered into Agency agreement with MBDL for sale of Company's Breakfast food products in the States of Tamilnadu and Andhra Pradesh on Commission basis.	NIL	30-05-2018
	4. Bottling & Sales Agreement for A.P.			
	The Company has entered into royalty agreement with MBDL Chennai for its bottling unit at Chittoor, Andhra Pradesh for IMFL w.e.f. 01.04.2018 to 31.03.2019.	Royalty based on Production/Sale.	NIL	30-05-2018

2. Mohan Rocky Spring Water Breweries Ltd.	**(1) Manufacturing Agreement**			
The Company has four common Directors i.e. Mr. M. Nandagopal Mr. Vinay Mohan, Mr. L.K. Malhotra, and Yash Kumar Sehgal.	(i) MML purchases finished goods from MRSB for sale in State of Maharashtra. This arrangement is for the period 2018-19.	The transactions will be held on standard business terms.		
	(ii) Sale of Spirit, FM, Caramel and Empty Glass bottles of/for MML's brands	The Company will sell spirit, FM, Caramel of/for MML's brands as per the standard terms with all bottlers.		
	(iii) Expenses recovered by/from MRSB by/from MML towards salary etc., for staff on deputation.	MML will debit the cost of staff deputed at MRSB for technical supervision.	NIL	
	(iv) Royalty income to MML			
3. National Cereals Products Ltd.	**(1) Lease Agreement for the period from 1.4.2018 to 31.3.2019.**	On usual commercial basis.	NIL	30-05-2018
NCPL is an associate Company of MML as MML is holding more than 20% paid up share capital of NCPL and being the associate Company it is covered under the definition of related party.	MML provides space in its Building for office use and provide electricity, water etc., on actual basis.			
4. Mohan Zupack Ltd.	**(1) Purchase Agreement for the period from 1.4.2018 to 31.3.2019.**	Purchase will be made on standard terms.	NIL	30-05-2018
Mrs. Usha Mohan, (Mother of the Managing Director) and Shri Vinay Mohan is Common Director.	MML purchases empty cartons from Mohan Zupack Ltd., for its various units/branches as per the requirements from time to time.			
5. Mohan Closures Ltd.	**(1) Purchase Agreement for the period from 1.4.2018 to 31.3.2019.**	All arrangements/contracts will be held on standard terms.	NIL	30-05-2018
(1) MCL is associate Company of MML as MML is holding more than 20% paid up share capital of MCL and being the associate Company it is covered under the definition of related party.	MML purchases Crown Corks from Mohan Closures Ltd., for its Breweries at Mohan Nagar and Solan as per requirements from time to time.			
.	**(2) Lease Agreement for the period from 1.4.2018 to 31.3.2019.**			
	(i) Rent	Rent recovered for factory premises.		
(2) Mr. Vinay Mohan is a common Director	(ii) Recoveries against Electricity, Water, Transportation charges	Recoveries against Electricity, Water and transportation charges.	NIL	

6. Trade Links Pvt. Limited	**(1) Usership Agreement from 1.4.2018 to 31.3.2019.**			
Shri Vinay Mohan is Common Director.	MML is getting royalty from TLPL towards the use of its Trade marks by TLPL under the royalty agreement effective from 1.4.2018 to 31.03.2019.	Royalty income	IMFL Rs.42 lacs Food Products – Rs.4.40 lacs Total Security – Rs.46.40 lacs	30-05-2018
	(2) Authorised Selling Agency Agreement effective from 1.4.2018 to 31.3.2019.			
	(i) MML during the normal course of its business shall sell IMFL, Beer, Corn Flakes and Juices to TLPL.	Sale of IMFL, Beer, Cornflakes & Juices.	NIL	
	(ii) MML shall pay commission on sale of its products & Depot operation charges as per the Agency Agreement upto 31.03.2019.	Commission will be paid on sale of its Directors. Depot operation charges will be paid. MML is reimbursing Salary, TA/DA etc. of TLPL's Staff on deputation at MML :		
7. John Oakey & Mohan Limited	**(1) Lease Agreement**			
Mrs. Usha Mohan, (mother of the Managing Director) and Shri Vinay Mohan is common Director in JOML.	(1) MML is making recovery from John Oakey & Mohan Limited towards their use of electricity on actual basis.	Recovery against electricity will be made on actual usage basis.	NIL	
	(ii) MML is getting rent for the use of premises by JOML under the rent agreement from 01.04.2018 to 31.03.2019.	Rent as per the terms of the agreement.		30-05-2018

ANNEXURE-IV

TO THE BOARD'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2018:

Information pursuant to Section 134(3)(q) and Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. The ratio of the remuneration of each Director to the median employee's remuneration for the financial year :

Name	Designation	Ratio
Shri Hemant Mohan	Managing Director	5.74%
Shri R.C. Jain	Director Finance-cum-CFO	0.79%
" Vinay Mohan	Non-Executive Non-Independent	-
Smt. Shalini Mohan	Non-Executive Non-Independent	-
Shri L.K. Malhotra	Non-Executive Independent	-
" M.Nandagopal	Non-Executive Independent	-
" Yash Kumar Sehgal	Non-Executive Independent	-
" N. Murugan	Non-Executive Independent	-

For this purpose, sitting fees and reimbursement of out of pocket expenses incurred in attending the Board and Committees Meetings paid to the Directors have not been considered as remuneration.

The Members have, at the Annual General Meeting of the Company held on 29th September, 2014 approved payment of Commission to the non-Executive Directors within the ceiling of 1% of the of net profits of the Company as computed under applicable provisions of the Act. The said Commission is decided each year by the Board of Directors and distributed amongst the Non-Executive Directors based on their attendance and contribution at the Board and certain Committee Meetings, as well as the time spent on operational matters other than at the Meetings.

However, no Commission was paid to the Non-Executive Directors for the financial year 2017-18.

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.

Managing Director	(Remuneration as approved by the Shareholders).	No increase during the financial year 2017-18.
Director Finance-cum CFO		36.95 %
Company Secretary		70.00%
Directors		NIL

3. The average percentage increase in the median remuneration of employees in the financial year :

The average percentage increase in the median remuneration of employees in the financial year was around 7.39%.The calculation of percentage increase in Median Remuneration is done based on comparable employees. Employees who were not eligible for any increment have been excluded for the purpose of this calculation.

4. The Number of permanent Employees on the rolls of the Company:

The number of permanent employees on the rolls of the Company as on 31stMarch, 2018 are 693.

5. The explanation on the relationship between average increase in remuneration and the Company performance:

The criteria for increase in the remuneration, amongst other things, is also related to the individual performance, the Company's performance and such other factors as briefly described in the Policy for Remuneration of Key Managerial Personnel and Employees as given in the Corporate Governance Report under the head "Nomination & Remuneration Committee" which forms part of this Report.

To maintain smooth relations with the workmen, the Company is giving increase in remuneration as per Agreement(s) entered into with the Labour Unions and the Company from time to time. As regards staff and officers, the slab of increase is fixed according to basic salary drawn by them. The Bonus, Dearness and House Rent allowances are linked with the basic salary wherever applicable under the terms of appointment.

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company: The Key Managerial Personnel were paid around 7.37% of the profit after tax (PAT) for the Financial Year 2017-18.

7. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer and the variation in the Net Worth of the Company as at the close of the current financial year and previous financial year:

   There is no variation in the market capitalization of the Company in view of small number of transfer of shares during the last few years as a result the shares are not being quoted by Calcutta Stock Exchange where the shares of the Company are listed.

   However, the maximum average rate of Company's share transacted during the year as per Share Transfer Register is Rs.35/-. The shares were not being frequently traded at Calcutta Stock Exchange.

8. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and exceptional circumstances for increase in the managerial remuneration, if any :

   As per Company Policy & designation of the Employees taking into consideration their qualification, experience and the job involved.

9. Comparison of the remuneration of each of the Key Managerial Personnel against the performance of the Company:

   The comparison of remuneration of each of the KMP against the performance of the Company is as under :-

Designation	% of PAT
Managing Director & Chief Executive Officer	5.59
Director Finance-cum-CFO	0.77
Company Secretary	1.01

10. The key parameters for any variable component of remuneration availed by the Directors:

    There is no variable Components of remuneration availed by the Directors & Key Managerial Personnel.

11. The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year :

    Not Applicable.

12. Affirmation that the remuneration is as per the remuneration policy of the Company:

    Yes

General Notes:

The Remuneration for the purpose of this table is defined as "Total Cost to the Company (TCC) + Approved Bonus" for all the employees wherever applicable under the terms of appointment. KMPs remuneration is as per the Form 16 (on an annualized basis).

Annexure- V

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31-03-2018

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	L15520HP1934PLC000135
II. Registration Date	2nd November, 1934
III. Name of the Company	MOHAN MEAKIN LIMITED
IV. Category / Sub-Category of the Company	Public Limited Company
V. Address of the Registered office and contact details	Post-Office: Solan Brewery, Distt. Solan, (H.P.) - 173214 Ph.: 01792-230450, 230423, Email: solan@mohanmeakin.com
VI. Whether listed company	Calcutta Stock Exchange
VII. Name, Address and Contact details of the Registrar and Transfer Agent, if any	Beetal Financial & Computer Services (P) Ltd. Beetal House, 3rd Floor, 99, Madangir Complex, Behind Local Shopping Complex, Near Dada Harsukhdas Mandir, New Delhi-110062. Tel. : 011-29961281, 29961282 & 26661283, Fax No.-011-29961284, Email : beetalrta@gmail.com

"ATTACHMENTS"

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	As per Attachment A
III.	Particulars of holding, subsidiary and associate companies	As per Attachment B
IV.	Share Holding Pattern (Equity Share Capital breakup as percentage of total equity)	
i)	Category-wise share holding	As per Attachment C
ii)	Shareholding of Promoters	As per Attachment D
iii)	Change in Promoter Shareholding (Please specify, if there is no change)	As per Attachment E
iv)	Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment F
v)	Shareholding of Directors and Key Managerial Personnel	As per Attachment G
V.	INDEBTEDNESS Indebtedness of the Company including interest outstanding /accrued but not due for payment	As per Attachment H
VI.	Remuneration of Directors and key Managerial Personnel	
A.	Remuneration to Managing Director, Whole-time Directors and/or Manager	As per Attachment I
B.	Remuneration to other directors	As per Attachment J
C.	Remuneration to key Managerial Personnel other than MD/Manager/WTD	As per Attachment K
VII.	Penalties/Punishment/Compounding of Offences	As per Attachment L

"Attachment-A"

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:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Manufacture of distilled, potable, alcoholic beverage such as whisky, brandy and gin etc.	110011	93.96

"Attachment-B"

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1.	National Cereals Products Ltd., P.O. Solan Brewery Distt. Solan (H.P.) 173214	L99999HP1948PLC001381	Associate	27.87%	Sec. 2(6) read with Sec. 188
2.	Mohan Closures Limited, 508, Sethi Bhawan Rajinder Place, New Delhi-110008	U74999DLI1986PLC025395	Associate	25.00%	Sec. 2(6) read with Sec. 188

"Attachment-C"

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage to Total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year 01-04-2017				No. of Shares held at the end of the year 31-03-2018				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% Change during the Year
A. Promoters									
(1) Indian									
a) Individual/HUF	1423243	541453	1964696	23.09	1458600	541453	2000053	23.50	0.41
b) Central Govt.or State Govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	2256449	275772	2532221	29.76	2256449	275772	2532221	29.77	0.01
d) Bank/FI	0	0	0	0	0	0	0	0	
e) Any other *	0	1185085	1185085	13.93	0	1185085	1185085	13.93	0
SUB TOTAL:(A) (1)	3679692	2002310	5682002	66.78	3715049	2002310	5717359	67.20	0.42
(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other 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)	3679692	2002310	5682002	66.78	3715049	2002310	5717359	67.20	0.42

Category of Shareholders	No. of Shares held at the beginning of the year 01-04-2017				No. of Shares held at the end of the year 31-03-2018				% Change
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	718704	16289	734993	8.64	718779	16214	734993	8.64	NIL
C) Central govt	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	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):	718704	16289	734993	8.64	718779	16214	734993	8.64	NIL
(2) Non Institutions									
a) Bodies corporates	439967	26600	466567	5.48	431731	26894	458625	5.39	-0.09
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individuals shareholders holding nominal share capital upto Rs.1 lakhs	610235	452727	1062962	12.5	624771	436667	1061438	12.48	-0.02
ii) Individuals shareholders holding nominal share capital in excess of Rs.1 lakhs	46208	107778	153986	1.8	45550	74315	119865	1.4	-0.8
c) Others (specify)								0	
i) Trust	500	0	500	0.01	500	0	500	0.01	0
ii) Foreign	0	0		0	0	0	0	0	0
iii) NRI	304	372002	372306	4.38	6723	372002	378725	4.45	0.07
iv) HUF	35063	0	35063	0.41	36924	50	36974	0.43	0.02
SUB TOTAL (B)(2):	1132277	959107	2091384	24.58	1146199	909928	2056127	24.16	
Total Public Shareholding(B)= (B)(1)+(B)(2)	1850981	975396	2826377	33.22	1864978	926142	2791120	32.80	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	5530673	2977706	8508379	100	5580027	2928452	8508479	100.00	0

"Attachment-D"

ii) Shareholding of Promoters

Sl No.	Shareholders Name	Shareholding at the beginning of the year 01-04-2017			Shareholding at the end of the year 31-03-2018			
		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	%change in shares holding during the year
1	Brig Dr Kapil Mohan VSM	917337	10.78	0	0	0	0	-10.78
2	Brig Dr Kapil Mohan VSM	112454	1.32	0	112454	1.32	0	NO
3	Brig Dr Kapil Mohan VSM	100000	1.18	0	0	0	0	-1.18
4	Brig Dr Kapil Mohan VSM	99667	1.17	0	0	0	0	-1.17
5	Brig. Dr, Kapil Mohan	68081	0.8	0	0	0	0	-0.8
6	Brig Dr Kapil Mohan VSM	67526	0.79	0	67526	0.79	0	NO
7	Brig. Dr. Kapil Mohan VSM	39333	0.46	0	39333	0.46	0	NO
8	Brig. Dr. Kapil Mohan Karta	2750	0.03	0	2750	0.03	0	NO
9	Pushpa Mohan	77125	0.9	0	81375	0.95	0	0.05
10	Hemant Mohan	0	0	0	1017337	11.96	0	11.96
11	Hemant Mohan	0	0	0	99667	1.17	0	1.17
12	Hemant Mohan	0	0	0	68081	0.80	0	0.80
13	Hemant Mohan	233865	2.75	0	233865	2.75	0	NO
14	Hemant Mohan	83843	0.99	0	83843	0.99	0	NO
15	Vinay Mohan	463853	5.45	0	499110	5.86	0	0.41
16	Vinay Mohan	94659	1.11	0	94659	1.11	0	NO
17	Usha Mohan	200905	2.36	0	293022	3.44	0	1.08
18	Usha Mohan	92117	1.08	0	0	0	0	-1.08
19	Arti Mohan	291949	3.43	0	291949	3.43	0	NO
20	Anju Khanna	139228	1.64	0	139228	1.64	0	NO
21	Shweathambri Bakshi	0	0	0	18600	0.22	0	0.22
23	Seema Bakshi	4500	0.05	0	0	0	0	-0.05
24	Rakesh Bakshi	0	0	0	4500	0.05	0	0.05
25	Rakesh Bakshi	6800	0.08	0	6800	0.08	0	NO
26	Promilla Bakshi	5000	0.06	0	5000	0.06	0	NO
27	Manjula Singh	9600	0.11	0	9600	0.11	0	NO
28	Nilima Mohan	12025	0.14	0	12025	0.14	0	NO
29	Nita Rani Bali	2214	0.03	0	2214	0.03	0	NO
30	Sanjiv Bali	800	0.01	0	800	0.01	0	NO
31	Baldev D Bali	500	0.01	0	500	0.01	0	NO
32	P N Krishna Raja	500	0.01	0	500	0.01	0	NO
33	Rajiv Bali	200	0	0	200	0	0	NO
34	Satish Mohan	100	0	0	100	0	0	NO
35	Satish Mohan	0	0	0	100	0	0	NO
36	Ranjana Mohan	100	0	0	0	0	0	NO
37	Trade Links Private Limited	2049923	24.09	0	2049923	24.09	0	NO
38	M/S John Oakey & Mohan Ltd	201751	2.38	0	201751	2.38	0	NO
39	Kaplansky Investments Pvt Ltd	135286	1.59	0	135286	1.59	0	NO
40	Mohan Breweries & Distilleries Ltd	67147	0.79	0	67147	0.79	0	NO
41	M/s ECO RRB Infra Private Limited	55339	0.65	0	55339	0.65	0	NO
42	M/s Artos Breweries Ltd	14000	0.16	0	14000	0.16	0	NO
43	M/s National Cereals Products Ltd	4000	0.05	0	4000	0.05	0	NO
44	Simar Investments P Limited	4775	0.06	0	4775	0.06	0	NO
	Total	5677852	66.73	0	5717359	67.19	0	0.54

NOTE:-. No. of shares1017337, 99667 and 68081 are held by the Trust i.e. Narinder Mohan Foundation, Ram Rakhi Mohan Trust and Kapil Mohan Education Foundation respectively- previously these shares stood in the joint names of Brig.(Dr)Kapil Mohan and Shri Hemant Mohan and now after the demise of Brig. (Dr.) Kapil Mohan, these stand transmitted to the single name of shri Hemant Mohan, hence the beneficiaries are the trusts.

"Attachment-E"

(ii) **SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholding at the beginning of the year 01/04/2017			Cumulative Shareholding during the year 31/03/2018
1-	**Shareholder Name (Promoters) Sh. Vinay Mohan**	**No.of shares**	**% of total shares of the company**	**No.of shares**
	At the begining of the year 01/04/2017	**463853**	**5.45**	
	Increase/Transfer on 07-05-2017 Purchase from Sh. Satanarain Gupta Increase/Transfer on 07-05-2017 Purchase from Archit Doegar Purchase through Demat			34118 189 950
	At the End of the year	**463853**	**5.45**	**499110**
2	**Sh. Hemant Mohan**	0	0	
	Transmitted on 13/02/2018	0	0	68081
	Transmitted on 13/02/2018	0	0	99667
	Transmitted on 13/02/2018	0	0	1017337
	At the End of the year	0	0	1185085

NOTE:-. No. Of shares1017337, 99667 and 68081 are held by the Trtust i.e. Narinder Mohan Foundation, Ram Rakhi Mohan Trust and Kapil Mohan Education Foundation respectively-
previously these shares stood in the joint names of Brig.(Dr) Kapil Mohan and Shri Hemant Mohan and now after the demise of Brig. (Dr.) Kapil Mohan, these stand transmitted to the single name of shri Hemant Mohan, hence the beneficiaries are the trusts.

3	**Smt.shwethambri bakshi**	0	0		
	Transmitted on 08/12/2017	0	0	18600	0.22
	At the End of the year	0	0	18600	0.22
4	**Sh. Rakesh Bakshi**	6800	0.08	0	0
	Increase Transmission on 30/11/2017	0	0	4500	0.05
	At the End of the year	0	0	18600	0.22
1	Brig.Dr. Kapil Mohan VSM				
	Decrease on 13/02/2018	1017337	11.96	0	0
	Decrease on 13/02/2018	99667	1.17	0	0
	Decrease on 13/02/2018	68081	0.8	0	0
	At the End of the year	1185085	13.93	0	0

NOTE:-. No. Of shares1017337, 99667 and 68081 are held by the Trust i.e. Narinder Mohan Foundation, Ram Rakhi Mohan Trust and Kapil Mohan Education Foundation respectively- previously these shares stood in the joint names of Brig.(Dr) Kapil Mohan and Shri Hemant Mohan and now after the demise of Brig. (Dr.) Kapil Mohan, these stand transmitted to the single name of shri Hemant Mohan, hence the beneficiaries are the trusts.

2	**Smt. Seema Bakshi**				
	Decrease on 08/12/2017	18600	0.22	0	0
	Decrease on 30/11/2017	4500	0.05	0	0
	At the End of the year	23100	0.27	0	0

"Attachment-F"

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and holders of GDRs & ADRs)

		Shareholding at the begining of the year		Cumulative shareholding during the year	
Sl. No.	Name of Shareholders	No. Of shares	% of total shares held as of the on Company 1.4.2017	No.of Shares	% of Total Shares held as of the on Company 31-03-2018
1	Life Insurance Corporation of India	712749	8.372	712749	8.372
2	Shri J G S KER	322448	3.790	322448	3.790
3	Jagatjit Industries Ltd.,	281961	3.314	281961	3.314
4	Quick Reurn Investment Company ltd.,	52400	0.616	52400	0.616
5	Parbutty Churn Law	29095	0.342	29095	0.342
6	K.B.DR Gulam Mohamed PCMS	26999	0.317	26999	0.317
7	Abhishek Shroff	25000	0.294	25000	0.294
8	E.Davidson	23625	0.278	23625	0.278
9	Nooshabah Sumud Shah	21595	0.254	21595	0.254
10	Neeraj Gupta	20550	0.241	20550	0.241
	TOTAL	1516422	17.818	1516422	17.818

NOTE:-During the year Sh. Satanarain Gupta sold 34118 equity shares on dt. 07/05/2017.

"Attachment-G"

v) Shareholding of Directors and Key Managerial Personnel

Sl No	For each of the Directors & KMP	Designation	Shareholding at the beginning of the year 01/04/17		Cumulative Shareholding at the end of the year 31/03/18	
			No. of shares	% of total shares of the company	No. of share	% of the total share of the company
1.	Mr. Hemant Mohan	Managing Director	83843	0.99	83843	0.99
2.	Mr. L.K. Malhotra	Director	4500	0.05	4500	0.05
3.	Mr. Vinay Mohan	Director	463853	5.45	499110	5.87
4.	Mr. Yash Kumar Sehgal	Director	500	0.01	500	0.01
5.	Mr. M. Nandagopal	Director	500	0.01	500	0.01
6.	Mrs. Shalini Mohan	Woman Director	Nil	Nil	Nil	Nil
7.	Mr. Murugan Navamani	Director	Nil	Nil	Nil	Nil
8.	Mr. R.C. Jain	Director-Cum-CFO	Nil	Nil	Nil	Nil
9.	Mr. H.N. Handa	Secretary	Nil	Nil	Nil	Nil

Sl No.		Shareholding at the beginning of the year 01/04/2017		Cumulative Shareholding during the year 31/03/2018
1	Shareholder Name (Promoters) Sh. Vinay Mohan(Director)	No.of shares	% of total shares of the company	No.of shares
	At the begining of the year 01/04/2017	463853	5.45	
	Increase/Transfer on 07-05-2017 Purchase from Sh. Satanarain Gupta Increase/Transfer on 07-05-2017 Purchase from Archit Doegar Purchase through Demat			34118 189 950
	At the End of the year	463853	5.45	499110

"Attachment-H"

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	53,23,04,123	Nil	14,54,82,457	67,77,86,580
ii) Interest due but not paid	7,73,03,718	Nil	Nil	7,73,03,718
iii) Interest accrued but not due	15,87,707	Nil	Nil	15,87,707
Total (i+ii+iii)	61,11,95,548	Nil	14,54,82,457	75,66,78,005
Change in Indebtedness during the financial year				
Addition	1,10,94,222	Nil	4,52,37,074	5,63,31,296
Reduction	19,33,59,719	Nil	1,75,85,401	21,09,45,120
Net Change	-18,22,65,496	Nil	2,76,51,673	-15,46,13,823
Indebtedness at the end of the financial year				
i) Principal Amount	34,35,99,592	Nil	17,29,33,130	51,65,32,722
ii) Interest due but not paid	8,37,42,753	Nil	Nil	8,37,42,753
iii) Interest accrued but not due	15,87,708	Nil	Nil	15,87,708
Total (i+ii+iii)	42,89,30,053	Nil	17,29,33,130	60,18,63,183

"Attachment-I"

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S.No.	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount (Rs.)
1.	Gross Salary	**I) Shri Hemant Mohan Managing Director 1/4/2017 to 31/3/2018**	
	(a) Salary as per Provision contained in section 17(1) of the Income-tax Act, 1961	49,90,323	49,90,323
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	30,96,858	30,96,858
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	Nil	Nil
2	Stock Option		
3	Sweat Equity		
4	Commission as % of profit others (specify)		
5	Others, please specify		
	Total (A)	80,87,181	80,87,181
	Ceiling as per the Act	84,00,000	84,00,000

NOTE :- 2033137 Excluding leave in cashment & PF.

B. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S.No.	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount (Rs.)
1	Gross Salary	**ii) Shri R.C.Jain Director Finance-Cum-CFO 01/10/2017 to 31/03/2018**	
	(a) Salary as per Provision contained in section 17 (1) of the Income tax Act, 1961	10,80,000	10,80,000
	(b) Value of perquisites u/s 17 (2) of the Income Tax Act, 1961	2,34,054	2,34,054
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission as % of profit others (specify)		
5	Others, please specify		
	Total (A)	13,14,054	13,14,054

"Attachment-J"

A. Remuneration to other Directors
Particulars of Remuneration - Independent Directors

Sl No	Name of Director	B.O.D. Sitting fee	Audit Committee fee	Grievance Committee fee	Nomination & Remuneration fee	CSR Committee fee	Total Amount
1.	Shri L.K. Malhotra	40,000.00	30,000.00	Nil	10,000.00	10,000.00	90,000.00
2.	Shri Yash Kumar Sehgal	50,000.00	40,000.00	Nil	10,000.00	10,000.00	1.10.000.00
3.	Shri M. Nandagopal	40,000.00	Nil	Nil	10,000.00		50,000.00
4.	Shri Murugan Navamani	40,000.00	30,000.00	Nil	Nil		70,000.00
	TOTAL (1)	**1,70,000.00**	**1,00,000.00**	**0.00**	**30,000.00**	**20,000.00**	**3.20,000.00**

B. Remuneration to other Directors
Particulars of Remuneration - Non Executive Directors

Sl No	Name of Director	B.O.D. Sitting fee	Audit Committee fee	Stakeholder Committee fee	Nomination & Remuneration fee	CSR Committee fee	Total Amount
1.	Shri Vinay Mohan	50,000.00	Nil	Nil	Nil	10,000.00	60,000.00
2.	Mrs. Shalini Mohan	40,000.00	Nil	Nil	Nil	Nil	40.000.00
	TOTAL (2)	**90,000.00**	Nil	Nil	Nil	**10,000.00**	**1.00,000.00**
	TOTAL (B)=(1+2)						**4.20,000.00**

"Attachment-K"

A. Remuneration to Key Managerial Personnel other than M.D./Manager/WTD.

S.No.	Particulars of Remuneration	Key Managerial Personnel	
	Name of the KMP ; Shri H.N. Handa, Secretary		
1.	**Gross Salary**		Total Amount
	(a) Salary as per Provision contained in section 17(1) of the Income-tax Act, 1961		15,68,086
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission as % of profit others, (specify)		
5	Others, please specify		
	Total		15,68,086

B. Remuneration to Key Managerial Personnel other than M.D./Manager/WTD.

S.No.	Particulars of Remuneration	Key Managerial Personnel	
1.	**Name of KMP; Sh. R.C. Jain, As C.F.O.** **From 01/04/2017 to 30/09/2017** **Gross Salary**		Total Amount
	(a) Salary as per Provision contained in section 17(1) of the Income-tax Act, 1961	4,72,500	4,72,500
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	16,200	16,200
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission as % of profit others, (specify)	Nil	Nil
5	Others, please specify	Nil	Nil
	Total	Rs. 4,88,700	4,88,700

"Attachment-L"

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	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. Other Officers in Default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

Annexure VI

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

Particulars required under the Companies (Accounts) Rules, 2014

A. Conservation of energy

i) The steps taken or impact on conservation of energy

All business units of the company continued their efforts to improve energy usage efficiencies. Innovative ways and new technology were constantly explored for efficient usage of energy. Energy conservation measures carried out during the financial year 2017-2018 are listed below:

a) The Company has installed Screw Compressor in Break Fast Food Unit for Uflex machine and for Boiler which will save electrical energy.

b) Two No. of old inefficient pump with motor have been replaced in water treatment plant, which will save electrical energy and it will help in improving efficiency.

c) The Company has replaced its all CFL and old tube lights with LED lights which will results in saving of electrical energy.

d) The Company is further upgrading its systems both in Brewery and Distillery unit which will substantial result in saving of energy cost.

e) The Company has installed new steam pipe line in Distillery, Breakfast and Fruit Product Unit which will save steam energy.

Energy conservation measures taken above have resulted in saving in energy consumption.

ii) To harness solar energy for various applications is under study and will be incorporated soon, i.e. street lights and Hot water for process.

As against vibratory screener trials are on to reduce electrical load by incorporating magnetic vibrators.

iii) The Company has invested on Screw Compressor, Insulation and replacement of old pump and motors.

iv) Additional Uni tanks will be procured to save refrigeration energy.

B. Technology absorption

i) The efforts made towards technology absorption

a) Efforts have been made towards scaling of the process for commercial scale production.

b) The Company have already procured Uni Tanks and further in the process of procuring the additional Uni Tanks which have already saved substantial refrigeration energy and further help in future in saving refrigeration energy.

ii) The benefits derived like product improvement, cost reduction, product development or import substitution.

By implementing aforesaid steps by the company during the financial year 2017-2018, there is/would be reduction in cost of production and better quality of product.

iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

a) The details of technology imported

b) The year of import

c) Whether the technology been fully absorbed

d) If not fully absorbed, areas where absorption has not taken place, and the reason thereof

The above mentioned points (a) to (d) in Para (iii) are not applicable since the company has not imported any technology during the last three financial years reckoned from the beginning of the financial year.

iv) The expenditure incurred on Research and Development.

No major expenditure has been incurred on research and development by the company.

C. Foreign Exchange earnings and outgo:

The Company continues to take suitable steps to increase its exports. New markets are added to the list year after year.

Total Foreign Exchange earned and outgo

	Amount (Rs. in Lacs)
- Foreign Exchange earned (FOB Value of Exports)	2360.86
- Foreign Exchange used on import of Raw Materials, Components and Spares Parts, Capital goods and services	139

ANNEXURE-VII.

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2017-18 PURSUANT TO SECTION 135 OF THE COMPANIES ACT, 2013.

For achieving the CSR objectives through the implementation of meaningful and sustainable CSR programs, Mohan Meakin Ltd. (“MML”) will annually contribute two percent of the average profits for the last three years towards CSR activities.

1. A brief outline of the Company’s CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and Projects or Programs.

   Being a socially responsible Company makes good business sense. Striving to achieve a balance between economic, social and environmental activity is in the long-term interests of our Company and the communities where we operate.

   The objective of MML CSR Policy is to support the disadvantaged/marginalized cross section of the society by providing opportunities to improve the quality of life. MML CSR Policy is aimed at demonstrating care for the community through its focus on Health Care.

   The Companies Act 2013 provides that the Company can undertake CSR activities through registered Trust or Society. The Company has not set up/established any registered Trust, registered Society or Company of its own and as such the Board has given approval to the CSR Committee to give the task to a registered charitable Trust known as “Narinder Mohan Foundation” which has a Hospital namely Narinder Mohan Hospital and Heart Centre at Mohan Nagar (Ghaziabad) U.P. having a established track record for more than 3 years in undertaking the similar programs and projects.

   The Company’s CSR Policy has been prepared in accordance with Section 135 of the Companies Act, 2013 and in accordance with the CSR Rules notified by the Ministry of Corporate Affairs, Government of India, in 2014. The project being undertaken is within the framework of Schedule VII of the Companies Act, 2013.

   Details of CSR Policy and programmes and projects to be undertaken by the Company are available on the website of the Company at the link http://www.mohanmeakin.com/Corporate-governance.php.

2. The Composition of the CSR Committee.

   The CSR Committee comprises of 3 Directors – two Independent Directors and one non-independent Director. The Members of the CSR Committee are :-

   Shri L.K. Malhotra, (Independent Director) Chairman

   “ Yash Kumar Sehgal (Independent Director) - Member

   “ Vinay Mohan(Non Independent Director) - “

3. Average net profit of the Company for last three financial years:

   Section 135 of the Companies Act, 2013 and Rules made under it prescribe that every Company having a 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 shall ensure that it spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance of its CSR Policy. The provisions pertaining to CSR as prescribed under the Companies Act, 2013 are applicable to Mohan Meakin Limited.

   Average Net Profit of the Company for the last 3 financial years is Rs.5.14 Crore.

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).

   The Company is required to spend Rs.10.29 lacs towards CSR. The Company has released total amount of Rs.11 lacs to Narinder Mohan Foundation a registered Trust for spending on the CSR activities towards free medical aid to the needy and poor people in or around Ghaziabad (U.P.) near to its main manufacturing Branch, Mohan Nagar (Ghaziabad) U.P.

5. Details of CSR spent during the financial year :

(a) Amount spent - Nil

(b) Amount unspent , if any - Rs.11 lacs

(c) Manner in which the amount spent during the financial year is detailed below :

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR Project or activity identified.	Sector in which the Project is covered.	Projects or Programs (1) Local area or other (2) Specify the State and District where projects or programs was undertaken.	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads:	Cumulative expenditure upto to the reporting period.	Amount spent: Direct or through implementing agency
1	Health Care	Health Care	Ghaziabad, Uttar Pradesh	11.00	Nil	Rs.64,001/-	Through Narinder Mohan Foundation (Regd. Trust)

6. In case the Company has failed to spend the 2% of the Average Net Profit (INR) of the last 3 financial years, please provide the reasons for not spending the amount.

   The Company had released Rs.11 lacs to Narinder Mohan Foundation (a Regd. Trust) which was to be spent by them on the health care activities for the poor and needy people through their Hospital i.e. Narinder Mohan Hospital & Heart Centre but the amount could not be utilized by them before the close of the financial year, as the free Health Camps for poor and needy people are held in the beginning of the financial year. They have started utilizing the amount in the current financial year and upto the reporting period, they have spent Rs.64,001/-

7. A Responsibility Statement, of the CSR Committee, that the CSR Policy implementation and monitoring thereof is, in letter and spirit, in compliance with CSR objectives.

   We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of the projects and activities in compliance with our CSR objectives.

For & on behalf of

MOHAN MEAKIN LIMITED

Date: 30th May, 2018
Mohan Nagar
(Ghaziabad) U.P.

(Hemant Mohan)
Managing Director.

(L.K. Malhotra)
Chairman,
CSR Committee.

BOARD'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS:

OVERVIEW

In line with the Indian Practice, Mohan Meakin Limited (MML) has been reporting consolidated results taking into account the results of its established branches and the results of sale of its products by the collaborators/bottlers spread throughout the country, with whom the Company has Manufacturing, marketing and distribution Agreements. This discussion, therefore, covers the financial results and other developments during the year ended 31st March, 2018 in respect of the Company as a whole and should be read in conjunction with the Company's financial statements, the schedules and notes thereto and the other information included elsewhere in the Annual Report. These financial statements are prepared in accordance with the Indian Accounting Standards (IND AS) on the accrual basis, except for certain financial instruments which are measured at fair values. IND AS comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 (the Act) read with Rule 7 of the Companies (Accounts) Rules, 2014, the provision of the Act (to the extent notified) and guidelines issued by the Securities and exchange Board of India (SEBI). Accounting policies have been consistently applied, except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Industry Structure and Developments:

Mohan Meakin Limited ("the Company") is a Public Limited Company incorporated and domiciled in India with its registered office at Solan Brewery in Himachal Pradesh. It was formerly known as E. Dyer & Co., Dyer Meakin & Co. Ltd., Dyer Meakin Breweries Ltd., and Mohan Meakin Breweries Ltd., and was established as far back as 1855. Its shares are listed on Calcutta Stock Exchange (CSE). The Company is manufacturing Beer of all types and IMFS brands including premium Rums, Whiskies, Brandy, Vodka and GIN. In addition to the main products of Beer and IMFS, the company is manufacturing Juices, Canned products, Corn Flakes, Wheat Porridge and vinegars.

The Company has been pioneer in the liquor industry and made steady progress, and established Breweries and Distilleries in various parts of the Country and has created a respected name for itself by delivering an array of highly successful products. At present, the Company has following manufacturing centers, besides other Breweries & Distilleries established under collaboration arrangements in various other places in India.

Solan Brewery (H.P.) Brewery for manufacture of Beer and Bottling Plant for bottling of IMFL.

Kasauli Distillery (H.P.) Distillery producing Malt Spirit.

Mohan Nagar (Ghaziabad) Brewery, Distillery, Malt Extract, Breakfast Foods, Fruit Products Factory,(U.P.)

Mohangram Bhankarpur (Punjab) Bottling Plant for bottling of IMFL.

Lucknow (U.P.) Distillery - Production stopped for the time being.

The Company is manufacturing Beer of all types and IMFS brands including premium Rums, Whiskies, Brandy, Vodka and GIN. In addition to the main products of Beer and IMFS, the Company is manufacturing Juices, Canned products, Corn Flakes, Wheat Porridge and Vinegars etc. The Company's products are quite popular in the market and are well received by the customers being quality products. The Company has introduced premium brand of Single Malt Whisky known as Solan Gold Single Malt Whisky in H.P., which is being introduced in other States of the Country.

The Company's Products like Old Monk Rum, Old Monk Gold Reserve Rum, Old Monk Supreme Rum, Old Monk White Rum, Solan No.1 Whisky, Big Ben London Gin, Black Knight Super Strong Beer, Golden Eagle Beer, Old Monk 10000 Super Beer and Golden Eagle Lager Beer are exported to 19 countries i.e. U.A.E. U.S.A., Singapore, Qutar, Germany, Japan, Canada, Kenya, Ukraine, Russia, Hong Kong, Estonia, China, Thailand, Jambia, Mauritious, Cameroon South Africa and Australia. The total foreign exchange earned as a result of export of Company's products to these countries is 3589501.80 US$, 53750 CAD and 18700 Euro which in Indian Rupees stood at Rs.2,36,086,403. Old Monk Rum produced by the Company as per many publications is rated as the largest selling brand of Dark Rum. The Company's revenue streams are from 3 areas of activities
i.e. –

a) Manufacture and Sale of alcoholic products,

b) Manufacture and Sale of non-alcoholic products, and

c) Royalty and Technical Know-how by allowing Bottling & Manufacturing of Company's products throughout India.

Net sales and other income of the Company has registered increase during the year under review and actual sales appear in the Annual Report.

The trend of various State Governments shows that they do not allow free flow of Beer and Whisky manufactured outside the States by putting restrictions and imposing exorbitant import fee as a result the liquor industry established outside the State cannot compete with the importing State. Moreover, due to unabated rise in oil prices, the lorry freight has gone up tremendously with the result that sending the goods from one corner of the country to the other has become a costly affair and is un-remunerative and economically unviable. Therefore to overcome these obstacles most of the leaders in the liquor Industry have opted for collaboration, technical know-how and bottling arrangements in various other States and our Company is one of them.

Opportunities and Threats:

We operate in a highly competitive and rapidly changing market. The Company is channeling its efforts into exploring and utilizing excellence in the areas of customer development. Focus on customers, products delivery, service innovation and trained sales force is expected to deliver customer excellence in the coming year.

The Company has taken up several steps to serve its customers in a more efficient, cost effective, reliable and friendly manner, while strengthening its market position in the Industry. The Company will meet the ever increasing challenges in the business through its quality products, easy reach and quick response to customers. The Management is drawing up plans to make the organization more competitive and strong so that the Company is equipped to face the emerging challenges in the coming years.

However, the fundamentals of the Indian market are very strong and favorable for the alcobev market even though the robust demand side was constantly kept in check by the tough operating environment in 2017-2018. India offers one of the largest growth potential in spirits consumption amongst all markets,

Segment-wise/product-wise performance:

The Company's Manufacturing activities broadly fall in two segments i.e. alcoholic products (includes premium Rums, Whiskies, Brandy, Vodka and GIN etc.), non-alcoholic products (includes Juices, Canned products, Corn Flakes, Wheat Porridge and Vinegars etc.). For details regarding segment assets and liabilities, revenue and expenses, unallocated expenses and segment revenue, profit etc. segment-wise, please refer to the Notes forming part of the audited financial statements for the year ending 31st March, 2018. The Company is taking all possible steps to achieve better product-wise performance. As far as the manufacture and sale of Company's main products (alcoholic) are concerned, they are governed by excise policies of the various State Governments.

Outlook, Risks and Concerns:

The Company's aims to address risks, opportunities and threats posed by its business environment strategically by maintaining sustainable and robust business ethics. The Company's financial performance is influenced by the economic climate in India.

The U.P. Government has after the gap of 11 years, changed the excise policy and has made Industrial Friendly, which resulted in Company getting the opportunity to sell its products of liquor and beer in the State of U.P., which has considerably come down during the last 11 years under the old state excise policy. The results of change in excise policy are clearly visible in the current quarter April, 2018 to June, 2018 sales..

The year 2017-2018 was riddled with policy changes that put volumes under the pump at alcobev companies. Those changes included demonetization, the Supreme Court's highway liquor sales ban and the implementation of the goods and services tax (GST) that pushed up input costs because input credit is not allowed in liquor industry

Today with the advancements and up gradation in the standard of living, people are becoming more health conscious and a large chunk of the population has become aware of the fact that Liquor is harmful for health. For this a lot of people have shifted their demand from Liquor to juices & other health drinks. Major substitutes for Liquor are: Soft Drinks

Stakeholders are requested to exercise their own judgments in assessing the risk associated with the Company. Apart from normal risk as are applicable to an industrial undertaking, the Company does not foresee any other areas of concern.

The compliance of norms prescribed by the Pollution Control Board and other Government Agencies are strictly complied with and adhered to. The Company's operations have historically shown significant resilience to the normal ups and downs of the economic and industry cycles, with demand for most of its key products continuing to grow at healthy rate.

Internal control systems and their adequacy:

The Company has a proper, strong, independent and adequate system of internal control procedures commensurate with its size and nature of business to ensure that all assets are safeguarded, and protected against loss from unauthorized use or disposition, and that transactions are authorized, recorded and reported correctly. An extensive programme of internal audits, reviews by management, and documented policies, guidelines and procedures, supplements the internal control systems. The internal control systems are designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of assets. The Company has strong and independent internal audit system covering on a continuous basis, the entire gamut of operations and services spanning all locations, businesses and functions. The top management and the Audit Committee of the Board review internal audit findings and recommendations. Four Chartered Accountants firms were appointed in the current year as Internal Auditors to carry out internal audit of all the Units of the Company. The CEO and CFO Certificate testifies the Internal Control Systems and their adequacy.

Discussion on financial performance with respect to operational Performance:

The details of the financial performance of the Company are appearing in the Balance Sheet, Profit & Loss Account and other financial statements attached with these accounts. However, the summarized position of Funds Employed, Turnover, amount available for distribution to Shareholders, Salaries, Wages & Bonus, Number of Shareholders for the last 3 years as well as Sources and Usages of Funds for the last 3 years are given below (Standalone):-

(Rs. in lacs)

YEAR	2016	2017	2018
Funds Employed	6848	6703	7530
'Represented by :			
Net Fixed Assets and Investments	3355	3774	3860
Net Current Assets (Excluding Short Term Borrowings)	3493	2929	3670
Total Income	58405	58547	66036
Profit/(Loss) before exceptional items & tax	521	677	1392
Exceptional Items	-	-	815
Tax for the year	107	(168)	(474)
Minimum Alternate Tax (MAT) Credit entitlement	(107)	-	-
Deferred tax	(135)	(30)	(179)
Tax adjustment relating to earlier years	(12)	-	-
Profit for the year after tax	374	479	1554
Other comprehensive income/(expense)	-	(11)	36
Total comprehensive income for the year	374	468	1590
Balance Carried to Balance Sheet	3209	3677	5267
Available for distribution to Shareholders	3209	3677	5267
Profit retained in business	3209	3677	5267
Dividend	-	-	-
Tax on proposed dividend	-	-	-
Salaries, Wages & Bonus (Employee Benefits Expenses)	2379	2540	2708
Number of Shareholders as at Close of financial year	6508	6491	6336

The Company has adopted the Indian Accounting Standards from 1st April, 2017 with transition date 1st April, 2016 and figures have been regrouped or rearranged as per Indian Accounting Standards except the figures for the year 2016 up to the comprehensive income for the year

SOURCES AND USES OF FUNDS

SOURCES OF FUNDS

(Rs. in lacs)

Internal Sources	2016	2017	2018
Reserve & Surplus			
General & Other Reserves	3209	3677	5267
Provision			
Long Term Provisions	104	182	248
Short Term Provisions	12	17	28
External Sources			
Paid-up Capital	425	425	425
Long term Borrowings	648	155	37
Short term Borrowings	4867	4434	2964
Trade Dues	6809	6403	6571
Other financial liabilities	2016	2006	1779
Other current liabilities	1121	1134	1495
Other long term liabilities	1367	1389	1646
	20579	**19822**	**20460**
USES OF FUNDS:			
Fixed Assets (Net)			
Land, Buildings, Plant & Machinery, etc.	3227	3627	3660
Investments	128	147	200
Other Non Current Assets	670	634	597
Long term Loans & Advances	244	221	233
Non Current Financial Assets	159	183	199
Current Assets :			
Stores & Spares, Loose Tools and Stock-in-Trade	4921	5480	5521
Sundry Debtors (Trade Receivables)	6446	5404	5803
Cash & Bank Balances	558	718	790
Short Term Loans & Advances	13	9	7
Other Current Assets	567	29	40
Non - current tax assets (net)	1262	1097	801
Deferred tax assets (net)	1438	1424	1227
Other current assets	946	849	1382
	20579	**19822**	**20460**

Human Resources/Industrial Relations:

The employees are our primary source of competitiveness. Hence the focus is on enriching the quality of life of its employees, developing their potential and maximizing their productivity. This unique feature attributes our policy of openness, equity, fairness and respect for the individual, freedom to experiment, mutual trust, and teamwork and strives to attract the best available talent and ensure diversity in its workforce. The Company would not have been where it is today without its people and their commitment, innovation, engagement, strive for excellence and a strong sense of belongingness to the organization. A strong industrial harmony of over many decades bears testimony to strong people practices of the Company.

Statutory Compliance:

The Managing Director/CFO makes a declaration at each Board Meeting regarding compliance with provisions of various statutes after obtaining confirmation from all the Units of the Company. The Company Secretary ensures compliances with the provisions of Companies Act, applicable Secretarial Standards, requirements of listing agreement with stock exchange and compliances of SEBI regulations. The Compliance Officer ensures compliance with guidelines on insider trading for prevention of insider trading.

Cautionary Statement:

Certain statements in respect to Management Discussion and Analysis may be forward looking and are stated as required by the applicable laws and regulations. The future results of the Company may be affected by many factors, which could be different from what the Directors envisage in terms of future performance and outlook.

Corporate Governance Report:

Mohan Meakin Ltd., is committed to good corporate governance and endeavours to implement the Code of Corporate Governance in its true spirit. The philosophy of the Company in relation to corporate governance is to ensure transparency in all its operations, make disclosures and enhance stakeholder value without compromising in any way on compliance with the laws and regulations. The Company believes that good governance brings about sustained corporate growth and long-term benefits for all its stakeholders.

In India, corporate governance standards for listed Companies are regulated by the Securities and Exchange Board of India (SEBI) through Regulation 15(2) of Securities and exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and provisions in the Companies Act, 2013 ("the Act"). As a Company which believes in implementing corporate governance practices in letter and in spirit, the Company has adopted practices mandated by the Act and SEBI LODR and has established procedures and systems to remain compliant with it as on 31st March, 2018. This report provides the company's compliance with these provisions.

1 COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE:

We believe that it is imperative for us to manage our business affairs in the most fair and transparent manner with a firm commitment to our values. For us, corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. Our corporate governance framework is a reflection of our culture, our policies, our relationship with stakeholders and our commitment to values. Accordingly, we always seek to ensure that our performance is driven by integrity . This is vital to gain and retain the trust of our stakeholders. Over the years, governance processes and systems have been strengthened. In addition to complying with the statutory requirements effective governance systems and practices towards improving transparency disclosures, internal controls and promotion of ethics at workplace have been institutionalized.

2. BOARD OF DIRECTORS:

The Company is fully compliant with the Corporate Governance norms in respect of constitution of the Board of Directors of the Company. The Board represents an optimum mix of professionalism, knowledge, gender and experience. Presently, the Board comprises of Executive Directors, one Woman Director and 50% of total number of Directors are Independent. The Chairman of the Board is a Director who is an Independent Director. The Management of the Company is entrusted in the hands of the Key Management Personnel of the Company and is headed by the Managing Director and the Chief Executive Officer who operates under the supervision and control of the Board. The Board reviews and approves policies/strategies and overseas the actions and results of Management to ensure that the long-term objectives of enhancing stakeholders values are met.

The Managing Director inter-se related to Shri Vinay Mohan (brother) and Mrs. Shalini Mohan brother's wife ; no other Directors are inter-se related with each other.

a) Composition, Status, Attendance at the Board Meetings and at the Last Annual General Meeting.

As on 31st March, 2018 Company's Board comprised of 8 members. The Managing Director is also the Chief Executive Officer of the Company and out of the remaining 7 members, one is Whole-time Director, two Non-Executive Non-Independent Directors (one of them a Woman Director) and 4 are non-Executive Independent Directors. None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees across all the Companies in which he/she is a Director. The necessary disclosures regarding Committee positions have been made as declared by the Directors. Profile, qualifications and other requisite details of Directors are appearing in the statements annexed in respective Resolution of their appointments. The Composition of the Board, names and categories of Directors, number of Board Meetings held, attendance of the Directors at the Board Meetings and last Annual General Meeting and the number of Directorship and Chairmanship/Membership of Committees in other Companies in respect of each Director is given below :-

Name	**Status i.e. promoters, executive, non-executive, independent non-executive, nominee of financial institution**	**No. of Board Meetings of the Company**		**Number of Membership in other Boards or other Committees as a member or chairperson**		**Whether attended the last AGM**
		Held during the year	**Attended during the year**	**Board**	**Committee**	
Shri Hemant Mohan (DIN-00197951)	Managing Director-Promoter	5	5	-	-	Yes
Shri Vinay Mohan (DIN-00197994)	Promoter Non-Executive Director	5	5	2	-	Yes
Shri L.K. Malhotra (DIN-00213086)	Independent Non-Executive Director	5	4	2	-	Yes
Shri M. Nandagopal (DIN-00058710)	Independent Non-Executive Director	5	4	8	-	Yes
Shri Yash Kumar Sehgal (DIN-03641168)	Independent Non-Executive Director	5	5	3	3 as Chairman	Yes
Shri N. Murugan (DIN-01309393)	Independent Non-Executive Director	5	4	-	-	No
Mrs. Shalini Mohan (DIN-06939483)	Promoter Non-Executive Director	5	4	-	-	No
Shri. R.C. Jain, Director Finance Cum-CFO (DIN-00256210)	Whole-time Director w.e.f. 14.08.2017	5	3	-	-	No

1. There is no nominee Director.
2. The Non-Executive Directors have no material pecuniary relationship or transactions with the Company in their personal capacity during the year 2017-2018 (other than the sitting fees for Board/Committee meetings).

b) Number of Board Meetings:

The Board of Directors meets at-least once a quarter to review the Company's performance and financial results and more often, if necessary, to transact other business. During the year ended 31st March, 2018, five Board Meetings were held. The dates on which the Meetings were held are as follows:

30th May, 2017, 14th August, 2017, 29th September, 2017, 13th December, 2017 and 14th February, 2018.

c) Board Procedure:

A detailed Agenda folder is sent to each Director in advance of Board and Committee Meeting. To enable the Board to discharge its responsibility effectively, the Managing Director & Chief Executive Officer of the Company briefs the Board at every Meeting on the overall performance of the Company. A detailed operations Report is also presented at every Board Meeting. Amongst other things, the Board also reviews strategy and business plan, annual operating and capital expenditure budgets, remuneration of non-executive Directors, Compliance with statutory/regulatory requirements and review of major legal issues, adoption of quarterly/half yearly/annual results, risk management policy, investor's grievances and minutes, major accounting provisions and write- offs, Corporate re-structuring , Minutes of Meeting of the Audit Committee and other Committees of Directors of the Board, etc.

3. <u>Board Committees :</u>

Standing Committees :

The Company has the following standing Committees of the Board :

(i) Audit Committee:

The Board of the Company has constituted an Audit Committee, comprising of three Independent Non-executive Directors.

The terms of reference of the Committee are in accordance with the requirements of Section 177 of the Companies Act and the Rules framed thereunder and Regulation 18 (1) of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Audit Committee has been granted powers as prescribed under (Regulations 18(2)(3) and as specified in Part C of Schedule II of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Generally all items listed in the said Schedule are covered in the terms of reference and inter-alia include:

- Overview of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditors and the fixation of their remunerations.
- Review of the internal control systems with the management, internal auditors and statutory auditors.
- Review with the management, the monthly, half yearly and annual financial statements before submission to the Board for approval, with special emphasis on accounting policies and practices, compliance and other legal requirements concerning financial statements and Risk Management policies.
- Review the adequacy of internal audit function, significant internal audit findings and follow-ups thereon.
- Review Management Discussion and Analysis.
- Review Material Individual Transactions with related parties not in normal course of business or which are not on an arms length basis.

During the financial year ending 31st March, 2018 four meetings of the Audit Committee were held and attended by the committee members as under:

Name of Member	Status	No. of meetings attended
Shri L.K. Malhotra	Chairman	3
Shri Yash Kumar Sehgal	Member	4
Shri N. Murugan	Member	3

The Director Finance-cum-CFO is special invitee and the Statutory Auditors and Main Internal Auditors are invited to attend the Audit Committee Meetings as and when necessary. The Company Secretary acts as the Secretary of the Audit Committee. The necessary quorum was present at the Meetings.

All the members of Audit Committee possess strong accounting/financial management knowledge.

(ii) Nomination & Remuneration Committee.

The Nomination & Remuneration Committee was formed by the Board of Directors comprising of three members – all Independent Non-executive Directors namely Shri L.K. Malhotra, Shri M. Nandagopal and Shri Yash Kumar Sehgal. The terms of reference of the Nomination & Remuneration Committee, inter-alia, consists of the determination of the remuneration payable to the Executive Directors, recommendation for appointment/re-appointment of the Executive Directors, revision in the remuneration of the existing Executive Directors of the Company from time to time.

The Company while deciding the remuneration package of the senior management members takes into consideration the following items:

(a) employment scenario

(b) remuneration package of the industry and

(c) remuneration package of the managerial talent of other industries.

The annual variable pay of senior managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against specific Key Result Areas, which are aligned to the Company's objectives.

Remuneration of employees largely consists of basic remuneration, perquisites and allowances. The total remuneration vary for different cadres and are governed by industry pattern, qualifications and experience of the employees, responsibilities handled, individual performance etc. the objectives of the remuneration policy are to motivate employees to excel in their performance, recognize their contribution, retain talent in the Organization and reward merit. The Remuneration Policy formulated by the Nomination and Remuneration Committee is in place and is available on the website of the Company www.mohanmeakin.com

During the year 2017-18 One meeting of the Nomination & Remuneration Committee was held on 14th August, 2017 which was attended by the following Members:-

1.	Shri L.K. Malhotra	-	Chairman
2.	" M. Nandagopal	-	Member
3.	" Yash Kumar Sehgal	-	"

Details of Directors' remuneration paid for the year ended 31.03.2018 are as follows:

(a) Executive Directors:

Managing Director/Whole -Time Director	Salary Rs.	Commission Rs.	Perquisites Rs.	Retirement benefits Rs.
Shri Hemant Mohan Managing Director	49,90,323	-	30,96,858	5,98,838.76
. Shri R.C.Jain, Director Finance-cum-CFO w.e.f. 1.10.2017 to 31.3.2018	10,80,000	-	2,34,054	-

Note:

(1) Notice period for termination of appointment of Managing Director/Whole-time Directors is six months on either side.

(2) No severance pay is payable on termination of appointment.

(3) Your Company presently does not have a scheme for grant of stock options.

(4) No sitting fee is paid to the Executive Directors for attending the Board Meeting or a Committee thereof.

(b) <u>Non-Executive Directors:</u>

The Company paid sitting fees to all the Non–Executive Directors at the rate of Rs.10,000/- for attending each Meeting of the Board and Rs.10,000/- for Board Committee thereof. The sitting fees paid for the year ended 31st March, 2018 are as follows and the Number of shares held by each of them as on that date is indicated against their names:

Name	Sitting Fee	No. of Shares
Shri Vinay Mohan	Rs.60,000	4,99,110
Shri L.K. Malhotra	Rs.90,000	4,500
Shri M. Nandagopal	Rs.50,000	500
Shri Yash Kumar Sehgal	Rs.1,10,000	500
Mr. N. Murugan	Rs.70,000	-
Mrs. Shalini Mohan	Rs.40,000	-

The Chairman of the Remuneration Committee Shri L.K. Malhotra attended the Annual General Meeting held on 29.9.2017.

(iii) <u>Stakeholders Relationship Committee.</u>

(a) *Composition:*

The Board of the Company has constituted a Stakeholders' Relationship; Committee, comprising of three Independent Non-executive Directors.

(b) *Terms of reference:*

The Committee shall consider and resolve the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

Insider Trading:

In compliance with the SEBI regulation on prevention of insider trading, the Company has instituted a comprehensive Code of Conduct for Prevention of Insider Trading for its designated employees. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made while dealing with shares of the Company and cautioning them of the consequences of violations. The Code is based on the principle that Directors, Officers and Employees of the Company owe a fiduciary duty to, among others, the shareholders of the Company to place the interest of the shareholders above their own and conduct their personal securities transactions in a manner that does not create any conflict of interest situation. The Code also seeks to ensure timely and adequate disclosure of Price Sensitive Information to the investor community by the Company to enable them to take informed investment decisions with regard to the Company's securities.

Shri H.N. Handa, Company Secretary is the Compliance Officer for complying with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.

During the year, no Meeting of the Committee was held.

There was no complaint from any shareholders during the year under review. No request for transfer was pending as on 31.3.2018.

(c) General Body Meeting:

Location and time where last 3 Annual General Meetings were held :

Financial year	Date	Time	Place
2014-2015	24.09.2015	at 11 A.M.	Regd. Office : Solan Brewery (H.P.)
2015-2016	15.09.2016	at 11 A.M.	Regd. Office : Solan Brewery (H.P.)
2016-2017	29.09.2017	at 11 A.M.	Regd. Office : Solan Brewery (H.P.)

Special Resolutions passed in last 3 Annual General Meetings:

The shareholders of the Company have passed the following special resolutions in the last 3 Annual General Meetings:

81st Annual General Meeting held on 24th September, 2015.

In this AGM seventeen Special Resolutions were passed:

1. Re-appointment of Brig. (Dr) Kapil Mohan, VSM (Retd.) Ph.D., Managing Director of the Company.
2. Re-appointment of Shri Hemant Mohan as Deputy Managing Director of the Company.
3. Adoption of new set of Articles of Association of the Company.

Related Parties:

4. Agreement with Mohan Breweries & Distilleries Ltd., Chennai.
5. Agreement with Mohan Rocky Springwater Breweries Ltd., Mumbai.
6. Agreement with National Cereals Products Ltd., Solan Brewery (H.P.).
7. Agreement with Mohan Zupack Ltd., New Delhi.
8. Agreement with Mohan Closures Ltd., New Delhi.
9. Agreement with Trade Links Pvt. Ltd., New Delhi.
10. Agreement with John Oakey & Mohan Ltd., Delhi
11. Agreement with M/s. Arthos Breweries Ltd., Chennai.

82nd Annual General Meeting held on 15th September, 2016:

1. Appointment of Shri Hemant Mohan as Managing Director of the Company.

Related parties:

2. Agreement with Mohan Breweries & Distilleries Ltd., Chennai.
3. Agreement with Mohan Rocky Springwater Breweries Ltd., Mumbai.
4. Agreement with National Cereals Products Ltd., Solan Brewery (H.P.).
5. Agreement with Mohan Zupack Ltd., New Delhi.
6. Agreement with Mohan Closures Ltd., New Delhi.
7. Agreement with Trade Links Pvt. Ltd., New Delhi.
8. Agreement with John Oakey & Mohan Ltd., Delhi
9. Agreement with Arthos Breweries Ltd., Chennai.

83rd Annual General Meeting held on 29th September, 2017:

1. Appointment of Shri R.C. Jain as Director of the Company.
2. Appointment of Shri R.C. Jain as Whole-time Director with designation of Director Finance-cum-CFO of the Company.
3. Change in the nomenclature of one of the perquisites i.e. residential accommodation, admissible to Shri Hemant Mohan, Managing Director of the Company.

Related parties:

4. Agreement with Mohan Breweries & Distilleries Ltd., Chennai.
5. Agreement with Mohan Rocky Springwater Breweries Ltd., Mumbai.
6. Agreement with National Cereals Products Ltd., Solan Brewery (H.P.).
7. Agreement with Mohan Zupack Ltd., New Delhi.
8. Agreement with Mohan Closures Ltd., New Delhi.
9. Agreement with Trade Links Pvt. Ltd., New Delhi.

10. Agreement with John Oakey & Mohan Ltd., Delhi

No Extra-ordinary General Meeting (EGM) was held during the last three years.
No special resolutions were required to be put through postal ballot last year.
No special resolutions on matters requiring postal balloting are being placed for shareholders' approval at the forthcoming 84th Annual General Meeting.

(d) Disclosures:

1. SUBSIDIARIES, JOINT VENTURES & ASSOCIATE COMPANIES.

   There is no subsidiary Company of Mohan Meakin Limited but in view of the extended definition as provided under section 129(3) of the Companies Act, 2013. A separate statement containing the salient features of the financial statement of the associate Companies are annexed in the prescribed format 'AOC-1'.

2. During the financial year 2017-18, there were no materially significant transactions entered into between the Company and its Promoters, Directors or the Management, subsidiaries or relatives etc., that may have potential conflict with the interest of the Company at large according to the disclosure made by the Directors under Section 184(1) of the Companies Act, 2013 and Rule 9(1) of the Companies (Meetings of Board and its Powers) Rule, 2014. Further details of related party transactions are presented in the Notes to the Financial Statements appended in the Annual Accounts of the Annual Report.

   The Board has received disclosures from key managerial personnel relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large.

3. There has not been any non-compliance, penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any other Statutory authority on matters related to Capital Markets, during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.

4. No other Director is related to any other Director on the Board according to definition in the Companies Act, 2013 except Shri Hemant Mohan and Shri Vinay Mohan who are brothers and Mrs. Shalini Mohan who is wife of Shri Vinay Mohan.

Whistle Blower/Vigil Mechanism:

Your Company has established a Whistle Blower/Vigil Mechanism through which its Directors, Employees and Stakeholders can report their genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The said Policy provides for adequate safeguards against victimization and also direct access to the higher levels of supervisors. In appropriate and exceptional cases, concerns may be raised directly to the Chairman of the Audit Committee. A quarterly report on the whistle blower complaints if any received and action taken thereon is placed before the Audit Committee for its review but there is no such complaint so for.

(e) Adherence to Accounting Standards:

The financial statements have been prepared with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act. As these are the first financial statements prepared in accordance with Ind AS, Ind AS 101-First-time Adoption of Indian Accounting Standards has been applied. The transition was carried out from Generally Accepted Accounting Principles in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies Rules 2014 (IGAAP) which was the previous GAAP.

(f) Means of Communication:

Quarterly, half-yearly and yearly results are published in the national dailies, i.e. The Indian Express (English) and The Dainik Tribune (Hindi) circulating in the region where the Registered Office of the Company is located. These results are posted on the Web-site of the Company www.mohanmeakin.com shortly after its submission to the Calcutta Stock Exchange. There is no practice of the Company to send half-yearly report to the shareholders. The Company does not display official news releases and no presentations are made to Institutional Investors.

Management Discussion & Analysis Report (MD & A Report)

Management's Discussion and Analysis forms part of the Board's Report which is being mailed to all the shareholders of the Company. All matters pertaining to industry structure and developments, opportunities and threats, segment/product-wise performance, outlook, risks and concerns, internal control and systems, etc., are discussed in the said Report.

4 General shareholders information:

(1) 84th Annual General Meeting is proposed to be held on Wednesday the 26th September, 2018 at the Registered Office of the Company at Solan Brewery at 11 A.M.

(2) Financial Calendar: (Tentative and subject to change)

Accounting year	April – March
Annual results of previous year	End of May
Mailing of Annual Reports	End of August
Annual General Meeting	End of September
Payment of Dividend	Within the statutory time limit subject to Shareholders approval.
First quarter results	Before Mid August
Second quarter results	" Mid November
Third quarter results	" Mid February

Date of Book closure – 25th September, 2018 to 26th September, 2018 (both days inclusive).

(3) Listing of equity shares on:-

Calcutta Stock Exchange Association Ltd.- (Stock Code CSE: 10023333)

Listing Fee for 2017-18: The annual Listing Fee has been paid to Calcutta Stock Exchange.

(4) Stock Market Data for the year 2017-2018.

Mohan Meakin shares are listed on Calcutta Stock Exchange:
During the period from 1.4.2017 to 31.3.2018 no share quotations were received.

Depositories	National Securities Depository Ltd. Central Depository Services (I) Ltd.

Registrar and Share Transfer Agent:

M/s. Beetal Financial & Computer Services (P) Ltd., Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110 062 are the Company's Registrar and Share Transfer Agent (R&TA). The aforesaid R & TA acknowledges and executes transfer of securities, arranges for issue of dividend warrants etc.

The aforesaid R&TA deals with and resolves complaints of shareholders. They also dispatch the Annual Balance Sheet to all the Shareholders.

Share Transfer System:

Shares which are received in physical form are processed, transferred and returned within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The Company has, as per SEBI guidelines with effect from 26th March, 2001 offered the facility of transfer cum demat also. As on date there are no pending share transfers pertaining to the year under review.

Distribution of shareholding as on 31st March, 2018:

No. of shares.	No. of Shareholders.	% of share-holders.	Share-holdings	% of share-holdings.
Upto 1000	6133	96.79	666472	7.83
1001-2000	82	1.29	125947	1.48

2001-4000	51	0.8	141878	1.67
4001-6000	16	0.25	79380	0.93
6001-8000	10	0.15	62644	0.74
8001-10000	7	0.11	-	-
10001-20000	14	0.22	216546	2.54
20001 and above	23	0.39	7146917	84
	6336	100.00	8508479	100.00

Shareholding pattern as on 31st March, 2018:

Category:	No. of shares held	% of shareholdings:
Promoters holding	57,17,359	67.2
Banks, financial institutions, Insurance Companies, Central/State Govts.,		
Mutual Funds & UTI etc.	7,34,993	8.64
Private Corporate Bodies	4,58,625	5.39
NRI/OCBs /HUF	4,15,699	4.88
General Public	11,81,803	13.89
	8508479	100.00

Dematerialisation of shares:

As on 31st March, 2018, 65% of the Company's total shares representing 55,80,027 shares were held in dematerialized form and the balance 34% representing 29,28,452 shares in paper form.

The Company has not issued any GDRs/ADRs warrants or non-convertible instruments, which are pending for conversion.

Secretarial Audit:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel Rules, 2014, the Company has appointed Shri Ashutosh Kumar Pandey, Practising Company Secretary,(FCS No.6847 and CP No. 7385) Prop. AKP & Associates, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year ended 31st March, 2018 forms part of the Directors Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Plant locations:

The Company's plants are located at Solan Brewery (H.P.), Mohan Nagar, Ghaziabad (U.P.), Lucknow (U.P.), Mohangram, Bhankarpur (Punjab), and Kasauli (H.P.)

Address for Correspondence:

The shareholders may correspond with the Company at its registered office at
Mohan Meakin Ltd.,
Solan Brewery P.O., 173214 (H.P.).
and/or with the Registrar & Share Transfer Agents at

M/s. Beetal Financial & Computer Services (P) Ltd.,
Beetal House, 3rd Floor,
99, Madangir, Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir,

New Delhi-110 062.
Phone No.29961281-82 Fax: 29961284

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

5. Compliance with SEBI (LO & DR) Regulations 2015.

Compliance of SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATION 2015.

As per Clause 13 of Part C of Schedule V to the Listing Regulations, the Company has made disclosures of the compliance with corporate governance requirements specified in Regulation 17 to 27 and Clauses (b) to (1) of Sub-regulation (2) of Regulation 46 on the website of the Company – www.mohanmeakin.com.

Non-mandatory Requirements:

Shareholders' Rights

The half yearly financial results are published in the newspapers as mentioned above and also they are displayed under the Investor Relations Section on the Company's website 'www.mohanmeakin.com. Therefore, the results were not separately circulated to all shareholders.

6. Transfer of unclaimed amounts to Investor Education and Protection Fund:

The Company has already transferred the entire amount of unpaid/unclaimed Dividend to the Investor Education and Protection Fund in compliance of Section 124(6) of the Companies Act, 2013, and as such there is now no amount lying in the Company's Books of Account.

However, unclaimed/unpaid dividend amounts can be claimed from the IEPF Authority, as prescribed under the IEPF Rules by submitting on line application in the prescribed Form IEPF-5 and sending a physical copy of the same, duly signed, to the Company along with the requisite documents enumerated in the Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

There are no unclaimed/un-delivered shares lying in the possession of the Company; hence "un-claimed Suspense Account" has not been opened by the Company.

7. Risk Management:

The Company has laid down procedure to inform Board Members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

Since the Company does not fall in the category of 100 top Companies by market capitalization, Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 asking the listed Companies to constitute Risk Management Committee is not applicable to the Company.

8. CEO/CFO CERTIFICATION:

As required under Regulation 17(8) read with Part B of Schedule II of SEBI LODR, the Managing Director & Chief Executive Officer and the Chief Financial Officer of the Company have certified to the Board regarding the Financial Statements for the year ended on 31st March, 2018.

9. <u>Code of Business Conduct and Ethics for Directors and Senior Management:</u>

The Board at its Meeting held on 29th October, 2005 has adopted the Code of Business Conduct and Ethics for Directors and Senior Management ('the Code"). This Code is a comprehensive Code applicable to all Directors, Executives as well as Non Executives as well as members of Senior management. The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them.

Declaration on Code of Conduct.

"As required under Regulation 26(3) and Schedule-V (D) of SEBI (Listing Obligations and Disclosure) Regulation 2015 of the Listing Agreement the Declaration for Code of conduct is given below:

To

The Members of Mohan Meakin Ltd.

I, Hemant Mohan, Managing Director & Chief Executive Officer of the Company declare that all Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct.

For Mohan Meakin Ltd.

(Hemant Mohan)
Managing Director & Chief Executive Officer.

10. <u>Certificate of Practising Company Secretary on Corporate Governance</u>:

Pursuant to Schedule V Part E of SEBI (Listing Obligations and Disclosure) Regulation 2015 Certificate from the Practising Company Secretary is given as Annexure to the Board's Report.

CERTIFICATE ON CORPORATE GOVERNANCE:

To,
The Members
Mohan Meakin Limited
Solan Brewery-173214
(Himachal Pradesh)

I have examined the compliance of conditions of corporate governance by Mohan Meakin Limited for the period covering the financial year ended 31st March, 2018, as stipulated in the Listing Agreement read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company

In my opinion and to the best of my information and according to the explanations given to me, I certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

I further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For AKP & Associates
Company Secretaries

Sd/-
Ashutosh Kumar Pandey
FCS-6847:CP-7385
Proprietor

Place: Noida
Date: 03.08.2018

INDEPENDENT AUDITOR'S REPORT

To the Members of Mohan Meakin Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS Financial Statements of Mohan Meakin Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information, (hereinafter referred to as "Standalone Ind AS Financial Statements") in which are incorporated the Returns for the year ended on that date audited by the branch auditor of the Company's branch at Lucknow.

Management's Responsibility for the Standalone Ind AS 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 Standalone Ind AS Financial Statements that give a true and fair view of the (state of affairs) financial position, profit or loss (financial performance including other comprehensive income) cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing these Standalone Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS 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 these Standalone Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Ind AS Financial Statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS 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 Standalone Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS Financial Statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the Standalone Ind AS Financial Statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these Standalone Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the branch auditor on separate Ind AS financial statements and other financial information of the Lucknow Distillery ("the Branch"), the aforesaid Standalone Ind AS 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 including the Ind AS, of the state of affairs of the Company as at March 31, 2018, its profit including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Other Matters

a) We did not audit the Ind AS financial statements of one Branch whose Ind AS financial statements reflects total assets of Rs. 328.80 lacs and total revenue of Rs. 451.36lacs (including exceptional items of Rs. 417.39 lacs) for the year ended on that date, as considered in these Standalone Ind AS Financial Statements. The Ind AS financial statements of the Branch have been audited by the branch auditor whose report has been furnished to us, and our opinion on the Standalone Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this Branch and our report in terms of sub-section (3) of Section 143 of the Act, is based solely on the report of the branch auditor.

b) The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 included in these Standalone Ind AS Financial Statements, are based on the previously issued statutory financial statements prepared in accordance with the accounting standards notified under the section 133 of the Act, read together with rule 7 of Companies (Accounts) Rules, 2014 audited by the predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated May 30, 2017 and May 30,2016 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us(excluding pertaining to the branch, refer note (a) above).

Our opinion on the Standalone Ind AS Financial Statements and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the branch auditor.

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(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 not visited by us;

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

   d. The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and the Statement of Changes in Equity 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 Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued there under;

   f. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

   g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2"; and

   h. 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 Standalone Ind AS Financial Statements – Refer Note 41to the Standalone Ind AS Financial Statements;

      (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise; and

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

For Haribhakti & Co.LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048

Mayur Gupta
Partner
Membership No.505629

Place: New Delhi
Date: May 30, 2018

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Mohan Meakin Limited on the Standalone Ind AS Financial Statements for the year ended March 31, 2018]

Our reporting on the Order includes a branch incorporated in India, to which the Order is applicable, which has been audited by another auditor and our report in respect of the branch is based solely on the report of the other auditor, to the extent considered applicable for reporting under the Order in the case of these Standalone Ind AS Financial Statements.

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) During the year, the fixed assets of the Company have been physically verified by the management, as per the regular program of verification which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. As informed, no material discrepancies were noticed on such verification.

(c) According to the information and explanation given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deed, comprising all the immovable properties of land and building, are held in the name of the company as at the balance sheet date. Immovable properties of land and building whose title deeds have been mortgaged as security for term loan/cash credit from bank are held in the name of the company based on the confirmations received by us from Bank.

In respect of immovable property of land that have been taken on lease and disclosed as Non Current Asset in the Standalone Ind AS Financial Statements, the lease agreement is in the name of the Company (Also refer Note 42 to the Standalone Ind AS Financial Statements in respect of possession of aforesaid leasehold land).

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.

(iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order are not applicable to the Company.

(iv) Based on information and explanation given to us, there are no loans, investment, guarantees and security where provisions of Section 185 and 186 of the Act are required to be complied with. Accordingly, paragraph 3 (iv) of the Order is not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under. In respect of unclaimed interests, the Company has complied with the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013.

(vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.

(vii) (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, however, there have been slight delay in few cases.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, the dues outstanding with respect to, income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty on account of any dispute, are as follows:

(Rs. In lacs)

Name of the statute	Nature of the dues	Amount	Amount paid Under Protest	Period to which the amount relates	Forum where dispute is pending
Central Excise	Excise duty	42.80	-	2008-09 to 2010-11	Appellate authority up to commissioner level
State Excise Laws	Excise duty	145.31	31.31	1985-86 to 2011-12	High Court
		199.86	199.86	1963-85	Supreme Court
Sales tax Laws	CST	65.40	-	2006-07, 2010-11 to 2013-14	Appellate authority up to commissioner level
		26.54	-	1994-95, 1995-96, 1997-98,1998-99, 1999-2000	Appellate authority up to commissioner level
	VAT	0.26	-	2011-12	Appellate authority up to commissioner level
		3.03	-	2005-06 to 2008-09, 2011-12	Appellate authority up to commissioner level

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not taken any loans or borrowings from financial institutions and government or has not issued any debentures.

(ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion, and according to the information and explanations given to us, term loans have been applied for the purposes for which they were obtained during the year.

(x) 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, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) According to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Or der is not applicable to the Company.

(xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable Accounting Standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.

(xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Mayur Gupta
Partner
Membership No.505629

Place: New Delhi
Date: May 30, 2018

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Mohan Meakin Limited on the Standalone Ind AS Financial Statements for the year ended March 31, 2018]

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

In conjunction with our audit of the StandaloneInd AS Financial Statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of the Company.

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 its business, including adherence to 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 specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 was 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 auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Ind AS 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 Standalone Ind AS 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 Standalone Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Ind AS 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.

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 March 31, 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 ICAI.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the Company's branch at Lucknow is based on corresponding report of the auditor of such branch.

Our opinion is not modified in respect of this matter.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W /W100048

Mayur Gupta
Partner
Membership No.505629

Place: New Delhi
Date: May 30, 2018

STANDALONE BALANCE SHEET AS AT MARCH 31, 2018

(Rs. in Lacs unless otherwise stated)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
ASSETS				
Non-current assets				
Property, plant and equipment	2	3,011.64	2,909.63	2,615.26
Capital work in progress	3	647.54	717.17	592.82
Investment property	4	2.79	2.87	3.00
Other intangible assets	5	-	-	18.97
Financial assets				
i) Investments	6	197.60	144.39	124.66
ii) Loans	7	232.63	220.62	243.84
iii) Other financial Assets	8	199.09	183.23	159.49
Non - current tax assets (net)	9	800.76	1,097.98	1,261.44
Deferred tax assets (net)	10	1,226.52	1,424.10	1,437.90
Other non-current assets	11	597.45	633.98	669.77
Total		**6,916.02**	**7,333.97**	**7,127.15**
Current assets				
Inventories	12	5,521.27	5,480.29	4,921.43
Financial assets				
i) Trade receivables	13	5,803.17	5,403.99	6,446.43
ii) Cash and cash equivalents	14	789.89	717.52	558.29
iii) Loans	15	6.61	9.08	13.43
iv) Other Financial Assets	16	40.36	28.48	566.59
Other current assets	17	1,381.77	848.91	946.31
Total		**13,543.07**	**12,488.27**	**13,452.48**
Total Assets		**20,459.09**	**19,822.24**	**20,579.63**
EQUITY AND LIABILITIES				
EQUITY				
a) Equity Share capital	18	425.42	425.42	425.42
b) Other equity	19	5,266.76	3,677.06	3,209.48
Total Equity		**5,692.18**	**4,102.48**	**3,634.90**
LIABILITIES				
Non-current Liabilities				
Financial liabilities				
i) Borrowings	20	36.77	155.12	647.55
ii) Other financial liabilities	21	1,646.52	1,389.30	1,367.48
Provisions	22	247.32	181.95	104.43
Total		**1,930.61**	**1,726.37**	**2,119.46**
Current liabilities				
Financial liabilities				
i) Borrowings	23	2,963.98	4,433.93	4,866.82
ii) Trade payables	24	6,569.76	6,402.49	6,809.35
iii) Other financial liabilities	25	1,779.47	2,006.00	2,016.27
Other current liabilities	26	1,494.73	1,134.12	1,121.22
Provisions	27	28.36	16.85	11.61
Total		**12,836.30**	**13,993.39**	**14,825.27**
Total liabilities		**14,766.91**	**15,719.76**	**16,944.73**
Total Equity and liabilities		**20,459.09**	**19,822.24**	**20,579.63**
Significant accounting policies	1			

The accompanying notes form an integral part of these financial statements

As per our report of even date.
For HARIBHAKTI & CO. LLP
Chartered Accountants
ICAI Firm Registration No.:103523W/W100048
Mayur Gupta
Partner
Membership No.: 505629
NEW DELHI, Date : 30.05.2018

For and on behalf of Board of Directors of
Mohan Meakin Limited

HEMANT MOHAN	***Managing Director***	***(DIN: 00197951)***
LALIT KUMAR MALHOTRA	***Director***	***(DIN: 00213086)***
R.C. JAIN	***Director Finance*-cum-CFO**	***(DIN: 00256210)***
H.N .HANDA	***Company Secretary***	

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(Rs. in Lacs unless otherwise stated)

Particulars	Notes	Year ended March 31, 2018	Year ended March 31, 2017
I. Revenue from operations	28	65,576.93	58,097.24
II. Other Income	29	459.00	449.76
III. Total Income (I+II)		**66,035.93**	**58,547.00**
IV Expenses			
Cost of materials consumed	30	7,719.92	7,731.21
Excise duty		13,209.24	11,620.53
Purchase of Stock-in-Trade	31	33,313.97	28,537.13
Changes in inventories of finished goods, work in progress and stockin trade	32	(112.23)	(344.28)
Employee benefits expense	33	2,708.44	2,539.53
Finance cost	34	665.29	914.63
Depreciation and amortization expense	35	254.56	286.07
Other expense	36	6,884.32	6,585.48
Total expenses (IV)		**64,643.51**	**57,870.30**
V Profit before exceptional items and tax		**1,392.42**	**676.70**
VI Exceptional items	37	815.44	-
VII Profit before tax (V+VI)		**2,207.86**	**676.70**
VIII Tax expense	38		
1) Current tax		474.68	168.00
2) Deferred tax		179.34	30.11
IX Profit for the year (VII-VIII)		**1,553.84**	**478.59**
X Other comprehensive income/(expense)			
Re-measurement of the defined benefit plan		0.58	(47.13)
Fair value changes on Equity Instruments through other comprehensive income		53.52	19.81
Income tax relating to Items that will not be reclassified to profit or loss		(18.24)	16.31
Total comprehensive income for the year		**1,589.70**	**467.58**
Earnings per equity share	39		
a) Basic		18.26	5.63
b) Diluted		18.26	5.63
Significant accounting policies	1		

The accompanying notes form an integral part of these financial statements

As per our report of even date.
For HARIBHAKTI & CO. LLP
Chartered Accountants
ICAI Firm Registration No.:103523W/W100048
Mayur Gupta
Partner
Membership No.: 505629
NEW DELHI, Date : 30.05.2018

For and on behalf of Board of Directors of
Mohan Meakin Limited

HEMANT MOHAN	*Managing Director*	*(DIN: 00197951)*
LALIT KUMAR MALHOTRA	*Director*	*(DIN: 00213086)*
R.C. JAIN	*Director Finance*-cum-CFO	*(DIN: 00256210)*
H.N .HANDA	*Company Secretary*	

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Statement of changes in equity

A. Equity Share Capital

As at April 01, 2016	425.42
Changes in equity share capital during the year	-
As at March 31, 2017	425.42
Changes in equity share capital during the year	-
As at March 31, 2018	425.42

B. Other Equity

	Reserve and surplus				
	Securities Premium reserve	General Reserve	Retained Earnings	Equity instruments through other Comprehensive Income	Total
Balance at April 01, 2016 (refer note 19)	0.04	763.63	2,367.63	78.18	3,209.48
Profit for the year	-	-	478.59	-	478.59
Other comprehensive income for the year					
- Re-measurement of the defined benefit plan	-	-	(30.82)	-	(30.82)
- Fair value changes on Equity Instruments through other comprehensive income	-	-	-	19.81	19.81
Total Comprehensive income for the year	-	-	447.77	19.81	467.58
Balance at March 31, 2017	**0.04**	**763.63**	**2,815.40**	**97.99**	**3,677.06**

	Reserve and surplus				
	Securities Premium reserve	General Reserve	Retained Earnings	Equity instruments through other Comprehensive Income	Total
Balance at April 1, 2017	0.04	763.63	2,815.40	97.99	3,677.06
Profit for the year	-	-	1,553.84	-	1,553.84
Other comprehensive income for the year					
- Re-measurement of the defined benefit plan	-	-	0.58	-	0.58
- Fair value changes on Equity Instruments through other comprehensive income	-	-	-	35.28	35.28
Total Comprehensive income for the year	-	-	1,554.42	35.28	1,589.70
Balance at March 31, 2018	**0.04**	**763.63**	**4,369.82**	**133.27**	**5,266.76**

The accompanying notes form an integral part of these financial statements

As per our report of even date.
For HARIBHAKTI & CO. LLP
Chartered Accountants
ICAI Firm Registration No.:103523W/W100048
Mayur Gupta
Partner
Membership No.: 505629
NEW DELHI, Date : 30.05.2018

For and on behalf of Board of Directors of
Mohan Meakin Limited

HEMANT MOHAN	***Managing Director***	***(DIN: 00197951)***
LALIT KUMAR MALHOTRA	***Director***	***(DIN: 00213086)***
R.C. JAIN	***Director Finance*-cum-CFO**	***(DIN: 00256210)***
H.N.HANDA	***Company Secretary***	

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(Rs. in Lacs unless otherwise stated)

Particulars		**Year ended March 31, 2018**	Year ended March 31, 2017
A. Cash flows from operating activities:			
Net Profit before tax		2,207.86	676.70
Adjustments for :			
Depreciation and amortization expense		254.56	286.07
Fixed assets written off		81.94	14.71
Finance cost		665.29	914.63
Dividend income		(0.81)	(0.93)
Interest income		(74.20)	(82.45)
Rent from investment properties		(15.68)	(21.84)
Excess provision / unclaimed balances written back		(121.57)	(125.03)
Provision for doubtful debts and advances		15.06	185.60
Provision for inventory		103.30	112.29
Profit on sale of fixed assets		(3.84)	(2.80)
Operating profit before working capital changes		**3,111.91**	**1,956.95**
Adjustments for (increase)/decrease in Assets:			
Inventories		(144.28)	(671.15)
Trade receivables		(480.31)	1,025.63
Other Current and Non Current- Financial Assets		(15.38)	559.53
Other Current Assets and Non Current Assets		(523.19)	(90.84)
Adjustments for increase/(decrease) in operating liabilities:			
Other Current and Non Current-Financial Liabilities		278.41	(1.96)
Other Current and Non Current Liabilities		361.89	(17.10)
Trade payables		370.01	(265.01)
Provisions		76.88	35.76
Cash generated from operations		**3,035.94**	**2,531.81**
Income tax paid, net of refunds		(177.15)	(4.15)
Net cash generated from operating activities	**(A)**	**2,858.79**	**2,527.66**
B. Cash flows from investing activities			
Purchase of property, plant and equipment including capital advance		(472.11)	(672.41)
Proceeds from sale of property, plant and equipment		103.67	3.97
Investment in deposit account as lien with government authorities		(13.07)	(20.50)
Deferred Income		-	30.00
Dividend income		0.81	0.93
Interest income		65.75	84.77
Rent from investment properties		15.68	21.84
Net cash used in investing activities	**(B)**	**(299.27)**	**(551.40)**

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018 contd.

(Rs. in Lacs unless otherwise stated)

Particulars		Year ended March 31, 2018	Year ended March 31, 2017
C. Cash flows from financing activities			
(Repayment)/Proceeds from Cash Credit, net		(1,469.95)	(432.89)
Repayment of Long-Term Borrowings		(455.32)	(540.00)
Proceeds from Long Term Borrowings		40.33	6.50
Finance costs		(602.21)	(850.64)
Net cash used in financing activities	**(C)**	**(2,487.15)**	**(1,817.03)**
Net increase in cash and cash equivalents	**(A) + (B) + (C)**	**72.37**	**159.23**
Add: Cash and Cash Equivalent at beginning of the year		717.52	558.29
Cash and cash equivalents as at closing		**789.89**	**717.52**
Cash and Cash Equivalent as per above comprises of following:			
Cash on hand		3.63	7.24
Cheques in hand		-	128.00
Balance with bank			
- in current accounts		400.74	487.28
- in deposits accounts		385.52	95.00
Total cash and cash equivalents (refer note 14)		**789.89**	**717.52**

Disclosure of changes in liabilities arising from financing activities

Particulars	Long-term Borrowings (including current maturities)	Current Borrowings	Interest on Borrowings
Balance as at April 1, 2017	**887.01**	**4,433.93**	**793.74**
Proceeds from long term borrowings/interest accrued during the year	40.33	-	665.29
Repayment of borrowings, net/interest payment during the year	(455.32)	(1,469.95)	(602.21)
Balance as at March 31, 2018	**472.02**	**2,963.98**	**856.82**

The above Cash Flow Statement should be read in conjunction with the accompanying note nos. 1 to 52.

As per our report of even date.
For HARIBHAKTI & CO. LLP
Chartered Accountants
ICAI Firm Registration No.:103523W/W100048
Mayur Gupta
Partner
Membership No.: 505629
NEW DELHI, Date : 30.05.2018

For and on behalf of Board of Directors of
Mohan Meakin Limited

HEMANT MOHAN	***Managing Director***	***(DIN: 00197951)***
LALIT KUMAR MALHOTRA	***Director***	***(DIN: 00213086)***
R.C. JAIN	***Director Finance*-cum-CFO**	***(DIN: 00256210)***
H.N .HANDA	***Company Secretary***	

Notes to the Standalone Ind AS Financial Statements for the year ended March 31, 2018

Background

Mohan Meakin Limited ("the Company") is a Public Limited Company incorporated and domiciled in India with its registered office at Solan Brewery in Himachal Pradesh. It was established as far back as 1855. Its shares are listed on Calcutta Stock Exchange (CSE). The Company is manufacturing Beer of all types and IMF brands including Premium Rums, Whiskies, Brandy, Vodka and Gin. In addition to the main products of Beer and IMFS, the Company is manufacturing Juices, Canned products, Corn flakes, Wheat Porridge and vinegars.

These standalone Ind AS financial statements of the Company for the year ended March 31, 2018 were authorised for issue by the board of directors on May 30, 2018.

Note 1: Significant Accounting Policies

1.1 Basis of Preparation

a) Compliance with Indian Accounting Standard

The standalone Ind AS financial statements ("financial statements") comply with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) to be read with relevant rules and other accounting principles and other relevant provisions of the Act. These financial statements for the year ended March 31, 2018 are the first financial statements that are prepared in accordance with Ind AS.

For all the period upto and including the financial statements of year ended 31 March 2017 were prepared in accordance with the accounting standards notified under the section 133 Companies Act, 2013, read together with rule 7 of Companies (Accounts) Rules, 2014 (Previous GAAP).

Previous year numbers in the financial statements have been restated to Ind AS. In accordance with Ind AS 101 "First-time Adoption of Indian Accounting Standards", the Company has presented a reconciliation from Previous GAAP to Ind AS of Shareholders' equity as at March 31, 2017 and April 1, 2016 (the Company's date of transition) and of the comprehensive net income for the year ended March 31, 2017, refer note 50 to the financial statements.

The financial statements have been prepared in accordance with the requirements of the information and disclosures mandated by Schedule III of the Companies Act 2013, applicable Ind AS, other applicable pronouncements and regulations.

b) Basis of Measurement

The Financial Statements have been prepared on a historical cost basis and, except for the following:

i) Certain Financial Assets and Liabilities (including derivative instruments) that is measured at fair value;

ii) Assets held for sale – measured at fair value less cost to sell or carrying value, whichever is lower; and

iii) Defined benefit plans - plan assets measured at fair value.

c) New standards and interpretations not yet effective

The MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 on March 28 2018, whereby "Ind AS-115 relating to Revenue from Contracts with Customers" (Ind AS 115) has been made applicable from financial year 2018-19 (i.e. April 01, 2018 onwards). Ind AS 115 supersedes existing revenue recognition guidance, including Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

Ind AS 115 Standard brings in a comprehensive and robust framework ('5 Step' Model) for recognition, measurement and disclosure of revenue. Ind AS 115 prescribes only one underlying principle for revenue recognition i.e. transfer of control over goods/services and replaces the 'fair value' concept with 'Transactions Price' which is better suited for measurement of revenue. It also provides guidance to bring in clarity in areas such as multiple element contracts/bundled products, licensing, royalties for intellectual properties, financing components, variable consideration; and requires more improved disclosures to help investors and analysts better under standard entity's revenue. The standard also permits the use of either the retrospective or cumulative effect transition period.

The Company is evaluating the requirements of Ind AS 115 and has not yet determined the impact on the financial statements.

1.2 Current versus Non-Current Classification

The Company presents assets and liabilities in the Financial Statement based on current/ non-current classification.

An asset is treated as current when it is:

i) Expected to be realized or intended to be sold or consumed in normal operating cycle,

ii) Expected to be realized within twelve months after the reporting period, or

iii Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

i) It is expected to be settled in normal operating cycle,

ii) It is due to be settled within twelve months after the reporting period, or

iii) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

1.3 Foreign Currency Translation

a) Functional and Presentation Currency

Items included in the Financial Statements are measured using the currency of the primary economic environment in which the entity operates i.e. 'the functional currency'. The Financial Statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

b) Transactions and Balances

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognized in the Statement of Profit and Loss.

1.4 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, etc.

a) Sale of goods

Revenue from sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the buyer with the company losing effective control or the right to managerial involvement thereon.

The Company recognizes revenues on the sale of products, net of returns, discounts, sales incentives/ rebate, amounts collected on behalf of third parties (such as sales tax) and payments or other consideration given to the customer that has impacted the pricing of the transaction. Accumulated experience is used to estimate and provide for the discounts and returns. No element of financing is deemed present as the sales are made with normal credit days consistent with market practice.

The entity has assumed that recovery of excise duty flows to the entity on its own and liability for excise duty forms part of the cost of production. Revenue therefore includes excise duty.

Income arising from sales under "Consignment sale arrangements" are recognised in terms of the respective contracts on sale of the products by the consignee.

b) Export incentives

Export incentives principally comprise of Duty drawback. The benefit under these incentive schemes are available based on the guideline formulated for respective schemes by the government authorities. Duty drawback is recognized as revenue on accrual basis to the extent it is probable that realization is certain.

c) Royalty income

Income from royalties is recognized in terms of the respective contracts upon sale/ production of the products by the franchisees. Income from royalties is net of Goods and Services Tax.

d) Dividend income

Dividends are recognized in the Statement of Profit and Loss only when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend flow to the Company, and the amount of the dividend can be measured reliably.

e) Interest income

Interest income from debt instrument is recognized using the effective interest rate (EIR) method. EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset. When calculating the EIR the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options) but does not consider the expected credit losses.

f) Sale of scrap

Revenue from sale of scrap is recognized when significant risks and rewards of ownership in the goods are transferred to the buyer with the company losing effective control or the right to managerial involvement thereon.

g) Others

Insurance and other claims are recognized as revenue when right to receive is established.

1.5 Income Tax

Income tax expense for the year comprises of current tax and deferred tax. Income tax is recognized in the Statement of Profit and Loss except to the extent that it relates to an item which is recognized in other comprehensive income or directly in equity, in which case the tax is recognized in 'Other comprehensive income' or directly in equity, respectively. First time adoption adjustments as on 1st April 2016 under Ind AS considered for computation of MAT liability as per section 115JB equally for five years starting from Financial Year 2017-18.

The Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Company establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Provision for current tax is made after taking in to consideration benefits admissible under Income Tax Act, 1961.

Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Minimum Alternative Tax (MAT)

Minimum alternate tax credit entitlement paid in accordance with tax laws, which gives rise to future economic benefit in form of adjustment to future tax liability, is considered as an asset to the extent management estimate its recovery in future years.

1.6 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to April 1, 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

a) As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases.

b) As a lessor

Leases in which the company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

1.7 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1.8 Trade Receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

1.9 Inventories

Inventories which comprise of raw materials, work-in-progress, finished goods, stock-in-trade, packing materials and stores and spares are carried at the lower of cost or net realisable value. Costs are assigned to individual items of inventory on first-in-first-out (FIFO) basis. Cost includes purchase price, freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The comparison of cost and net realizable value is made on an item by item basis. Adequate provisions are made for obsolete and non-moving inventories.

1.10 Excise duty

In respect of finished goods covered by Central Excise, excise duty is provided on closing stocks and also considered for its valuation. In respect of finished goods covered by State Excise, different States are empowered to levy excise duty, which is payable in the States where these goods are sold. The rate of State excise duty is determinable at the point of issue / clearance of goods from factory, and is also dependent on the excise policy of the State of consumption. As per the practice consistently followed by the Company, the state excise duties on finished goods not cleared from the factory premises and bonded warehouse at the yearend is not determinable and is not included in the value of finished goods as it varies according to the places to which the goods will be dispatched, except for excise duty which is already paid at the time of transfer of finished goods from manufacturing units to depots. This treatment has however no impact for the profits/losses for the respective years.

1.11 Investments in associates

Investments (including deemed investments) in associates are carried at deemed cost less accumulated impairment losses. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. On disposal of investments in associates the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of profit and loss.

1.12 Financial Instrument

The Company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair values on initial recognition, except for trade receivables which are initially measured at transaction price.

a) Financial Assets

i) Classification

The Company classifies its financial assets in the following measurement categories:

(1) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

(2) those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. This election is not permitted if the equity investment is held for trading.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

iii) **Subsequent measurement**

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

(1) **Amortized cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognised in statement of profit and loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

(2) **Fair value through other comprehensive income (FVOCI)**: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

(3) **Fair value through profit or loss**: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit and loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the statement of profit and loss. Dividends from such investments are recognised in the statement of profit and loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iv) **Impairment of Financial Assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company measures the expected credit loss associated with its trade receivables based on historical trend/current facts and the business environment in which the entity operates or any other appropriate bases. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

v) **De recognition of Financial Assets**

A financial asset is derecognized only when:

(1) The Company has transferred the rights to receive cash flows from the financial asset or

(2) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

b) **Financial Liabilities**

i) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

ii) **Subsequent measurement**

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss.

(1) **Borrowings:** Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the EIR. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit and loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(2) **Trade and other payables:** These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest method.

iii) **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

iv) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1.13 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing theasset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

a) Level 1 **-** Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

b) Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

c) Level 3 **-**Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring and non–recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.14 Property plant and equipment

Freehold land is carried at historical cost. Other property, plant and equipment are carried at historical cost less accumulated depreciation and amortization, if any. Cost comprises the purchase price, any cost attributable to bringing the assets to its working condition for its intended use and initial estimate of costs of dismantling and removing the item and restoring the site if any.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognized.

Gains and losses on disposals and/or on retirement of tangible fixed assets are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss within other gains/ (losses).

Projects under which tangible fixed assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Transition to Ind AS

The Company has elected to continue with the carrying value for all of its PPE recognized in the financial statements as on April 1, 2016 to Ind AS , measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments as per Ind AS 101. “First-time Adoption of Indian Accounting Standards”. Refer note 50 for the first time adoption impact.

Intangible Assets

An intangible asset is recognised when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost ofacquisition less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

Losses arising from retirement of, and gains or losses on disposals of intangible assets are determined as the difference between net disposal proceeds with carrying amount of assets and recognised as income or expenses in the Statement of Profit and Loss.

Transition to Ind AS

The Company has elected to continue with the carrying value for all of its intangible assets recognized in the financial statements as on April 1,2016 to Ind AS , measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments as per Ind AS 101. “First-time Adoption of Indian Accounting Standards”. Refer note 50 for the first time adoption impact.

1.15 Impairment of Non-Financial Assets

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Indefinite-life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary.

For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as a cash generating unit.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognizing the impairment loss as an expense in the Statement of Profit and Loss. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognized. An impairment loss recognized for goodwill is not reversed in subsequent periods.

1.16 Depreciation and amortization, estimated useful lives and residual value

Depreciation on fixed assets has been provided on straight line method in accordance with the provisions of Part C of Schedule II of the Companies Act 2013. The Management believes that the estimated useful lives as per the provisions of Schedule II to the Companies Act, 2013 are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Intangible assets comprising of computer software are amortized over a period of two years.

Depreciation and amortization on addition to fixed assets is provided on pro rata basis from the date of assets are ready to use. Depreciation and amortization on sale/deduction from fixed assets is provided for upto the date of sale, deduction, discardment as the case may be.

The residual values, useful lives and methods of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

All assets costing Rs. 5,000 or below are depreciated/ amortized by a one-time depreciation/amortization charge in the year of purchase.

1.17 Investment properties

Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebate are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Subsequent measurement (depreciation and useful lives)

Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on investment properties is provided on the straight-line method, computed on the basis of useful lives (as set-out below) prescribed in Schedule II to the Act.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

Investment properties are de-recognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset.

1.18 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

1.19 Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

1.20 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of Profit and Loss net of reimbursements, if any.

1.21 Contingent Liabilities and Contingent Assets:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability.

A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the notes to financial statements. A Contingent asset is not recognised in financial statements, however, the same is disclosed where an inflow of economic benefit is probable.

1.22 Employee Benefits

a) **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) **Post-employment obligations**

The Company operates the following post-employment schemes:

i) defined benefit plans such as gratuity, leave encashment, provident fund; and

ii) defined contribution plans such as pension, employee state insurance etc.

Defined benefit plans

Gratuity obligations

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement of gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost. The gratuity liability is funded with Life Insurance Corporation of India.

Leave encashment

Long-term leave encashment is provided for on the basis of an actuarial valuation carried out at the end of the year on the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the statement of profit and loss.

Provident fund

Eligible employees of the Company receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the Mohan Meakin Limited Employees Fund Trust. The trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

Defined Contribution plans

The Company makes contribution to pension scheme, employee state insurance corporation scheme, etc. as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

1.23 Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1.24 Earnings Per Share

Basic Earnings per Equity Share (BEPS) is computed by dividing the net profit attributable to Equity Shareholders of the Company by the Weighted Average Number of Equity Shares outstanding during the financial year.

For the purpose of calculating Diluted Earnings Per Share (DEPS), the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.25 Exceptional items

When an item of income or expense within Statement of profit and loss from ordinary activity is of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year, the nature and amount of such items is disclosed as exceptional items.

1.26 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs with two decimals as per the requirement of Schedule III to the Companies Act, 2013, unless otherwise stated. The sign '0.00' in these financial statements indicates that the amounts involved are below INR one thousand and the sign '-' indicates that amounts are nil.

1.27 Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates and judgments are:

1) Useful life of property, plant and Equipment

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The Company reviews, at the end of each reporting date, the useful life of property, plant and equipment and changes, if any, are adjusted prospectively, if appropriate.

2) Recoverable amount of property, plant and equipment

The recoverable amount of plant and equipment is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

3) Valuation of investment property

Investment property is stated at cost. However, as per Ind AS 40, there is a requirement to disclose fair value as at the balance sheet date. The Company engaged independent valuation specialists to determine the fair value of its investment property as at reporting date.

The determination of the fair value of investment properties requires the use of estimates such as future cash flows from the assets (such as lettings, future revenue streams, capital values of fixtures and fittings, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets. In addition, development risks (such as construction and letting risk) are also taken into consideration when determining the fair value of the properties under construction. These estimates are based on local market conditions existing at the balance sheet date.

4) Estimation of defined benefit obligation

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

5) Estimation of Deferred tax assets for carry forward losses and current tax Expenses

The Company reviews carrying amount of deferred tax assets and Liabilities at the end of each reporting period. The policy for the same has been explained under Note No 1.5.

6) Impairment of Trade Receivables

The Company review carrying amount of Trade receivable at the end of each reporting period and Provide for Expected Credit Loss. The policy for the same explained in the Note No.1.4.

Refer note 44 on financial risk management where credit risk and related impairment disclosures are made.

7) Fair value measurements

Management uses valuation techniques in measuring the fair value of financial instrument where active market codes are not available. Details of assumption used are given in the notes regarding financial assets and liabilities. In applying the valuation techniques management makes maximum use of market inputs and uses estimates and assumptions that are, as fast as possible, consistent with observable data that market participant would use in pricing the instrument where application data is not observable, management uses its best estimate about the assumption that market participant would make. These estimates may vary from actual prices that would be achieved in an arm’s length transaction at the reporting date.

8) Provisions and contingent liabilities

The Company reviews its provisions and contingent liabilities at the end of each reporting period. The policy for the same has been explained under 1.20 and 1.21 above.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 2 Property plant and equipment

	Gross block				Accumulated depreciation				Net block	
	Balance as at 1 April 2017	Additions	Disposals	Balance as at 31 March 2018	Balance as at 1 April 2017	Depreciation for the year	On disposals	Balance as at 31 March 2018	Balance as at 1 April 2017	Balance as at 31 March 2018
Tangible assets										
Freehold land (refer Note i)	309.64	-	98.61	211.03	-	-	-	-	309.64	211.03
Building	329.29	179.41	0.92	507.78	22.14	23.33	0.26	45.21	307.15	462.57
Plant and machinery	2,349.02	268.61	105.64	2,511.99	208.83	190.44	25.09	374.18	2,140.19	2,137.81
Lab equipments	17.47	-	-	17.47	2.36	2.23	-	4.59	15.11	12.88
Electrical installations	18.54	0.12	0.04	18.62	3.34	2.84	0.00	6.18	15.20	12.44
Office equipment	13.67	5.39	1.10	17.96	2.86	2.43	0.53	4.76	10.81	13.20
Furniture and fixtures	15.03	1.35	0.01	16.37	2.58	2.11	0.00	4.69	12.45	11.68
Computers and equipment	13.66	4.97	0.02	18.61	4.51	5.37	0.00	9.88	9.15	8.73
Vehicles	108.58	78.33	3.76	183.15	18.65	25.73	2.53	41.85	89.93	141.30
Total	3,174.90	538.18	210.10	3,502.98	265.27	254.48	28.41	491.34	2,909.63	3,011.64

	Gross block				Accumulated depreciation				Net block	
	Balance as at 1 April 2016 (Deemed cost)*	Additions	Disposals	Balance as at 31 March 2017	Balance as at 1 April 2016	Depreciation for the year	On disposals	Balance as at 31 March 2017	Balance as at 1 April 2016	Balance as at 31 March 2017
Tangible assets										
Freehold land (refer Note ii)	63.10	246.54	-	309.64	-	-	-	-	63.10	309.64
Building	310.18	19.12	0.01	329.29	-	22.14	-	22.14	310.18	307.15
Plant and machinery	2,091.66	269.38	12.02	2,349.02	-	209.60	0.77	208.83	2,091.66	2,140.19
Lab equipments	16.88	0.65	0.06	17.47	-	2.36	0.00	2.36	16.88	15.11
Electrical installations	15.41	3.15	0.02	18.54	-	3.35	0.01	3.34	15.41	15.20
Office equipment	11.50	2.21	0.04	13.67	-	2.89	0.03	2.86	11.50	10.81
Furniture and fixtures	13.43	1.60	-	15.03	-	2.58	-	2.58	13.43	12.45
Computers and equipment	9.51	4.35	0.20	13.66	-	4.59	0.08	4.51	9.51	9.15
Vehicles	83.59	30.16	5.17	108.58	-	19.46	0.81	18.65	83.59	89.93
Total	2,615.26	577.16	17.52	3,174.90	-	266.97	1.70	265.27	2,615.26	2,909.63

Note (i) During the current year, freehold land was acquired under compulsory acquition by National Highway Authority of India. Refer Note 37.

(ii) During the previous year, the Company converted its leasehold land situated at Iradatnagar, Lucknow into freehold land and accordingly such land value is included in freehold land, including conversion charges.

(iii) Refer to Note 41 for disclosure of contractual commitments for the acquisition of Property, plant and equipments.

(iv) These assets were given as security to the lender. For details refer Note 20 and Note 23.

*** refer note 50 for details of exemption taken under Ind AS 101.**

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 3 Capital work in progress

	2016-17				2017-18			
	Balance as at 1 April 2016	Additions	Capitalised during the year	Balance as at 31 March 2017	Balance as at 1 April 2017	Additions	Capitalised during the year	Balance as at 31 March 2018
Capital work in progress	592.82	244.16	119.81	717.17	717.17	172.71	242.34	647.54
	592.82	**244.16**	**119.81**	**717.17**	717.17	172.71	242.34	647.54

Note 4 Investment properties

	Gross Carrying Amount				Accumulated depreciation				Net block	
	Balance as at 1 April 2017	Additions	Disposals	Balance as at 31 March 2018	Balance as at 1 April 2017	Depreciation for the year	On disposals	Balance as at 31 March 2018	Balance as at 1 April 2017	Balance as at 31 March 2018
Tangible assets										
Freehold land	0.39	-	-	0.39	-	-	-	-	0.39	0.39
Building	2.61	-	-	2.61	0.13	0.08	-	**0.21**	2.48	2.40
Total	**3.00**	**-**	**-**	**3.00**	**0.13**	**0.08**	**-**	**0.21**	**2.87**	**2.79**

	Gross Carrying Amount				Accumulated depreciation				Net block	
	Balance as at 1 April 2016 (Deemed cost)*	Additions	Disposals	Balance as at 31 March 2017	Balance as at 1 April 2016	Depreciation for the year	On disposals	Balance as at 31 March 2017	Balance as at 1 April 2016	Balance as at 31 March 2017
Tangible assets										
Freehold land	0.39	-	-	0.39	-	-	-	-	0.39	0.39
Building	2.61	-	-	2.61	-	0.13	-	**0.13**	2.61	2.48
Total	**3.00**	**-**	**-**	**3.00**	**-**	**0.13**	**-**	**0.13**	**3.00**	**2.87**

(i) Amounts recognised in the Statement of Profit and Loss for Investment Property

Particulars	**Year ended March 31, 2018**	**Year ended March 31, 2017**
Rental income	15.68	21.84
Direct operating expense from property that generated rental income (depreciation)	(0.08)	(0.13)
Direct operating expense from property that did not generate rental income	-	-
Profit from Investment Property	**15.60**	**21.71**

(ii) Contractual Obligations

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Company.

(iii) Fair Value

	March 31, 2018	March 31, 2017	April 01, 2016
Investment Properties	523.40	523.40	523.40

Estimation of fair value

The Company obtains independent valuations for each of its investment property by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Fair market value is the amount expressed in terms of money that may be reasonably be expected to be exchanged between a willing buyer and a willing seller, with equity or both. The valuation by the valuer assumes that Company shall continue to operate and run the assets to have economic utility.

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences;
- discounted cash flow projections based on reliable estimates of future cash flows; and
- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence (Income approach).

Valuation technique:

The fair value of investment properties has been determined based on Income approach. Income approach also known as income capitalization approach when it comes to real estate valuation. This method is based on the relationship between the rate of return an investor requires and the net income that a property produces. It is used to estimate the value of income-producing properties. When the subject property can be expected to generate future income, and When its expenses are predictable and steady, income capitalization approach is more appropriate to use. This approach has been used to value Company properties as these properties are potential income generator properties and held not for sale.

The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data.

Fair value hierarchy

The fair value measurement for the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

The fair values of the investment property as at March 31, 2018 and March 31, 2017 significantly approximates with the fair value computed as at April 1, 2016.

Note 5 Intangible Assets

	Gross block				Accumulated depreciation				Net block	
	Balance as at 1 April 2017	Additions	Disposals	Balance as at 31 March 2018	Balance as at 1 April 2017	Depreciation for the year	On disposals	Balance as at 31 March 2018	Balance as at 1 April 2017	Balance as at 31 March 2018
Software	-		-	-	-		-	-	-	-
Sub total	**-**	**-**		**-**	**-**	**-**		**-**	**-**	**-**

	Gross block				Accumulated depreciation				Net block	
	Balance as at 1 April 2016 (Deemed cost)*	Additions	Disposals	Balance as at 31 March 2017	Balance as at 1 April 2016	Depreciation for the year	On disposals	Balance as at 31 March 2017	Balance as at 1 April 2016	Balance as at 31 March 2017
Software	18.97	-	18.97	-	-	18.97	18.97	-	18.97	-
Total	**18.97**	**-**	**18.97**	**-**	**-**	**18.97**	**18.97**	**-**	**18.97**	**-**

*** refer note 50 for details of exemption taken under Ind AS 101.**

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 6 Non current Investments

	Number of shares as at				As at		
	March 31, 2018	March 31, 2017	April 01, 2016	Face value	March 31, 2018	March 31, 2017	April 01, 2016
(a)(i) Investment in equity shares (at cost)							
Quoted Investments							
Associate companies							
National Cereals Products Limited (including 25,056 shares (March 31, 2017: 25,056 shares; April 1, 2016: 25,056 shares) amounting to Rs.3,082 (March 31, 2017: 3,082; April 1, 2016: 3,082) held under trust by the Company)	366,408	366,408	366,408	1	0.46	0.46	0.46
Unquoted investments							
Associate companies							
Mohan Closures Limited	30,000	30,000	30,000	10	3.00	3.00	3.00
(a)(ii) Investment in equity shares (at fair value through other comprehensive income)							
Quoted investments							
The Indian Hotels Company Limited	63,941	63,941	63,941	1	82.74	81.21	63.55
Jigrai Hydropower Private Limited	10,000	10,000	-	1	0.10	0.10	-
John Oakey & Mohan Limited	48,650	48,650	48,650	10	48.65	4.87	4.87
Tai Industries Limited	30,000	30,000	30,000	10	5.91	6.42	4.43
Unquoted investments							
Mohan Rocky Springwater Breweries Limited	89,000	89,000	89,000	10	44.18	35.96	35.98
Mohan Goldwater Breweries Limited	76,000	76,000	76,000	10	7.60	7.60	7.60
Arthos Breweries Limited	18,738	18,738	18,738	10	1.88	1.69	1.69
Macdonald Mohan Distillers Limited#	2,950,400	2,950,400	2,950,400	10	0.00	0.00	0.00
Maruti Limited#	100,000	100,000	100,000	10	0.00	0.00	0.00
Sideco Mohan Tools Kerala Limited#	83,300	83,300	83,300	10	0.00	0.00	0.00
Associated Journals Limited#	5,000	5,000	5,000	10	0.00	0.00	0.00
Mohan Carpets (India) Limited#	22,500	22,500	22,500	10	0.00	0.00	0.00
Fabron Textile & General Industries Private Limited#	150	150	150	100	0.00	0.00	0.00
					194.52	141.31	121.58

Represents Re. 1

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

(b) Investment in government securities

[Including Rs 3.04 lakhs (March 31, 2017: Rs 3.04 lakhs; March 31, 2016: Rs. 3.04 lakhs) lodged as security deposits]

Unquoted investments	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
4% Loan 1980	0.05	0.05	0.05
4 3/4% Loan 1989	0.37	0.37	0.37
5 3/4% M.P. Development Loan 1980	0.02	0.02	0.02
4 1/2% Ten Year Defence Deposit Certificates	0.10	0.10	0.10
12 Year National Plan Certificates	0.20	0.20	0.20
12 Year National Defence Certificates	0.05	0.05	0.05
7 Year National Savings Certificates	2.01	2.01	2.01
6 Year National Savings Certificates	0.28	0.28	0.28
	3.08	3.08	3.08
Total [= (a)+(b)]	197.60	144.39	124.66

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Aggregate amount of quoted investments and market value thereof	137.86	93.06	73.31
Aggregate amount of unquoted investments	59.74	51.33	51.35

Note 7 Non-current Loans

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, considered good			
Security deposits	232.63	220.62	243.84
Total	**232.63**	**220.62**	**243.84**

For explanation on the Company credit risk management process, refer Note 44.

Note 8 Other non-current financial assets

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Fixed deposits held as lien with government authorities	178.42	165.35	144.85
Amount paid under protest	12.86	7.87	7.90
Interest accrued on deposits	7.81	10.01	6.74
Total	**199.09**	**183.23**	**159.49**

For explanation on the Company credit risk management process, refer Note 44.

Note 9 Non - current tax assets (net)

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Advance Income tax (Net of provision Rs. 964.48 lacs) (2017: Rs. 489.80 lacs, 2016 Rs. 321.80 lacs)	800.76	1,097.98	1,261.44
	800.76	**1,097.98**	**1,261.44**

(Rs. in Lacs unless otherwise stated)

Note 10 Deferred tax asset (net)	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
Deferred tax asset arising on account of:			
Carry forward losses	-	272.77	547.57
Provision for doubtful debts and advances	320.10	346.44	277.11
Expenditure covered by section 43B of Income-tax Act,1961	596.25	538.40	460.09
Amortisation of expenditure incurred under voluntary retirement scheme	6.73	57.54	104.19
Others	13.84	0.62	0.28
	936.92	**1,215.77**	**1,389.24**
Deferred tax liability arising on account of:			
Depreciation and amortization expense	406.74	422.92	404.77
Prepaid license fees and other prepayments	71.26	51.48	57.98
Fair valuation of investments	27.57	9.33	9.33
Others	14.90	0.64	3.96
	520.47	**484.37**	**476.04**
Minimum tax credit	**810.07**	**692.70**	**524.70**
Deferred tax assets (Net)	**1,226.52**	**1,424.10**	**1,437.90**

Movement in deferred tax assets	Carry forward losses	Provision for doubtful debts and advances	Depreciation and amortization	Expenditure covered by section 43B of Income-tax Act,1961	Amortisation of expenditure incurred under voluntary retirement scheme	Minimum tax credit	Fair valuation of investments	Prepaid license fees and other prepayments	Others
As at April 01, 2016	547.57	277.11	(404.77)	460.09	104.19	524.70	(9.33)	(57.98)	(3.68)
(Charged)/ Credited:									
- to profit and loss	(274.80)	69.33	(18.15)	78.31	(46.65)	168.00	-	6.5	3.66
- to other comprehensive income	-	-	-	-	-	-	-	-	-
As at March 31, 2017	272.77	346.44	(422.92)	538.40	57.54	692.70	(9.33)	(51.48)	(0.02)
(Charged)/ Credited:									
- to profit and loss	(272.77)	(26.34)	16.18	57.85	(50.81)	117.37		(19.78)	(1.04)
- to other comprehensive income	-	-	-	-	-	-	(18.24)	-	-
As at March 31, 2018	-	320.10	(406.74)	596.25	6.73	810.07	(27.57)	(71.26)	(1.06)

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 11 Other non-current assets	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
Capital Advances	34.31	45.90	84.33
Advance other than capital advance			
i) Prepaid expense	7.58	4.97	2.38
ii) Balances with Government authorities	12.68	40.23	40.18
Leasehold rights (Refer note 42)	542.88	542.88	542.88
Total	**597.45**	**633.98**	**669.77**

Note 12 Inventories	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
Raw materials	1,476.90	1,370.64	1,298.06
Work-in-progress	84.50	89.87	105.01
Finished goods	3,529.13	3,624.91	2,969.83
Stock-in-trade (in respect of goods acquired for Trading)	98.39	80.68	66.45
Stores and spares	332.35	314.10	481.99
Loose Tools	-	0.09	0.09
Total	**5,521.27**	**5,480.29**	**4,921.43**

i. Provision of inventory on account of non-moving items for the year ended March 31, 2018 Rs 103.30 lacs (March 31, 2017 Rs 112.29 lacs).

ii. These inventories were given as security to the lender. For details refer Note 20 and Note 23.

Note 13 Current Trade Receivables	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
i) Secured, Considered good	592.88	424.59	998.94
ii) Unsecured Considered good1	5,210.29	4,979.40	5,447.49
iii) Doubtful1	793.51	888.31	745.79
	6,596.68	6,292.30	7,192.22
Less : Allowance for bad & doubtful debts	(793.51)	(888.31)	(745.79)
	5,803.17	5,403.99	6,446.43

1 Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member

Unsecured Considered good	1,285.16	1,425.72	1,492.02
Doubtful	468.81	468.81	383.81

2 For explanation on the Company credit risk management process, refer Note 44.

3 These assets were given as security to the lender. For details refer Note 20 and Note 23.

4 For balances and term & conditions relating to related parties, refer Note 49.

(Rs. in Lacs unless otherwise stated)

Note 14 Cash and cash equivalents	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance with banks			
- current account	400.74	487.28	463.71
- deposit accounts	385.52	95.00	25.00
Cheques, drafts on hand	-	128.00	60.00
Cash on hand	3.63	7.24	9.58
Total	**789.89**	**717.52**	**558.29**

Note 15 Current loans	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good			
Loans to employees	6.61	9.08	13.43
Total	**6.61**	**9.08**	**13.43**

For explanation on the Company credit risk management process, refer Note 44.

Note 16 Other current financial assets	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Insurance claim receivables	1.82	0.60	6.36
Interest accrued on deposits	38.54	27.88	33.23
Other recoverable - good*	-	-	527.00
Other recoverable - Doubtful	78.71	69.52	41.14
Less : Allowance for bad & doubtful debts	(78.71)	(69.52)	(41.14)
Total	**40.36**	**28.48**	**566.59**

For explanation on the Company credit risk management process, refer Note 44.
*Amount recoverable from Delhi Metro Rail Corporation on account of sale of land as per sale deed.

Note 17 Other current assets	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance other than capital advances			
Advance to Employee	5.49	4.83	4.83
Prepaid expenses	263.94	224.50	170.88
Balances with Government authorities	993.31	493.94	464.28
Surplus in gratuity fund (net)	-	-	10.80
Advance to vendors	77.89	83.60	269.84
Asset held for sale	-	-	11.46
Other recoverable	41.14	42.04	14.22
Total	**1,381.77**	**848.91**	**946.31**

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 18 Equity Share Capital

		As at March 31, 2018		As at March 31, 2017		As at April 1, 2016
Authorised	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Equity shares of Rs. 5 each (March 31, 2017 : Rs. 5 each) (April 01, 2016 : Rs. 5 each)	20,000,000	1,000	20,000,000	1,000	20,000,000	1,000
Issued, subscribed & fully paid up						
Equity shares of Rs. 5 each (March 31, 2017 : Rs. 5 each) (April 01, 2016 : Rs. 5 each)	8,508,479	425.42	8,508,479	425.42	8,508,479	425.42
Total	8,508,479	425.42	8,508,479	425.42	8,508,479	425.42

a) Reconciliation of the number of shares outstanding

Particulars	No. of Shares	As at March 31, 2018 Amount	No. of Shares	As at March 31, 2017 Amount	No. of Shares	As at April 1, 2016 Amount
At the beginning of the year	8,508,479	425.42	8,508,479	425.42	8,508,479	425.42
Add : Shares issued during the year	-	-	-	-	-	-
At the end of the year	8,508,479	425.42	8,508,479	425.42	8,508,479	425.42

b) Rights, preference and restrictions attached to equity shares Voting

The Company has only one class of equity shares having a par valueof Rs.5/-per share referred to herein as equity share. Each holder of equity shares is entitled to one vote per share held.

Dividend and liquidation

The Company has not declared /distributed any dividend in the current year and previous year. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any. Such distribution amounts will be in proportion to the number of equity shares held by the shareholders.

c) Detail of shareholders holding more than 5% shares in the Company

	No. of Shares	As at March 31, 2018 % of holding	No. of Shares	As at March 31, 2017 % of holding	No. of Shares	Amount as at April 1, 2016 % of holding
Trade Links Private Limited	2,049,923	24.09%	2,049,923	24.09%	2,049,923	24.09%
Hemant Mohan (Trustee Narinder Mohan Foundation)	1,017,337	11.96%	-	-	-	-
Brig. Dr. Kapil Mohan, VSM and Hemant Mohan (Trustee Narinder Mohan Foundation)	-	-	1,017,337	11.96%	1,017,337	11.96%
Life Insurance Corporation of India	712,749	8.38%	712,749	8.38%	712,749	8.38%
Vinay Mohan (excluding 94,659 shares (previous year 94,659 shares) held as a joint holder)	499,110	5.87%	463,853	5.45%	463,853	5.45%

d) As per there cords of the Company, including its register of shareholders/members, the above share holding represents both legal and beneficial ownership of shares.

e) No class of shares have been issued as bonus shares and shares issued for consideration otherthan cash and bought back by the Company during the period offive years immediately preceding the reporting date.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 19 Other Equity

Reserves and Surplus	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Securities premium reserve	0.04	0.04	0.04
General reserve	763.63	763.63	763.63
Retained earnings	4,369.82	2,815.40	2,367.63
Equity instruments through other comprehensive income	133.27	97.99	78.18
Total	**5,266.76**	**3,677.06**	**3,209.48**

a) Securities premium account

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at the beginning and end of the year (A)	**0.04**	**0.04**

b) General reserves

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at the beginning and end of the year (B)	**763.63**	**763.63**

c) Retained earnings

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	2,815.40	2,367.63
Add: Profit for the year transferred from the Statement of Profit and Loss	1,554.42	447.77
Closing balance (C)	**4,369.82**	**2,815.40**

d) Equity instruments through other Comprehensive Income

	As at March 31, 2018	As at March 31, 2017
Opening balance	97.99	78.18
Add: Additions during the year	35.28	19.81
Closing balance (D)	**133.27**	**97.99**
Total reserves and surplus (A+B+C+D)	**5,266.76**	**3,677.06**

Security premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilise in accordance with the provisions of the Act.

General reserve

This represents appropriation of profit by the Company and is available for distribution of dividend.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 20 Borrowings

		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Secured			
a.	Term Loans -From banks	42.75	457.74	981.39
b.	Deferred payment liability	429.27	429.27	429.27
		472.02	887.01	1,410.66
	Less: Current maturities of long term borrowings (refer note 25)			
a.	Term Loans -From banks	5.98	302.62	333.84
b.	Deferred payment liability	429.27	429.27	429.27
		36.77	**155.12**	**647.55**

Details of terms of repayment and security provided in respect of the borrowings

Particulars	Rate of Interest	Terms and Conditions	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Term Loans					
From banks					
Loans for Voluntary Retirement Scheme	13.6%(Previous year 13.35% to 13.60%)	Secured by first charge on fixed asset of the company (both present and future)- and collaterally secured by way of extension of charge on current assets. Repayable in quarterly installments of Rs. 35 lacs each.	-	103.49	339.57
Loan for repayment/ reimbursement of public fixed deposit	13.6% (Previous year 13.60%)	Secured by first charge on fixed asset of the company (both present and future) and collaterally secured by way of extension of charge on current assets. Repayable in quarterly installments of Rs. 50 lacs each.	-	347.90	641.82
Loan for Purchase of vehicles	8.15% to 8.80% (Previous year 8.80%)	Secured by hypothecation of specific vehicles.Repayable in 60 to 84 monthly installments.	42.75	6.35	-
		Subtotal	42.75	457.74	981.39
Deferred payment liability	15% (Previous year 15%)	Installments payableto UPSIDC Limited towards land at Salempur Industrial Area, Hathras,(U.P.) to be secured by first charge on such land and buildings and machines thereon, which were repayable in 8 equal half yearly installments. (Also refer note 42)	429.27	429.27	429.27
		Total	472.02	887.01	1,410.66

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 21 Non-current other financial liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Security deposits	1,646.52	1,389.30	1367.48
	1,646.52	**1,389.30**	**1,367.48**

Note 22 Non-current provisions

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provisions for employee benefits (refer note 47)	247.32	181.95	104.43
	247.32	**181.95**	**104.43**

Note 23 Current borrowings

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured			
Loans repayable on demand			
From Banks - Cash Credit	2,963.98	4,433.93	4,866.82
	2,963.98	**4,433.93**	**4,866.82**

Uptill previous year, Cash credit was secured by way of hypothecation of inventory and book debts (both present and future) and collaterally secured by way of second charge on movable assets of the Company (both present and future) and immovable property except free hold land at Lucknow unit. During the current year, the bank has obtained first charge on entire movable/immovable assets of the Company (present and future).

The cash credit is repayable on demand and carry interest @ 9.50% (previous year 12.85%) per annum.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 24 Current Trade Payables

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade Payables			
-due to micro and small enterprises (refer note 48)	103.04	148.82	139.54
-due to others	6,466.72	6,253.67	6,669.81
Total	**6,569.76**	**6,402.49**	**6,809.35**

Note 25 Other current financial liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Security deposits	82.81	63.51	11.98
Current maturities of long term borrowings (refer note 20)	435.25	731.89	763.11
Employee dues	401.64	400.08	443.84
Interest accrued and due on borrowings*	853.31	788.92	724.52
Capital Creditors	1.55	15.88	25.17
Unclaimed interest on matured deposits**	3.51	4.82	5.23
Amount held in trust - for employee	1.01	0.90	42.42
- for others	0.39	-	-
Total	**1,779.47**	**2,006.00**	**2,016.27**

* represents interests pertaining to Hathras land. For details refer note 42.

**represents unclaimed interest on matured deposits and does not include any amount required to be credited to Investor Education and Protection Fund. Further, during the current year and previous year, there has been no delay in transferring amounts required to be transferred to Investor Education and Protection Fund by the Company.

Note 26 Other current liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred income	-	70.00	40.00
Advances from customers	636.29	222.51	208.65
Statutory dues	858.44	841.61	872.57
	1,494.73	**1,134.12**	**1,121.22**

Note 27 Current Provisions

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for Employee benefits (refer note 47)	28.36	16.85	11.61
	28.36	**16.85**	**11.61**

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 28 Revenue from operation

	As at March 31, 2018	As at March 31, 2017
Sale of products - Manufactured goods	29,760.67	27,802.48
Sale of traded goods	34,403.31	29,137.67
	64,163.98	56,940.15
Other operating revenues		
- Other miscellaneous sales #	510.35	452.81
- Export incentives	11.17	31.24
- Royalty income	870.84	652.22
- Cold storage charges	20.59	20.82
	1,412.95	1,157.09
	65,576.93	**58,097.24**

Includes sale of scrap, sale of mixtures of materials, etc.

Note 29 Other income

	As at March 31, 2018	As at March 31, 2017
Interest income	74.20	82.45
Dividend income	0.81	0.93
Profit on sale of fixed assets	3.84	2.80
Sale of scrap	182.07	167.44
Rent from investment properties	15.68	21.84
Other rent	18.15	20.52
Excess provision / unclaimed balances written back	121.57	125.03
Miscellaneous income	42.68	28.75
	459.00	**449.76**

Note 30 Cost of materials consumed

	As at March 31, 2018	As at March 31, 2017
Raw material consumed	7,719.92	7,731.21
	7,719.92	**7,731.21**

Note 31 Purchase of Stock-in-Trade (traded goods)

	As at March 31, 2018	As at March 31, 2017
Purchase of stock-in-trade	33,313.97	28,537.13
	33,313.97	**28,537.13**

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 32 Changes in inventories of finished goods, work in progress and stock in trade

	As at March 31, 2018	As at March 31, 2017
Opening Stock		
Finished goods	3,625.49	2,969.83
Work-in-progress	89.87	105.01
Stock-in-trade	80.68	66.45
	3,796.04	3,141.29
Less: Closing Stock		
Finished goods	3,529.71	3,625.49
Work-in-progress	84.50	89.87
Stock-in-trade	98.39	80.68
	3,712.60	3,796.04
Increase / (decrease) in excise duty on finished goods	(195.67)	310.47
	(112.23)	**(344.28)**

Note 33 Employee benefit expenses

	As at March 31, 2018	As at March 31, 2017
Salaries and wages	2,332.50	2,172.56
Contribution to provident and other funds (refer note 47)	212.64	200.70
Staff welfare expense	163.30	166.27
	2,708.44	**2,539.53**

Note 34 Finance cost

	As at March 31, 2018	As at March 31, 2017
Interest:		
i. Borrowings	582.85	866.54
ii. Security deposit	35.22	11.82
Other borrowing cost - Bank charges	47.22	36.27
	665.29	**914.63**

Note 35 Depreciation and amortization expense

	As at March 31, 2018	As at March 31, 2017
Depreciation on property plant and equipment	254.48	266.97
Amortization on intangible assets	-	18.97
Depreciation on investment property	0.08	0.13
	254.56	**286.07**

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 36 Other expenses

		As at March 31, 2018		As at March 31, 2017
Stores and spares consumed		323.14		291.93
Power and fuel1		1,175.51		1,142.00
Repairs				
- Building		103.29		116.84
- Plant and machinery		197.65		244.31
- Other repairs		147.60		140.33
Rent (refer note 51)		148.63		129.76
Insurance		43.97		44.69
Rates and taxes		664.55		563.88
Legal and professional charges		357.10		234.89
Travelling and conveyance		100.09		89.88
Advertisement, sales promotion and publicity		260.44		141.93
Freight and cartage		722.33		613.73
Voluntary retirement scheme expenses		-		3.48
Provision for inventory		103.30		112.29
Fixed assets written off		81.94		14.71
Depot operation charges / selling expenses		903.26		771.53
Provision for doubtful debts and advances		15.06		185.60
Bad debts and advances written off	37.54		15.81	
Less: Provision for Bad & Doubtful Debts	(37.54)	-	(15.81)	-
Payment to Auditor (inclusive of tax)				
- To statutory auditor				
- Statutory audit fees		25.96		36.80
- Fees for limited review, certificate etc.		24.78		13.80
- Other services		-		17.22
- Out-of-pocket expenses		2.84		0.84
- To branch auditor				
- Statutory audit fees		0.25		0.40
- Fees for limited review, certificate etc.		-		0.15
- Out-of-pocket expenses		-		0.14
Breakages, leakages, samples and cash discount		82.00		118.56
Commission to - Selling agents		554.63		755.15
- others		0.98		-
Manufacturing and works expenses		421.12		392.31
Miscellaneous expenses		423.90		408.33
		6,884.32		**6,585.48**

[1] Power and fuel is net of recoveries of Rs.64.38 lacs (previous year Rs.62.86 lacs)

Note 37 Exceptional items

	As at March 31, 2018	As at March 31, 2017
Profit related to compulsory acquisition of land by National Highway Authority of India	458.30	-
Settlement with GAIL [refer note 41(iii)]	(180.25)	-
Compensation received for vacating and handing over the possession of the property at Kolkata and Asansol depots	120.00	-
Profit on sale of land at Lucknow unit	417.39	-
	815.44	**-**

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 38 Income tax expense

		As at March 31, 2018	As at March 31, 2017
a.	Current tax on the profits for the year	475.08	168.00
	Tax relating to previous years	(0.40)	-
b.	Deferred tax:		
	Tax expense/ (benefit) recognised in the statement of profit and loss	179.34	30.11
	Tax expense/ (benefit) recognised in OCI	18.24	(16.31)
		672.26	**181.80**

Reconciliation of tax expense and the accounting profit multiplied by tax rate:

	As at March 31, 2018	As at March 31, 2017
Profit before tax	2,207.86	676.70
Enacted Income tax rate of 34.608% (March 31, 2017: 34.608%)	764.10	234.19
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Tax impact of non deductible expense	4.85	1.48
Adjustments in respect of capital gain tax rate	(100.69)	-
Rate change impact	4.00	(42.66)
Return true up adjustments	-	(11.21)
	672.26	**181.80**

Note 39 Earning per share

	As at March 31, 2018	As at March 31, 2017
Nominal value of equity share (INR)	5.00	5.00
Profit attributable to equity holders of the Company (A)	1,553.84	478.59
Weighted average number of equity shares (B)	85.08	85.08
Basic and diluted earning per share (A/B)	18.26	5.63

Note 40 Corporate Social Responsibilities (CSR):

	Particulars	As at March 31, 2018	As at March 31, 2017
	Prescribed CSR expenditure as per Section 135 of the Companies Act, 2013	10.29	-
	Details of CSR spent during the financial year		
a.	Construction / acquisition of any asset	-	-
b.	On purposes other than (a) above	11.00	-

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 41 Contingent liabilities and commitments

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(i)	**Contingent Liabilities**			
	Claims against the company not acknowledged as debt			
	Claims against the company by ex-employees/suppliers1	295.66	1,014.48	887.03
	Income tax matters1	-	423.95	423.95
	Excise / Customs duty matters1	242.67	377.01	374.24
	Sales tax Matters1	65.66	1,447.89	1482.77

[1]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.

(ii)	**Commitments**			
	Estimated amount of contract remaining to be executed on Capital account and not provided for (net of advances)	4.62	33.49	126.67

(iii) The Company had entered into a long term contract with GAIL (India) Ltd. (GAIL) in December, 2008 for the period of 20 years for lifting the agreed quantity of gas of 25,000 SCM per day primarily for its Glass Bottling Unit at Mohan Nagar, Ghaziabad. Due to the discriminatory and arbitrary pricing charged by GAIL from the Glass Bottlers of Firozabad and from the Company, the Company had incurred significant losses. Considering the significant losses, the Company had taken up the matter with GAIL but inspite of long discussion and correspondences, the Company did not get any satisfactory response. Under those circumstances, in order to mitigate the future losses, the Company had no option but to closed own its Glass Bottling Unit permanently w.e.f. March 1, 2014. In view of this, the Company had requested GAIL to reduce the agreed quantity of gas from 25,000 SCM per day to 4,000 SCM per day under the force majeure conditions as per the agreement entered with GAIL. Pursuant to the said request GAIL had replaced the meters and pipeline at Mohan Nagar to cater for the reduced off take and had accepted Letter of Credit for the year 2014, 2015 and 2016 under the Agreement for the reduced off take.

Notwithstanding above, the Company had received demand notice from GAIL of Rs.994 lacs, Rs. 2,976 lacs and Rs.1,569 lacs in relation to deficiency in the quantity of gas lifted during the Calendar Year 2014, 2015 and 2016 respectively, computed on the basis of 25,000 SCM per day. The Company had challenged the above matter at appropriate higher authorities and had obtained stay from the Hon'ble High Court of Delhi against the recovery of the demand of Rs. 994 lacs and also filed its application to Arbitrator as mutually approved against all the aforesaid demands which have been stayed pending for the decision of the Arbitrator for which the next date of hearing was fixed in the month of September 2017 which was further adjourned in the month of January 2018.

Subsequently, the Company has agreed for an out of the court settlement with GAIL and parties mutually agreed the following terms and condition for settlement.

- The Company has accepted an one time settlement liability of Rs.180 lacs (exclusive of taxes and duties, as applicable) in respect of above all demands
- The parties has agreed to withdraw all the cases as discussed above against the said demands; and
- Contracted quantity of gas has been reduced from 25,000 SCM per day to 4,000 SCM per day from the date of this settlement i.e. January 17,

Resultant to above, the Company has recognised and paid the said liability in the current year financials.

Note 42 In respect of the leasehold land at Salempur Industrial Area, Hathras, Uttar Pradesh, which was purchased from the U.P. State Industrial Development Corporation Limited (UPSIDC) on installment payment basis during 2003, the symbolic possession letter for the entire piece of land of 830 acres had been issued by UPSIDC. In view of claims of Forest Department on 265 acres of land, the Company has not paid the installments due to UPSIDC, for which UPSIDC had served a notice to terminate the lease deed and forfeit the amount already paid. The Company had filed a writ petition in the High Court of Allahabad challenging the said notice along with waiver of interest claimed by UPSIDC as the possession of some part of land has been challenged by Forest Department. The High Court vide its order dated September 4, 2009 had disposed off the petition of the Company with a direction to UPSIDC to take a final decision on the objections raised by the Company in accordance with the law. However, no concrete steps have been taken by UPSIDC to resolve the matter inspite of clear directions of High Court of Allahabad.

The Company again filed a writ petition before the High Court of Allahabad on August 30, 2013 interalia praying for peaceful possession of 565 acres of land duly demarcated after removing the encroachment by local farmers along with adequate securities at the time of possession and directing
UPSIDC to make up the loss of 265 acres of land claimed by the forest department at the same place or at any other place closer to Delhi. In the year 2015 2016, the Hon’ble High Court passed an order dated December 2, 2015 and directed the parties to settle the disputes amicably by negotiation within six weeks. However, the matter was not yet been settled between the parties inspite of the various meetings the Company had with the authority. The Company again approached the High Court of Allahabad to dispose off the matter.The Hon’ble High Court held a hearing on the matter on December 15, 2017 but the order of the same has not yet been received.

Accordingly, the Company has given following treatment in their financials in respect of above:

- Due to ongoing dispute, no economic benefit has been derived from the said land therefore amortization has not been considered for leasehold rights amounting to Rs. 542.88 lacs (including land premium of Rs. 477.34 lacs and stamp duty and other charges etc.)
- Till date, land premium amounting Rs.48.07 lacs has been paid by the Company. As per lease deed, balance premium Rs. 429.27 lacs is to be paid in 8 equal half yearly installments. Accordingly same has been disclosed under deferred payment liability.
- In accordance with the lease deed, the Company is accruing interest @ 15% annually on balance amount of land premium.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 43 Fair valuation measurements

			As at March 31, 2018			As at March 31, 2017			As at April 01, 2016		
S.No.	Particulars	Level	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
	Financial assets										
1	Investments in Equity instruments (Excluding investment in associates)										
	- Quoted	1	-	137.40	-	-	92.60	-	-	72.85	-
	- Unquoted	3	-	53.66	-	-	45.25	-	-	45.27	-
2	Investments in government securities	3	-	-	3.08	-		3.08	-	-	3.08
3	Loans	3									
	- Security deposits				232.63			220.62			243.84
	- Others		-	-	6.61	-	-	9.08	-	-	13.43
4	Trade receivables	3	-	-	5,803.17	-	-	5,403.99	-	-	6,446.43
5	Other financial assets	3	-	-	239.45	-	-	211.71	-	-	726.08
6	Cash & Cash Equivalents	3	-	-	789.89	-	-	717.52	-	-	558.29
	Total Financial Assets		-	191.06	7,074.83	-	137.85	6,566.00	-	118.12	7,991.15
	Financial Liabilities										
1	Borrowings	3	-	-	3,000.75	-	-	4,589.05	-	-	5,514.37
2	Trade & Other Payables	3	-	-	6,569.76	-	-	6,402.49	-	-	6,809.35
3	Other financial Liabilities	3	-	-	3,425.99	-	-	3,395.30	-	-	3,383.75
	Total Financial Liabilities		-	-	12,996.50	-	-	14,386.84	-	-	15,707.47

a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

b) Fair value of non-current financial assets and liabilities has not been disclosed as there is no significant differences between carrying value and fair value.

There are no transfers between any levels during the year.

Note 43A The Company has valued the following investments in associates, as per Ind AS 27

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Investment in Equity shares	3.46	3.46	3.46

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 44 Financial Risk management

Risk management objectives and policies

The Company's business activities expose it to a variety of financial risks, namely market risks, credit risk and liquidity risk. The Company's financial assets and liabilities by category are summarised in Note 43. The main types of risks are market risk, credit risk and liquidity risk.

The Company's risk management is coordinated by its board of directors, and focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed to, are described below:

(i) Market Risk

Market risk is the risk that changes in market prices will have an effect on Company's income or value of the financial assets and liabilities. The Company is exposed to various types of market risks which result from its operating and investing activities. The most significant financial risks to which the Company is exposed are described below:

(a) Foreign currency risk

The Indian Rupee is the entity's most significant currency. As a consequence, foreign currency exposures are managed against Indian Rupee. The entity has limited foreign currency exposure which are mainly on account of exports. The following table presents non-derivative instruments which are exposed to currency risk and are unhedged as at 31 March 2018, 31 March 2017 and 01 April 2016 :

	Foreign currency	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade receivables	USD	653.98	368.11	222.95

To mitigate the Company's exposure to foreign exchange risk, cashflows in foreign currencies are monitored and net cash flows are managed in accordance with Company's risk management policies. Generally, the Company's risk management procedures distinguish short term foreign currency cash flows (due within 6 months) from longer term cash flows (due after 6 months). Where the amounts to be paid and received in a specific currency are expected to largely offset one another, no hedging activity is undertaken.

The following table gives the volatility in exchange rates for the respective reporting years for major currencies:

Currencies	March 31, 2018	March 31, 2017
INR/USD	5%	5%

These percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis given in the table below is based on the Company's foreign currency financial instruments held at each reporting date.

Sensitivity analysis for entities with foreign currency balances in INR

The following tables illustrate the sensitivity of profit/loss and equity in regards to the Company's financial assets and financial liabilities and the movement of exchange rates of respective functional currencies' against INR, assuming 'all other things being equal'.

If the respective functional currencies had strengthened/weakened against the INR by the afore mentioned percentage of market volatility, then this would have had the following impact on profit/loss:

March 31, 2018		Impact on profit after tax	
	Movement	Strengthening	Weakening
USD Sensitivity	5%	32.70	(32.70)

(Rs. in Lacs unless otherwise stated)

	March 31, 2017	Impact on profit after tax	
	Movement	Strengthening	Weakening
USD Sensitivity	5%	18.41	(18.41)

(b) Price risk sensitivity

The Company is mainly exposed to the price risk due to investment in quoted and unquoted equity shares and government securities.The price risk arises due to uncertainties about the future market values of these investments. In order to minimise pricing risk arising from such investments, Company invest in highly rated securities or invests only in accordance with the limits set by the Company.

	March 31, 2018	Impact on profit after tax	
	Movement	Strengthening	Weakening
Price risk sensitivity	1%	1.94	(1.94)
	March 31, 2017	**Profit/loss before tax**	
	Movement	**Strengthening**	**Weakening**
Price risk sensitivity	1%	1.41	(1.41)

(c) Interest rate sensitivity

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments as reported to the management of the Company is as follows:

The following table provides a break-up of the Company's fixed and floating rate borrowings:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Fixed-rate borrowings	429.27	429.27	429.27
Floating rate borrowings	3,006.73	4,891.69	5,848.21
	3,436.00	**5,320.96**	**6,277.48**

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	Impact on profit/loss after tax	
	March 31, 2018	March 31, 2017
Interest rates – increase by 50 basis points (50 bps)	(15.03)	(24.46)
Interest rates – decrease by 50 basis points (50 bps)	15.03	24.46

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments.

The carrying amount of financial assets represents the maximum credit risk exposure.

(Rs. in Lacs unless otherwise stated)

Credit risk management

For Bank and Financial Institutions, only high rated banks/ institutions are accepted.

For other counter parties, the company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are set accordingly. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.The Company's policy is to deal only with creditworthy counterparties only.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The company considers reasonable and supportive forward-looking information.

The company based on internal assessment which is driven by the historical experience/current facts available in relation to default and delays in collection thereof, the credit risk for trade receivable is considered low. The Company estimates its allowances for trade receivable using lifetime expected credit loss.

An impairment analysisis performed at each reporting date on an individual basis from trade receivables.

The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in financial statements.

The balance past due for more than 6 months (net of expected credit loss allowance) is Rs. 410.03 lacs (March 31, 2017 Rs. 888.54 lacs; April 01, 2016 Rs. 1,217.80 lacs).

Movement in the expected credit loss allowance of trade receivables are as follows:

	As at March 31, 2018	**As at March 31, 2017**
Balance at the beginning of the year	888.31	745.79
Add: Allowance recognised/(reversed) during the year, net	(94.80)	142.52
	793.51	888.31

The credit risk for cash and cash equivalents and other financial instruments is considered negligible and no impairment has been recorded by the Company except as described below.

Movement in allowance for bad & doubtful debts of other recoverable are as follows:

	As at March 31, 2018	**As at March 31, 2017**
Balance at the beginning of the year	69.52	41.14
Add: Allowance recognised/(reversed) during the year, net	9.19	28.38
	78.71	69.52

Significant estimates and judgments

Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates.The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(Rs. in Lacs unless otherwise stated)

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily by Treasury. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting year:

	As at March 31, 2018	As at March 31, 2017
Floating rate		
Expiring within one year (Cash Credit)	3,614.65	2,116.01

As at end of reporting year, the Company's financial liabilities have contractual maturities* as summarised below :

March 31, 2018	Upto 1 year	1 to 3 years	3 to 5 year	Above 5 years	Total
Borrowings#	3,402.57	18.62	16.64	10.65	3,448.48
Trade payables	6,569.76	-	-	-	6,569.76
Other financial liabilities	1,344.22	-	-	-	1,344.22
Total	**11,316.55**	**18.62**	**16.64**	**10.65**	**11,362.46**

March 31, 2017	Upto 1 year	1 to 3 years	3 to 5 year	Above 5 years	Total
Borrowings#	5,328.41	3.23	2.83	-	5,334.47
Trade payables	6,402.49	-	-	-	6,402.49
Other financial liabilities	1,274.11	-	-	-	1,274.11
Total	**13,005.01**	**3.23**	**2.83**	**-**	**13,011.07**

April 1, 2016	Upto 1 year	1 to 3 years	3 to 5 year	Above 5 years	Total
Borrowings#	5,728.57	615.59	50.00	-	6,394.16
Trade payables	6,809.35	-	-	-	6,809.35
Other financial liabilities	1,253.16	-	-	-	1,253.16
Total	**13,791.08**	**615.59**	**50.00**	**-**	**14,456.67**

Includes contractual interest payments based on the interest rate prevailing at the reporting date excluding interest on deferred payment liability payable to UPSIDC (refer note 42).

* The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of the liabilities at the reporting date. Further Current maturities of long term loans have been reclassified from other financial liabilities to borrowings to reflect the the maturity profile of borrowings in a better manner.

(Rs. in Lacs unless otherwise stated)

Note 45 Capital management

(a) Risk management framework

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern as well as provide an adequate return to shareholders by pricing products and services commensurately with the level of risk. In determining its capital structure, Company considers the robustness of future cash flows and to maintain an optimal structure to reduce the cost of capital.

The Company monitors gearing ratio i.e. Net debt in proportion to its overall financing structure, i.e. equity and debt. Equity comprises of all the components of equity (i.e. share capital, additional paid in capital, retained earnings etc.). Net debt comprises of total borrowings less cash and cash equivallents of the Company. In order to maintain or adjust the capital structure, the Company may adjust the amount by issue of new shares or sell assets to reduce the debt.

The gearing ratios were as follows:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Net debt	2,646.11	4,603.44	5,719.19
Equity	5,692.18	4,102.48	3,634.90
Net debt to equity ratio	0.46	1.12	1.57

(i) Loan covenants

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. The breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018 and March 31, 2017.

(b) Dividend

The Company has not proposed any dividend for the year (March 31, 2017: Rs. Nil, April 01, 2016: Rs. Nil).

Note 46 Segment Reporting

A. Operating segments and principal activities:

Segment information is presented in respect of the company's key operating segments. The operating segments are based on the company's management and internal reporting structure. The chief operating decision maker identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly. All operating segments' operating results are reviewed regularly by the board of directors to make decisions about resources to be allocated to the segments and assess their performance.

The 'Board of Directors' have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget, planning, expansion, alliance, jointventure, merger and acquisition, and expansion of any facility.

The Chief Operating Decision Maker evaluates the company's performance and based on the same two reportable segments are identified i.e. Alcoholic and Non Alcoholic.

The Company's reportable segments include:

a. Alcoholic products (Including Premium Rums, Whiskies, Brandy, Vodka, Beer and Gin etc.)

b. Non alcoholic product (Including Juice, Vinegar, breakfast foods, Malt extract etc.)

The Company's board reviews the results of each segment on a quarterly basis. The Company's board of directors uses Profit before tax to assess the performance of the operating segments.

(Rs. in Lacs unless otherwise stated)

B. Segment accounting policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

a. Segment assets and liabilities

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets, net of allowances and provisions which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include investments, share capital, reserves and surplus, loan funds, dividends payable, income-tax (current and deferred tax) and certain other assets and liabilities not allocable to the segments on a reasonable basis. While most of the assets/liabilities can be directly attributed to individual segments, the carrying amount of certain assets/liabilities pertaining to two or more segments are allocated to the segments on a reasonable basis.

b. Segment revenue and expenses

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

c. Unallocated expenses

Unallocated expenses represents general administrative expenses, head-office expenses and other expenses that arise at the Company level and relate to the Company as a whole. As such, these expenses have not been considered in arriving at the segment results.

C. Business segment information

(i) Segment Revenue (External)

	For the year ended March 31, 2018		For the year ended March 31, 2017	
	Revenue	**Results**	**Revenue**	**Results**
Alcoholic*	62,965.42	2,451.97	55,286.44	1,825.01
Non- Alcoholic	2,611.51	40.36	2,810.80	291.51
	65,576.93	2,492.33	58,097.24	2,116.52
Unallocable income/(expenditure)		380.82		(525.19)
Finance cost		(665.29)		(914.63)
Profit before tax		**2,207.86**		**676.70**
Current tax		474.68		168.00
Deferred tax		179.34		30.11
Profit for the Year		**1,553.84**		**478.59**

* Figures for the year ended March 31, 2018, are netted off of Rs 180.25 lacs reported as an exceptional item. Refer note 37.

(ii) Segment assets

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Segment assets			
Alcoholic	17,237.16	15,989.12	15,951.25
Non- Alcoholic	1,044.35	962.13	873.28
Total Segment assets	**18,281.51**	**16,951.25**	**16,824.53**
Unallocated Assets	2,177.58	2,870.99	3,755.11
Total assets as per the balance sheet	**20,459.09**	**19,822.24**	**20,579.64**

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

(iii) Segment liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Alcoholic	9,462.67	8,848.74	9,048.70
Non- Alcoholic	503.18	405.39	505.04
Total Segment liabilities	**9,965.85**	**9,254.13**	**9,553.74**
Unallocated Liabilities	4,801.06	6,465.63	7,390.99
Total liabilities as per the balance sheet	**14,766.91**	**15,719.76**	**16,944.73**

(iv) Segment Capital Expenditure

	For the year ended March 31, 2018	For the year ended March 31, 2017
Alcoholic	346.79	545.05
Non- Alcoholic	23.10	54.18
Unallocated	102.22	73.18
	472.11	**672.41**

(v) Segment depreciation

	For the year ended March 31, 2018	For the year ended March 31, 2017
Alcoholic	205.93	217.39
Non- Alcoholic	24.58	12.95
Unallocated	24.05	55.73
	254.56	**286.07**

(vi) Non Cash expenses other than depreciation

	For the year ended March 31, 2018	For the year ended March 31, 2017
Alcoholic	156.60	273.89
Non- Alcoholic	40.23	37.37
Unallocated	3.47	1.34
	200.30	**312.60**

D. Geographical Segments information

(i) Revenue

	For the year ended March 31, 2018	For the year ended March 31, 2017
India	63,205.09	55,899.63
Outside India	2,371.84	2,197.61
	65,576.93	**58,097.24**

(ii) Capital Expenditure

	For the year ended March 31, 2018	For the year ended March 31, 2017
India	472.11	672.41
Outside India	-	-
	472.11	**672.41**

(iii) Non-current Assets*	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
India	5,060.18	5,361.63	5,161.26
Outside India	-	-	-
	5,060.18	**5,361.63**	**5,161.26**

*Non-current assets are excluding financial instruments and deferred tax assets.

(iv) Revenue from two customers of the company in alcoholic segment is more than 10 percent of the company's total revenue that are individually constituting Rs. 7,394.72 lacs (March 31, 2017- Rs. 7,617.60 lacs) and Rs. 9,840.44 lacs (March 31 2017- Rs. 9,033.71 lacs) respectively.

Note 47 Employee benefit obligations

The Company has classified various employee benefits as under:

a) Defined contribution plans
   i) Pension Scheme
   ii) Employee state insurance

The Company has recognized the following amounts in the Statement of Profit and Loss for the year. (Refer Note 33)

Particulars	**March 31, 2018**	**March 31, 2017**
Contribution to Pension scheme	81.02	84.15
Contribution to Employee state insurance	65.46	54.85
Total	**146.48**	**139.00**

b) Defined benefit plans
   i) Gratuity
   ii) Earned Leave
   iii) Provident fund

Gratuity is payable to eligible employees as per the Company's policy and The Payment of Gratuity Act, 1972. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit (PUC) method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligations.

Provision for leave benefits is made by the Company on the basis of actuarial valuation using the Projected Unit Credit (PUC) method.

Liability with respect to the gratuity, leave encashment is determined based on an actuarial valuation done by an independent actuary at the year end and any differential between the fund amount and the actuarial valuation is charged to Statement of Profit and Loss.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognized immediately in the Statement of Profit and Loss as income or expense.

Other disclosures required under Indian Accounting Standards 19 "Employee benefits" are given below:

Principal Actuarial Assumption as at Balance Sheet date

Particulars	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
Discount Rate (per annum)	7.71%	7.54%	8.00%
Rate of increase in Compensation Levels	6.00%	5.50%	5.50%
Retirement age		60 years	
Mortality Table		100% of IALM (2006-08)	
Average Withdrawal Rate	Withdrawal Rate	Withdrawal Rate	Withdrawal Rate
a) Upto 30 Years	0.50%	3.00%	3.00%
b) From 31 to 44 Years	1.00%	2.00%	2.00%
c) Above 44 Years	5.00%	1.00%	1.00%

(Rs. in Lacs unless otherwise stated)

The discount rate has been assumed at 7.71% p.a. (Previous year 7.54% p.a.) which is determined by reference to market yield at the balance sheet date on government securities for remaining life of employees. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market on long term basis.

i) Changes in the Present Value of Obligation

Particulars	Year Ended March 31, 2018		Year Ended March 31, 2017	
	Leave Encashment	Gratuity Funded	Leave Encashment	Gratuity Funded
Present Value of Obligation as at the beginning of the year	127.52	1,049.79	116.04	994.78
Interest Cost	9.62	79.15	9.28	79.58
Past Service Cost	-	3.26	-	-
Current Service Cost	11.55	43.41	8.85	41.70
Contribution by Plan Participants	-	-	-	-
Benefit Paid	(15.19)	(127.61)	(10.21)	(112.16)
Actuarial (Gains)/Loss	20.76	(3.59)	3.56	45.89
Present Value of Obligation as at the End of the Year	154.26	1,044.41	127.52	1,049.79

ii) Changes in the Fair value of Plan Assets

Particulars	Year Ended March 31, 2018		Year Ended March 31, 2017	
	Leave Encashment	Gratuity Funded	Leave Encashment	Gratuity Funded
Present Value of Plan Asset as at the Beginning of the Year	-	978.51	-	1,005.58
Expected Return on Plan Assets	-	73.78	-	80.45
Actuarial Gain/(Loss)	-	(3.01)	-	(1.24)
Employers Contribution	-	1.32	-	5.88
Employees Contribution	-	-	-	-
Benefit Paid	-	(127.61)	-	(112.16)
Fair Value of Plan Assets as at the End of the Year	-	922.99	-	978.51

iii) Percentage of Each Category of Plan Assets to Total Fair Value of Plan Assets as at the End of the Year

Particulars	Year Ended March 31, 2018		Year Ended March 31, 2017	
	Leave Encashment	Gratuity Funded	Leave Encashment	Gratuity Funded
Fund Managed by Insurance Company	-	100%	-	100%

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

iv) Reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets

Particulars	Year Ended March 31, 2018		Year Ended March 31, 2017	
	Leave Encashment	Gratuity Funded	Leave Encashment	Gratuity Funded
Present Value of Funded Obligation as at the end of the year	-	1,044.41	-	1,049.79
Fair Value of Plan Assets as at the End of the Year	-	922.99	-	978.51
Present Value of Unfunded Obligation as at the End of the Year	154.26	121.42	127.52	71.28
Unfunded Net Liability Recognized in the Balance Sheet	154.26	121.42	127.52	71.28
Current Liability	28.36	-	16.85	-
Non Current Liability	125.90	121.42	110.67	71.28

v) Expenses recognized in the Statement of Profit and Loss Account

Particulars	Year Ended March 31, 2018		Year Ended March 31, 2017	
	Leave Encashment	Gratuity Funded	Leave Encashment	Gratuity Funded
Current Service Cost	11.55	43.41	8.85	41.70
Past Service Cost	-	3.26	-	-
Interest Cost	9.62	79.15	9.28	79.58
Expected Return on Plan Assets	-	(73.78)	-	(80.45)
Benefit Paid	-	-	-	-
Net actuarial (Gains)/Loss	20.76	-	3.56	-
Employers Contribution	-	-	-	-
Total Expenses Recognized in the Statement of Profit and Loss	41.93	52.04	21.69	40.83

vi) Other Comprehensive Income (OCI)

Particulars	Year Ended March 31, 2018		Year Ended March 31, 2017	
	Leave Encashment	Gratuity Funded	Leave Encashment	Gratuity Funded
Net cumulative unrecognized actuarial gain/(loss) opening	-	-	-	-
Actuarial gain / (loss) for the year on PBO	-	3.59	-	(45.89)
Actuarial gain /(loss) for the year on Asset	-	(3.01)	-	(1.24)
Unrecognized actuarial gain/(loss) at the end of the year	-	0.58	-	(47.13)

(Rs. in Lacs unless otherwise stated)

vii) Experience Adjustment:

Particulars	Year Ended March 31, 2018		Year Ended March 31, 2017	
	Leave Encashment	Gratuity Funded	Leave Encashment	Gratuity Funded
On Plan Liability (Gain)/ Loss	14.55	(42.80)	(0.52)	19.53
On Plan Assets (Gain) / Loss	-	-	-	-
Expected Employer Contribution for the Next Year	24.19	55.81		
	19.09	49.32		

viii) Maturity Profile of Defined Benefit Obligation

Particulars	Year Ended March 31, 2018		Year Ended March 31, 2017	
	Leave Encashment	Gratuity Funded	Leave Encashment	Gratuity Funded
0 to 1 Year	28.36	165.31	16.85	137.06
1 to 2 Year	15.57	234.60	13.52	110.94
2 to 3 Year	12.40	107.26	10.09	104.61
3 to 4 Year	11.14	80.27	8.18	77.74
4 to 5 Year	12.18	62.45	7.18	73.34
5 to 6 Year	9.49	58.04	9.01	78.69
6 Year onwards	65.12	336.48	62.69	467.40

ix) Sensitivity Analysis of the Defined Benefit Obligation:-

Particulars	Leave Encashment	Gratuity Funded
	2017-18	
Impact of change in discount rate		
Present Value of obligation at the end of the year	154.26	1,044.41
a) Impact due to increase of 0.50%	(4.74)	(24.85)
b) Impact due to decrease of 0.50%	5.05	26.11
Impact of change in Salary rate		
Present Value of obligation at the end of the year	154.26	1,044.41
a) Impact due to increase of 0.50%	5.11	26.03
b) Impact due to decrease of 0.50%	(4.84)	(25.00)

Description of risk exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow-

a) Salary increases - Actual salary increase will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

b) Investment Risk - If plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

c) Discount Rate - Reduction in discount rate in subsequent valuations can increase the plan's liability.

d) Mortality & disability - Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

e) Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 48 Disclosure requirement under Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(a) Principal amount along with the interest due thereon, at the end of the accounting year			
-Principal	103.04	148.82	129.41
-Interest due thereon	-	-	0.38
Total	103.04	148.82	129.79
(b) the amount of interest paid under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-
(c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest, specified in this Act	-	-	10.12
(d) The amount of interest accrued and remaining unpaid at the end of accounting year	-	-	10.12
(e) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues, specified in this Act are actually paid	-	-	0.54

Dues to Micro, Small and Medium parties has been determined to the extent such parties have been identified on the basis of information available with the company and relied upon by the auditors.

Note 49 Related party disclosure:

As per Ind AS – 24 "Related Party Disclosure" the Company's related parties and transactions with them in the ordinary course of business are disclosed below :

A. Name of related party and relationship

i) Associate Companies: National Cereals Products Limited (NCPL) and Mohan Closures Limited (MCL)

ii) Key Managerial Personnel :

a) Brig.(Dr.) Kapil Mohan, VSM, (Retd.) Ph.D.
(Resigned as Director and Managing Director w.e.f. July 26, 2016)

b) Shri Hemant Mohan (Previously Deputy Managing Director appointed as a Managing Director w.e.f. August 1, 2016)

c) Shri Vinay Mohan (Non Executive Director)

d) Smt. Shalini Mohan (Non Executive Director)

e) Shri L.K. Malhotra (Non Executive Director)

f) Shri Yash Kumar Sehgal (Non Executive Director)

g) Shri Murugan Navamani (Appointed as Additional Director w.e.f. September 15, 2016)

h) Shri M.Nandagopal (Non Executive Director)

i) Shri R.C. Jain (Appointed as Additional Director w.e.f. August 14, 2017)

j) Shri J.K. Jain (Resigned as Director w.e.f. November 15, 2016)

k) Shri Swaraj Suri (Resigned as Director w.e.f. May 12, 2017)

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

iii) Enterprises over which Key Managerial Personnel and/or their relatives exercise control:

Mohan Rocky Springwater Breweries Limited, Trade Links Private Limited, Mohan Shakti Trust, Narinder Mohan Foundation and Mohan Breweries and Distilleries Limited.

iv) Post Employment Benefit Plan: Mohan Meakin Limited, Provident Fund Trust

B. Key management personnel compensation

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
i)	Short - term employee benefits	94.01	85.71
ii)	Post - employment benefits	5.99	6.60
iii)	Long - term employee benefits	20.33	-
iv)	Director Sitting Fee	4.20	5.00

C. Transactions with related parties referred to in (A)

	Particulars	March 31, 2018	March 31, 2017	April 1, 2016
i)	**Transaction with Associate Companies**			
	Sale of products			
	- Mohan Closures Limited	0.10	0.09	
	Purchases of stock-in-trade			
	- Mohan Closures Limited	13.42	21.36	
	Power and fuel charges recovered			
	- Mohan Closures Limited	0.35	0.52	
	- National Cereals Products Limited	0.30	0.30	
	Rental Income			
	- Mohan Closures Limited	2.25	1.92	
	- National Cereals Products Limited	0.30	0.30	
	Other miscellaneous expenses recovered			
	- National Cereals Products Limited	0.20	1.37	
	Balances outstanding as at the year end			
	Payable			
	- Mohan Closures Limited	0.73	3.75	10.55
	- National Cereals Products Limited	135.08	265.61	434.29

(Rs. in Lacs unless otherwise stated)

	Particulars	March 31, 2018	March 31, 2017	April 1, 2016
ii)	**Transactions with enterprises over which Key Managerial Personnel exercise control:**			
	Purchases of traded goods			
	- Mohan Rocky Springwater Breweries Limited	30,584.54	25,795.94	
	Purchases of services/related goods			
	- Narinder Mohan Foundation	1.81	12.89	
	- Trade Links Private Limited	0.79	1.85	
	Sales (net of rebate and discount)			
	- Mohan Rocky Springwater Breweries Limited	270.39	308.49	
	- Trade Links Private Limited	4,580.90	4,666.82	
	- Mohan Breweries and Distilleries Limited	13.17	151.68	
	Royalty from			
	- Mohan Rocky Springwater Breweries Limited	0.86	1.04	
	- Trade Links Private Limited	6.00	6.00	
	- Mohan Breweries and Distilleries Limited	225.00	225.39	
	Commission to a selling agent			
	- Trade Links Private Limited	74.86	62.78	
	Depot handling charges to a selling agent			
	- Trade Links Private Limited	212.93	111.94	
	Expenses recovered			
	- Mohan Rocky Springwater Breweries Limited	7.46	4.34	
	- Trade Links Private Limited	6.90	34.20	
	Expenses incurred on Company's behalf reimbursed			
	- Trade Links Private Limited	5.40	5.73	
	Balances outstanding as at the year end (Payable/Receivable)			
	Receivable			
	- Mohan Rocky Springwater Breweries Limited	323.19	324.26	330.07
	- Trade Links Private Limited	426.55	344.70	332.51
	- Mohan Breweries and Distilleries Limited	1,004.23	1,225.57	1,213.25
	Payable			
	- Mohan Shakti Trust	3.51	2.35	0.48
	- Narinder Mohan Foundation	-	0.05	-
	- Trade Links Private Limited	0.82	0.03	-
iii)	**Contribution to Post Employment Benefit Plans**			
	- PF Trust	60.64	14.74	
	Payable			
	-PF Trust	23.07	21.55	21.24

D. Terms and conditions

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and are at market value. Outstanding balances at the year-end are unsecured (except receivable with Trade Links Private Limited amounting to Rs. 46.40 lacs (March 31, 2017 Rs. 46.40 lacs, April 01, 2016 Rs. 46.40 lacs) and Mohan Breweries and Distilleries Limited amounting to Rs. 68.00 lacs (March 31, 2017 Rs. 68.00 lacs, April 01, 2016 Rs. 68.00 lacs) which is secured) and interest free and settlement occurs in cash. For the year ended March 31, 2018, the Company has recorded impairment of receivables amounting to Rs. Nil (March 31, 2017 Rs. 85.00 lacs) relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 50 First-time adoption of Ind AS

These are the first financial statements prepared in accordance with Ind AS by the Company.

The accounting policies set out in Note 1 have been applied in preparing financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in preparation of an opening Ind AS balance sheet at April 01, 2016 (the transition date). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under the section 133 Companies Act, 2013, read together with rule 7 of Companies (Accounts) Rules, 2014 (Previous GAAP).

An explanation of how the transition from Previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A1.1 Deemed cost

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property plants and equipment as recognised in the financial statements as the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments as per Ind AS 101. This exemption is also used for intangible assets covered by Ind AS38 Intangible Assets and investment property covered by Ind AS 40 investment property.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their Previous GAAP carrying value.

A.1.2 Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The Company has elected to apply this exemption for such contracts/arrangements.

A1.3 Investment in associates

As per Ind AS 101 , if a first-time adopter measures such an investment at cost in accordance with Ind AS 27, it shall measure that investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

(a) cost determined in accordance with Ind AS 27; or

(b) deemed cost. The deemed cost of such an investment shall be its:

  (i) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or

  (ii) Previous GAAP carrying amount at that date

Accordingly the Company has availed the exemption and has measured these investments at Previous GAAP carrying amount at the transition date.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

The Company's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

There is no such estimate which is changed while applying Ind AS. All the estimates as per Previous GAAP is carried forward as in Ind AS transition balance sheet as at April 01, 2016.

Further, the Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Previous GAAP:

- Investment in equity instruments carried at FVTPL or FVOCI;
- Investment in debt instruments carried at amortised cost; and
- Impairment of financial assets based on expected credit loss model.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

A.2.3 De-recognition of financial assets and liabilities

As per Ind AS 101, an entity should apply de-recognition requirement in Ind AS 109, "Financial Instruments", prospectively for transactions occurring on or after the date of transition to Ind AS.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

B. Reconciliations between Previous GAAP and Ind AS

(i) Reconciliations from Previous GAAP to Ind AS as at April 01, 2016

		As at April 1, 2016		
Particulars	**Notes**	**Previous GAAP***	**IND AS Adjustments**	**IND AS**
ASSETS				
Non-current assets				
Property, plant and equipment	1,6	3,161.14	(545.88)	2,615.26
Capital work in progress	1	592.82	-	592.82
Investment property	1,2	-	3.00	3.00
Other intangible assets		18.97	-	18.97
Financial assets				
i) Investments	3	46.48	78.18	124.66
ii) Loans	4	244.65	(0.81)	243.84
iii) Other financial Assets		159.49	-	159.49
Non - current tax assets (net)		1,261.44	-	1,261.44
Deferred tax assets (net)	5	213.79	1,224.11	1,437.90
Other non-current assets	4,5,6	453.47	216.30	669.77
Total		**6,152.25**	**974.90**	**7,127.15**
Current assets				
Inventories		4,921.43	-	4,921.43
Financial assets				
i) Trade receivables		6,446.43	-	6,446.43
ii) Cash and cash equivalents		558.29	-	558.29
iii) Loans		13.43	-	13.43
iv) Other Financial Assets		566.59	-	566.59
Other current assets	4	945.62	0.69	946.31
Total		**13,451.79**	**0.69**	**13,452.48**
Total Assets		**19,604.04**	**975.59**	**20,579.63**
EQUITY AND LIABILITIES				
EQUITY				
a) Equity Share capital		425.42	-	425.42
b) Other equity		2,221.78	987.70	3,209.48
Total Equity		**2,647.20**	**987.70**	**3,634.90**
LIABILITIES				
Non-current Liabilities				
Financial liabilities				
i) Borrowings	7	653.50	(5.95)	647.55
ii) Other financial liabilities		1,367.48	-	1,367.48
Provisions		104.43	-	104.43
Total		**2,125.41**	**(5.95)**	**2,119.46**
Current liabilities				
Financial liabilities				
i) Borrowings		4,866.82	-	4,866.82
ii) Trade payables		6,809.35	-	6,809.35
iii) Other financial liabilities	7	2,022.43	(6.16)	2,016.27
Other current liabilities		1,121.22	-	1,121.22
Provisions		11.61	-	11.61
Total		**14,831.43**	**(6.16)**	**14,825.27**
Total liabilities		**16,956.84**	**(12.11)**	**16,944.73**
Total Equity and liabilities		**19,604.04**	**975.59**	**20,579.63**

* The Previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018
(Rs. in Lacs unless otherwise stated)

(ii) Reconciliations from Previous GAAP to Ind AS as at March 31, 2017

		As at March 31, 2017		
Particulars	**Notes**	**Previous GAAP***	**IND AS Adjustments**	**IND AS**
ASSETS				
Non-current assets				
Property, plant and equipment	1,6	3,455.38	(545.75)	2,909.63
Capital work in progress	1	717.17	-	717.17
Investment property	1,2	-	2.87	2.87
Financial assets				
i) Investments	3	46.58	97.81	144.39
ii) Loans	4	220.63	(0.01)	220.62
iii) Other financial Assets		183.23	-	183.23
Non - current tax assets (net)		1,097.98	-	1,097.98
Deferred tax assets (net)	5	272.90	1,151.20	1,424.10
Other non-current assets	4,5,6	585.80	48.18	633.98
Total		**6,579.67**	**754.30**	**7,333.97**
Current assets				
Inventories		5,480.29	-	5,480.29
Financial assets		-	-	
i) Trade receivables		5,403.99	-	5,403.99
ii) Cash and cash equivalents		717.52	-	717.52
iii) Loans		9.08	-	9.08
iv) Other Financial Assets		28.48	-	28.48
Other current assets	4	848.79	0.12	848.91
Total		**12,488.15**	**0.12**	**12,488.27**
Total Assets		**19,067.82**	**754.42**	**19,822.24**
EQUITY AND LIABILITIES				
EQUITY				
a) Equity Share capital		425.42	-	425.42
b) Other equity		2,918.89	758.17	3,677.06
Total Equity		**3,344.31**	**758.17**	**4,102.48**
LIABILITIES				
Non-current Liabilities				
Financial liabilities				
i) Borrowings	7	155.17	(0.05)	155.12
ii) Other financial liabilities	8	1,390.97	(1.67)	1,389.30
Provisions		181.95	-	181.95
Total		**1,728.09**	**(1.72)**	**1,726.37**
Current liabilities				
Financial liabilities				
i) Borrowings		4,433.93	-	4,433.93
ii) Trade payables		6,402.49	-	6,402.49
iii) Other financial liabilities	7	2,008.03	(2.03)	2,006.00
Other current liabilities		1,134.12	-	1,134.12
Provisions		16.85	-	16.85
Total		**13,995.42**	**(2.03)**	**13,993.39**
Total liabilities		**15,723.51**	**(3.75)**	**15,719.76**
Total Equity and liabilities		**19,067.82**	**754.42**	**19,822.24**

* The Previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

(iii) Reconciliation of total comprehensive income

		Notes	For the year ended March 31, 2017 Previous GAAP*	IND AS Adjustments	IND AS
	Income				
I.	Revenue from operations	9	46,551.03	11,546.21	58,097.24
II.	Other Income	4, 8	435.52	14.24	449.76
III.	**Total Income (I+II)**		**46,986.55**	**11,560.45**	**58,547.00**
IV	**Expenses**				
	Cost of materials consumed		7,731.21	-	7,731.21
	Excise duty	9	-	11,620.53	11,620.53
	Purchase of Stock-in-Trade		28,537.13	-	28,537.13
	Changes in inventories of finished goods, work in progress and stockin trade		(344.28)	-	(344.28)
	Employee benefits expense	10	2,586.66	(47.13)	2,539.53
	Finance cost	7, 8	892.80	21.83	914.63
	Depreciation and amortization expense		286.07	-	286.07
	Other expense	4,9	6,658.96	(73.48)	6,585.48
	Total expenses (IV)		**46,348.55**	**11,521.75**	**57,870.30**
V	**Profit before exceptional items and tax**		**638.00**	**38.70**	**676.70**
VI	Exceptional items		-	-	-
VII	**Profit before tax (V+VI)**		**638.00**	**38.70**	**676.70**
VIII	**Tax expense/ (benefit)**				
	1) Current tax		168.00	-	168.00
	2) Deferred tax	5	(227.11)	257.22	30.11
IX	**Profit for the year (VII-VIII)**		**697.11**	**(218.52)**	**478.59**
X	**Other comprehensive income/(expense)**				
	Remeasurement of defined benefit plans	10	-	(47.13)	(47.13)
	Changes in fair value of FVOCI equity instruments	3	19.81	19.81	
	Income tax relating to Items that will not be reclassified to profit or loss		-	16.31	16.31
	Total comprehensive income for the year		**697.11**	**(229.53)**	**467.58**

* The Previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

(iv) Reconciliation of total equity as at March 31, 2017 and April 01, 2016

	Notes	As at March 31, 2017	As at April 01, 2016
Total equity (shareholder's fund) as per Previous GAAP		**3,344.31**	**2,647.20**
Adjustments:			
(i) Processing fee on loans accounted using effective interest rate	7	2.08	12.11
(ii) Investment in Equity instruments carried at fair value through Other Comprehensive Income	3	97.81	78.18
(iii) Recognition of deferred tax asset under Ind AS	5	656.49	897.41
(iv) Others	4,8	1.79	-
Total Adjustments		**758.17**	**987.70**
Equity as reported under Ind AS		**4,102.48**	**3,634.90**

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Notes to first-time adoption:

Note 1 The Company has elected to take the exemption of para D7AA, Appendix C of Ind-AS 101 for all items of Property, Plant and Equipment, Intangible Assets and Investment property as at the date of transition to Ind AS. Hence, as at the date of transition to Ind AS there is no change in the carrying values under Previous GAAP.

Note 2 Pursuant to Ind AS requirements, investment property is presented separately. Under I-GAAP the same was presented as part of tangible assets.Tangible assets have been now divided into two categories under Ind AS viz property plant & equipment and Investment Property.

Note 3 Under the Previous GAAP, investments in equity instruments and other instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, such investments, except investments in associates, are required to be measured at fair value. The resulting fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in FVOCI–Equity instruments through OCI as at the date of transition and subsequently in the other comprehensive income for the year ended 31 March 2017.

Effect to Balance Sheet	**March 31, 2017**	**April 01, 2016**
Increase/(decrease) in investments in equity instruments	97.81	78.18
Increase/(decrease) in Retained earnings	-	78.18

Effect to Statement of Profit and Loss	**March 31, 2017**
Increase in other comprehensive income	19.63

Note 4 Under Previous GAAP, the interest free security deposits given for lease are accounted at an undiscounted value. Under Ind AS, the security deposits for lease have been recognised at discounted value and the difference between undiscounted and discounted value has been recognised as 'Deferred lease rent' which has to be amortised over respective lease term as rent expense under ' other expenses'. The discounted value of the security deposits is increased over the period of lease term by recognising the notional interest income under 'other income'.

Effect to Balance Sheet	**March 31, 2017**	**April 01, 2016**
Increase/(decrease) in Loans - Non current financial asset	(0.01)	(0.81)
Increase/(decrease) in other non current asset	-	0.12
Increase/(decrease) in other current asset	0.12	0.69

Effect to Statement of Profit and Loss	**March 31, 2017**
Increase in notional interest income	0.70
Increase in notional rent expense	(0.60)

Note 5 Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

Further, in accordance with Ind AS 12, the Company has also recognised deferred tax asset on unused tax losses and unused tax credits to the extent it is probable that future taxable profits will be available against which the unused tax losses and unused tax credit can be utilised, and presented unused tax credits (as represented by MAT credit entitlement) as deferred tax asset in the balance sheet.

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Effect to Balance Sheet	**March 31, 2017**	**April 01, 2016**
Increase/ (decrease) in deferred tax asset	1,151.20	1,224.11
Increase/(decrease) in other non current assets	(494.71)	(326.70)
Increase/(decrease) in Retained earnings		897.41

Effect to Statement of Profit and Loss	**March 31, 2017**
Increase/ (decrease) in deferred tax charge	257.22

Note 6 Under Previous GAAP, leasehold land is recorded and classified as fixed assets. As per IND AS 17, leasehold land would be recognised as operating lease or finance lease as per the definition and classification criteria.

In accordance with IND AS 17, the Company has classified leasehold land at Salempur Industrial Area, Hathras, as an operating lease and accordingly, cost of the above said land amounting to Rs. 542.88 lakhs has been reclassified to 'Leasehold Rights' under 'Other Non current Assets'.

Note 7 Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition.These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

Effect to Balance Sheet	**March 31, 2017**	**April 01, 2016**
Increase/(decrease) in non current financial liability- Borrowings	(0.05)	(5.95)
Increase/(decrease) in current financial liability- Borrowings	(2.03)	(6.16)
Increase/(decrease) in Retained earnings	-	12.11

Effect to Statement of Profit and Loss	**March 31, 2017**
Increase/ (decrease) in finance cost	10.01

Note 8 Under Previous GAAP, the interest free security deposits received from depot agents and contract manufacturers are accounted at an undiscounted value. Under Ind AS, the security deposits received from such parties have been recognised at discounted value and the difference between undiscounted and discounted value has been recognised as 'Deferred income' which has to be amortised over respective contract period as amortization expense under 'other expenses'. The discounted value of the security deposits is increased over the period of lease term by recognising the notional interest expense under 'finance cost'.

Effect to Balance Sheet	**March 31, 2017**	**April 01, 2016**
Increase/(decrease) in other non current financial liabilities	(28.76)	(8.12)
Increase/(decrease) in other current financial liabilities	27.09	8.12

Effect to Statement of Profit and Loss	**March 31, 2017**
Increase/ (decrease) in finance cost	11.82
Increase in other income	13.55

Note 9 Under the Previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty and net of sales tax and discounts. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended March 31, 2017 by Rs. 11,620.53 lacs. There is no impact on the total equity and profit.

Further, under Indian GAAP, cash discounts of Rs 74.32 lacs was recognised as part of other expenses which has been adjusted against there venue under Ind AS during the year ended March 31, 2017.

Note 10 Both under the Previous GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under the previous GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS 19, Actuarial gains and losses pertaining to defined benefit obligations and re-measurement pertaining to return on plan assets are recognised in Other Comprehensive Income and are not reclassified to profit or loss. Thus the employee benefit cost for the year ended March 31, 2017 is increased by Rs. 47.13 lakh and Remeasurement loss on defined benefit plans has been recognized in the OCI net of tax.

Note 11 Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes change in fair value of investments which are classified at fair value through OCI and re-measurements of defined benefit plans. The concept of other comprehensive income did not exist under Previous GAAP.

Note 12 The transition from Previous GAAP to Ind AS does not had a material impact on the statement of cash flows.

Note 51 i. Non-cancellable operating lease - Company as a lessee

The Company has taken land at Salempur Industrial Area, Hathras, Uttar Pradesh, from UP State Industrial Development Corporation Limited ('UPSIDC') under non-cancellable operating lease. The lease is for the term of 90 years and rentals are payable on agreed terms. Also refer note 42.

Future Minimum Lease Rentals	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
Within one year	6.70	6.70	6.70
Later than one year but not later than five years	26.80	26.80	26.80
Later than five years	1,574.50	1,581.20	1,587.90
	1,608.00	**1,614.70**	**1,621.40**

ii. Cancellable Operating lease - Company as a lessee

In addition to the above non cancellable lease, the Company has the following significant leasing arrangements which are usually renewal on mutually agreeable terms.

a. The Company has taken on lease a manufacturing unit at Jahari for the purpose of manufacture, bottling, distribution of IMFL products. - lease deed is for the period of 5 year ending on March 31, 2020 - lease rentals are payable on the agreed terms- prior approval of the lessor is required to sublet the unit or its part.

b. The Company has taken on lease space for running depots at various locations. - lease deeds are generally for a period of one to five years - lease rentals are charged on the basis of agreed terms - there are scheduled escalations

c. The Company has entered into operating lease on building/ premises with lease term of one year for residential purposes.

iii. Rental expense relating to operating lease	**As at March 31, 2018**	**As at March 31, 2017**
Minimum lease payments (refer note 36)	141.93	123.06

iv. Cancellable Operating lease - Company as a lessor

The Company has given its property on lease wherein rental income is receivable based on the terms of the lease agreement entered between the parties. Other income includes income from operating lease amounting to Rs 33.82 lacs (Mar 31, 2017 Rs 42.36 lacs). The terms of the agreements are generally for a period of one year, which are usually renewal on mutually agreeable terms.

Note 52 The previous year figures have been regrouped, rearranged and reclassified wherever necessary to confirm to current year's classification.

As per our report of even date.For and on behalf of Board of Directors of

As per our report of even date.
For HARIBHAKTI & CO. LLP
Chartered Accountants
ICAI Firm Registration No.:103523W/W100048
Mayur Gupta
Partner
Membership No.: 505629
NEW DELHI, Date : 30.05.2018

For and on behalf of Board of Directors of
Mohan Meakin Limited

HEMANT MOHAN	***Managing Director***	***(DIN: 00197951)***
LALIT KUMAR MALHOTRA	***Director***	***(DIN: 00213086)***
R.C. JAIN	***Director Finance*-cum-CFO**	***(DIN: 00256210)***
H.N .HANDA	***Company Secretary***	

INDEPENDENT AUDITOR'S REPORT

To the Members of Mohan Meakin Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Mohan Meakin Limited (hereinafter referred to as "the Company") and its associates,comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements") in which are incorporated the Returns for the year ended on that date audited by the branch auditor of the Company's branch at Lucknow.

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Company including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the Company and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Ind AS financial statements, the respective Board of Directors of the Company and of its associates are responsible for assessing the ability of the Company and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit. While conducting the 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 Consolidated Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 Consolidated Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Ind AS Financial Statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and of its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the Consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company and its associates to cease to continue as a going concern.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in sub-paragraphs(a) and (b) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the Branch auditor and other auditors on separate Ind AS Financial Statements and on the other financial information of the Lucknow Distillery("the branch") and associates,the aforesaid Consolidated Ind AS 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 including the Ind AS,of the consolidated state of affairs of the Company and its associatesas at March 31, 2018, their consolidated profit including other comprehensive income, their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matters

a) We did not audit the Ind AS financial statements of the Branch whose Ind AS financial statements reflects total assets of Rs. 328.80 lacs and total revenue of Rs. 451.36 lacs (including exceptional items of Rs. 417.39 lacs) for the year ended on that date, as considered in these Consolidated Ind AS Financial Statements. The Ind AS financial statements of the Branch have been audited by the branch auditor whose report has been furnished to us, and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this Branch and our report in terms of sub-section (3) of Section 143 of the Act, is based solely on the report of the branch auditor.

b) The Consolidated Ind AS Financial Statements also include Company's share of net loss (including other comprehensive income) of Rs. 21.42 Lacs for the year ended March 31, 2018, as considered in the Consolidated Ind AS Financial Statements, in respect of 2 associates, whose Ind AS financial statements have not been audited by us. These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these associates,and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associates, is based solely on the reports of the other auditors.

c) The comparative financial statements of the Company including associates for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 included in the Consolidated Ind AS Financial statements, are based on the previously issued statutory financial statements prepared in accordance with the accounting standards notified under the section 133 of the Act, read together with rule 7 of Companies (Accounts) Rules, 2014 audited by the predecessor auditor whose report for the year ended March 31, 2017 expressed an unmodified opinion on those consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us (excluding pertaining to the branch and associates, refer notes a and b above).

   Our opinion on the Consolidated Ind AS Financial Statements and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid Consolidated Ind AS Financial Statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors;

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

d. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements and with the returns received from the branch not visited by us;

e. In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;

f. On the basis of written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associate companies, none of the directors of the Company and its associate companies is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

i. With respect to the adequacy of the internal financial controls over financial reporting of the company and its associates the operating effectiveness of such controls, we give our separate Report in the "Annexure"; and

j. 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 Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Company and its associates, – Refer Note 41 to the Consolidated Ind AS Financial Statements;

   (ii) The Company and its associates, did not have any material foreseeable losses on long term contracts including derivative contracts; and

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

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/ W100048

Mayur Gupta
Partner
Membership No.505629

Place: New Delhi
Date: May 30, 2018

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Mohan Meakin Limited ("the company") on the consolidated financial statements for the year ended March 31, 2018]

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of the Company and its associate companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its associate companies incorporated in India, are 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 its business, including adherence to the respective 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.

Auditor's 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 specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 was 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 auditor's judgement, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

Opinion

In our opinion, the Company and its associate companies, which are companies incorporated in India, have, 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 March 31, 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 ICAI.

Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one branch and two associate companies which are entity/companies incorporated in India, is based on the corresponding reports of the auditors of such entity/companies incorporated in India.

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

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W /W100048

Mayur Gupta
Partner
Membership No.505629

Place: New Delhi
Date:- May 30, 2018

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

(Rs. in Lacs unless otherwise stated)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
ASSETS				
Non-current assets				
Property, plant and equipment	2	3,011.64	2,909.63	2,615.26
Capital work in progress	3	647.54	717.17	592.82
Investment property	4	2.79	2.87	3.00
Other intangible assets	5	-	-	18.97
Financial assets				
i) Investments	6	378.52	346.73	341.99
ii) Loans	7	232.63	220.62	243.84
iii) Other financial Assets	8	199.09	183.23	159.49
Non - current tax assets (net)	9	800.76	1,097.98	1,261.44
Deferred tax assets (net)	10	1,226.52	1,424.10	1,437.90
Other non-current assets	11	597.45	633.98	669.77
Total		**7,096.94**	**7,536.31**	**7,344.48**
Current assets				
Inventories	12	5,521.27	5,480.29	4,921.43
Financial assets				
i) Trade receivables	13	5,803.17	5,403.99	6,446.43
ii) Cash and cash equivalents	14	789.89	717.52	558.29
iii) Loans	15	6.61	9.08	13.43
iv) Other Financial Assets	16	40.36	28.48	566.59
Other current assets	17	1,381.77	848.91	946.31
Total		**13,543.07**	**12,488.27**	**13,452.48**
Total Assets		**20,640.01**	**20,024.58**	**20,796.96**
EQUITY AND LIABILITIES				
EQUITY				
a) Equity Share capital	18	425.42	425.42	425.42
b) Other equity	19	5,447.68	3,879.40	3,426.81
Total Equity		**5,873.10**	**4,304.82**	**3,852.23**
LIABILITIES				
Non-current Liabilities				
Financial liabilities				
i) Borrowings	20	36.77	155.12	647.55
ii) Other financial liabilities	21	1,646.52	1,389.30	1,367.48
Provisions	22	247.32	181.95	104.43
Total		**1,930.61**	**1,726.37**	**2,119.46**
Current liabilities				
Financial liabilities				
i) Borrowings	23	2,963.98	4,433.93	4,866.82
ii) Trade payables	24	6,569.76	6,402.49	6,809.35
iii) Other financial liabilities	25	1,779.47	2,006.00	2,016.27
Other current liabilities	26	1,494.73	1,134.12	1,121.22
Provisions	27	28.36	16.85	11.61
Total		**12,836.30**	**13,993.39**	**14,825.27**
Total liabilities		**14,766.91**	**15,719.76**	**16,944.73**
Total Equity and liabilities		**20,640.01**	**20,024.58**	**20,796.96**
Significant accounting policies	1			

The accompanying notes form an integral part of these financial statements

As per our report of even date.
For HARIBHAKTI & CO. LLP
Chartered Accountants
ICAI Firm Registration No.:103523W/W100048
Mayur Gupta
Partner
Membership No.: 505629
NEW DELHI, Date : 30.05.2018

For and on behalf of Board of Directors of
Mohan Meakin Limited

HEMANT MOHAN	***Managing Director***	***(DIN: 00197951)***
LALIT KUMAR MALHOTRA	***Director***	***(DIN: 00213086)***
R.C. JAIN	***Director Finance*-cum-CFO**	***(DIN: 00256210)***
H.N .HANDA	***Company Secretary***	

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(Rs. in Lacs unless otherwise stated)

Particulars	Notes	Year ended March 31, 2018	Year ended March 31, 2017
I. Revenue from operations	28	65,576.93	58,097.24
II. Other Income	29	459.00	449.76
III. Total Income (I+II)		**66,035.93**	**58,547.00**
IV Expenses			
Cost of materials consumed	30	7,719.92	7,731.21
Excise duty		13,209.24	11,620.53
Purchase of Stock-in-Trade	31	33,313.97	28,537.13
Changes in inventories of finished goods, work in progress and stock in trade	32	(112.23)	(344.28)
Employee benefits expense	33	2,708.44	2,539.53
Finance cost	34	665.29	914.63
Depreciation and amortization expense	35	254.56	286.07
Other expense	36	6,884.32	6,585.48
Total expenses (IV)		**64,643.51**	**57,870.30**
V Profit before share of loss of associates and exceptional items (III-IV)		**1,392.42**	**676.70**
VI Share of loss of asscociates (net of tax)		**21.11**	**14.44**
VII Profit before exceptional items and tax (V-VI)		**1,371.31**	**662.26**
VIII Exceptional items	37	815.44	-
IX Profit before tax (VII+VIII)		**2,186.75**	**662.26**
X Tax expense	38		
1) Current tax		474.68	168.00
2) Deferred tax		179.34	30.11
XI Profit for the period (IX-X)		**1,532.73**	**464.15**
XII Other comprehensive income/(expense)			
i. Items that will not be reclassified to profit or loss			
Re-measurement of the defined benefit plan		0.58	(47.13)
Fair value changes on Equity Instruments through other comprehensive income		53.52	19.81
ii. Income tax relating to Items that will not be reclassified to profit or loss		(18.24)	16.31
iii. Share of loss of associates (net of tax)		(0.31)	(0.55)
XIII Total comprehensive income for the period (XI+XII) (Comprising Profit and Other Comprehensive Income for the period)		**1,568.28**	**452.59**
Profit for the year attributable to:			
(a) Owners of the Company		1,532.73	464.15
(b) Non-controlling interests		-	-
Other comprehensive income/(expense) attributable to:			
(a) Owners of the Company		35.55	(11.56)
(b) Non-controlling interests		-	-
Total comprehensive income for the period attributable to:			
(a) Owners of the Company		1,568.28	452.59
(b) Non-controlling interests		-	-
Earnings per equity share	39		
a) Basic		18.02	5.47
b) Diluted		18.02	5.47
Significant accounting policies	1		

The accompanying notes form an integral part of these financial statements

As per our report of even date.
For HARIBHAKTI & CO. LLP
Chartered Accountants
ICAI Firm Registration No.:103523W/W100048
Mayur Gupta
Partner
Membership No.: 505629
NEW DELHI, Date : 30.05.2018

For and on behalf of Board of Directors of
Mohan Meakin Limited

HEMANT MOHAN	***Managing Director***	***(DIN: 00197951)***
LALIT KUMAR MALHOTRA	***Director***	***(DIN: 00213086)***
R.C. JAIN	***Director Finance*-cum-CFO**	***(DIN: 00256210)***
H.N.HANDA	***Company Secretary***	

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Consolidated Statement of changes in equity for the year ended March 31, 2018

A. Equity Share Capital

As at April 01, 2016	425.42
Changes in equity share capital during the year	-
As at March 31, 2017	425.42
Changes in equity share capital during the year	-
As at March 31, 2018	425.42

B. **Other Equity**

	Reserves and surplus				
	Securities Premium reserve	General Reserve	Retained Earnings	Equity instruments through other Comprehensive Income	Total
Balance at April 01, 2016 (refer note 19)	0.04	763.63	2,584.96	78.18	3,426.81
Profit for the year	-	-	464.15	-	464.15
Other comprehensive income for the year					
- Re-measurement of the defined benefit plan	-	-	(31.37)	-	(31.37)
- Fair value changes on Equity Instruments through other comprehensive income	-	-	-	19.81	19.81
Total Comprehensive income for the year	-	-	432.78	19.81	452.59
Balance at March 31, 2017	0.04	763.63	3,017.74	97.99	3,879.40

	Reserves and surplus				
	Securities Premium reserve	General Reserve	Retained Earnings	Equity instruments through other Comprehensive Income	Total
Balance at April 1, 2017	0.04	763.63	3,017.74	97.99	3,879.40
Profit for the year	-	-	1,532.73	-	1,532.73
Other comprehensive income for the year					
- Re-measurement of the defined benefit plan	-	-	0.27	-	0.27
- Fair value changes on Equity Instruments through other comprehensive income	-	-	-	35.28	35.28
Total Comprehensive income for the year	-	-	1,533.00	35.28	1,568.28
Balance at March 31, 2018	0.04	763.63	4,550.74	133.27	5,447.68

The accompanying notes form an integral part of these financial statements

As per our report of even date.
For HARIBHAKTI & CO. LLP
Chartered Accountants
ICAI Firm Registration No.:103523W/W100048
Mayur Gupta
Partner
Membership No.: 505629
NEW DELHI, Date : 30.05.2018

For and on behalf of Board of Directors of
Mohan Meakin Limited

HEMANT MOHAN	***Managing Director***	***(DIN: 00197951)***
LALIT KUMAR MALHOTRA	***Director***	***(DIN: 00213086)***
R.C. JAIN	***Director Finance*-cum-CFO**	***(DIN: 00256210)***
H.N .HANDA	***Company Secretary***	

Consolidated Cash Flow Statement for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Particulars		For the Year ended March 31, 2018	For the Year ended March 31, 2017
A. Cash flows from operating activities:			
Net Profit before tax		**2,186.75**	**662.26**
Adjustments for :			
Depreciation and amortization expense		254.56	286.07
Fixed assets written off		81.94	14.71
Finance cost		665.29	914.63
Dividend income		(0.81)	(0.93)
Interest income		(74.20)	(82.45)
Share of loss of associates		21.11	14.44
Rent from investment properties		(15.68)	(21.84)
Excess provision / unclaimed balances written back		(121.57)	(125.03)
Provision for doubtful debts and advances		15.06	185.60
Provision for inventory		103.30	112.29
Profit on sale of fixed assets		(3.84)	(2.80)
Operating profit before working capital changes		**3,111.91**	**1,956.95**
Adjustments for (increase)/decrease in Assets:			
Inventories		(144.28)	(671.15)
Trade receivables		(480.31)	1,025.63
Other Current and Non Current- Financial Assets		(15.38)	559.53
Other Current Assets and Non Current Assets		(523.19)	(90.84)
Adjustments for increase/(decrease) in operating liabilities:			
Other Current and Non Current-Financial Liabilities		278.41	(1.96)
Other Current and Non Current Liabilities		361.89	(17.10)
Trade payables		370.01	(265.01)
Provisions		76.88	35.76
Cash generated from operations		**3,035.94**	**2,531.81**
Income tax paid, net of refunds		(177.15)	(4.15)
Net cash generated from operating activities	**(A)**	**2,858.79**	**2,527.66**
B. Cash flows from investing activities			
Purchase of property, plant and equipment including capital advance		(472.11)	(672.41)
Proceeds from sale of property, plant and equipment		103.67	3.97
Investment in deposit account as lien with government authorities		(13.07)	(20.50)
Deferred Income		-	30.00
Dividend income		0.81	0.93
Interest income		65.75	84.77
Rent from investment properties		15.68	21.84
Net cash used in investing activities	**(B)**	**(299.27)**	**(551.40)**

Consolidated Cash Flow Statement for the year ended March 31, 2018 contd.

(Rs. in Lacs unless otherwise stated)

Particulars		For the Year ended March 31, 2018	For the Year ended March 31, 2017
C. Cash flows from financing activities			
(Repayment)/Proceeds from Cash Credit, net		(1,469.95)	(432.89)
Repayment of Long-Term Borrowings		(455.32)	(540.00)
Proceeds from Long Term Borrowings		40.33	6.50
Finance costs		(602.21)	(850.64)
Net cash used in financing activities	**(C)**	**(2,487.15)**	**(1,817.03)**
Net increase in cash and cash equivalents	**(A) + (B) + (C)**	**72.37**	**159.23**
Add: Cash and Cash Equivalent at beginning of the year		717.52	558.29
Cash and cash equivalents as at closing		**789.89**	**717.52**
Cash and Cash Equivalent as per above comprises of following:			
Cash on hand		3.63	7.24
Cheques in hand		-	128.00
Balance with bank			
- in current accounts		400.74	487.28
- in deposits accounts		385.52	95.00
Total cash and cash equivalents (refer note 14)		**789.89**	**717.52**

Disclosure of changes in liabilities arising from financing activities

Particulars	Long-term Borrowings (including current maturities)	Current Borrowings	Interest on Borrowings
Balance as at April 1, 2017	**887.01**	**4,433.93**	**793.74**
Proceeds from long term borrowings/interest accrued during the year	40.33	-	665.29
Repayment of borrowings, net/interest payment during the year	(455.32)	(1,469.95)	(602.21)
Balance as at March 31, 2018	**472.02**	**2,963.98**	**856.82**

The accompanying notes form an integral part of these financial statements

As per our report of even date.
For HARIBHAKTI & CO. LLP
Chartered Accountants
ICAI Firm Registration No.:103523W/W100048
Mayur Gupta
Partner
Membership No.: 505629
NEW DELHI, Date : 30.05.2018

For and on behalf of Board of Directors of
Mohan Meakin Limited

HEMANT MOHAN	***Managing Director***	***(DIN: 00197951)***
LALIT KUMAR MALHOTRA	***Director***	***(DIN: 00213086)***
R.C. JAIN	***Director Finance*-cum-CFO**	***(DIN: 00256210)***
H.N .HANDA	***Company Secretary***	

Notes to the Consolidated Ind AS Financial Statements for the year ended March 31, 2018

Background

Mohan Meakin Limited ("the Company") is a Public Limited Company incorporated and domiciled in India with its registered office at Solan Brewery in Himachal Pradesh. It was established as far back as 1855. Its shares are listed on Calcutta Stock Exchange (CSE). The Company is manufacturing Beer of all types and IMF brands including Premium Rums, Whiskies, Brandy, Vodka and Gin. In addition to the main products of Beer and IMFS, the Company is manufacturing Juices, Canned products, Corn flakes, Wheat Porridge and vinegars.

These consolidated Ind AS financial statements ("financial statements") of the Company for the year ended March 31, 2018 were authorized for issue by the board of directors on May 30, 2018.

Note 1: Significant Accounting Policies

1.1 Basis of Preparation

a) Compliance with Indian Accounting Standard

The financial statements comply with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) to be read with relevant rules and other accounting principles and other relevant provisions of the Act. These financial statements for the year ended March 31, 2018 are the first financial statements that are prepared in accordance with Ind AS.

For all the period upto and including the financial statements of year ended March 31, 2017 were prepared in accordance with the accounting standards notified under the section 133 Companies Act, 2013, read together with rule 7 of Companies (Accounts) Rules, 2014 (Previous GAAP).

Previous year numbers in the financial statements have been restated to Ind AS. In accordance with Ind AS 101 "First-time Adoption of Indian Accounting Standards", the Company has presented a reconciliation from Previous GAAP to Ind AS of Shareholders' equity as at March 31, 2017 and April 1, 2016(the Company's date of transition) and of the comprehensive net income for the year ended March 31, 2017, refer note 50 to the financial statements.

The financial statements have been prepared in accordance with the requirements of the information and disclosures mandated by Schedule III of the Companies Act 2013, applicable Ind AS, other applicable pronouncements and regulations.

b) Principals of consolidation

The financial statements comprises the financial statements of the Company and its associates as at March 31, 2018.

Associates are all entities over which the Company has significant influence but not control or joint control. This is generally the case where the Company holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (i) below), after initially being recognized at cost.

i) Equity method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the Company's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognized as a reduction in the carrying amount of the investment.

When the Company's share of loss in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Company does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other shareholder(s).

Unrealized gains on transactions between the Company and its associates and joint ventures are eliminated to the extent of the Company's interest in these entities. Unrealized losses are also estimated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Company.

The carrying amounts of investments in associates are reduced to recognised impairment, if any, when there is objective evidence of impairment.

ii) The financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Companies separate financial statements.

c) Basis of Measurement

The Financial Statements have been prepared on a historical cost basis and, except for the following:

i) Certain Financial Assets and Liabilities (including derivative instruments) that is measured at fair value;

ii) Assets held for sale – measured at fair value less cost to sell or carrying value, whichever is lower; and

iii) Defined benefit plans - plan assets measured at fair value.

d) **New standards and interpretations not yet effective**

The MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 on March 28 2018, whereby "Ind AS-115 relating to Revenue from Contracts with Customers" (Ind AS 115) has been made applicable from financial year 2018-19 (i.e. April 01, 2018 onwards). Ind AS 115 supersedes existing revenue recognition guidance, including Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

Ind AS 115 Standard brings in a comprehensive and robust framework ('5 Step' Model) for recognition, measurement and disclosure of revenue. Ind AS 115 prescribes only one underlying principle for revenue recognition i.e. transfer of control over goods/services and replaces the 'fair value' concept with 'Transactions Price' which is better suited for measurement of revenue. It also provides guidance to bring in clarity in areas such as multiple element contracts/ bundled products, licensing, royalties for intellectual properties, financing components, variable consideration; and requires more improved disclosures to help investors and analysts better under standard entity's revenue. The standard also permits the use of either the retrospective or cumulative effect transition period.

The Company is evaluating the requirements of Ind AS 115 and has not yet determined the impact on the financial statements.

1.2 Current versus Non-Current Classification

The Company presents assets and liabilities in the Financial Statement based on current/ non-current classification.

An asset is treated as current when it is:

i) Expected to be realized or intended to be sold or consumed in normal operating cycle,
ii) Expected to be realized within twelve months after the reporting period, or
iii) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

i) It is expected to be settled in normal operating cycle,
ii) It is due to be settled within twelve months after the reporting period, or
iii) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

1.3 Foreign Currency Translation

a) **Functional and Presentation Currency**

Items included in the Financial Statements are measured using the currency of the primary economic environment in which the entity operates i.e. 'the functional currency'. The Financial Statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

b) **Transactions and Balances**

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions,and from translation of monetary assets and liabilities at the reporting date exchange rates are recognized in the Statement of Profit and Loss.

1.4 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, etc.

a) **Sale of goods**

Revenue from sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the buyer with the company losing effective control or the right to managerial involvement thereon.

The Company recognizes revenues on the sale of products, net of returns, discounts, sales incentives/rebate, amounts collected on behalf of third parties (such as sales tax) and payments or other consideration given to the customer that has impacted the pricing of the transaction. Accumulated experience is used to estimate and provide for the discounts and returns. No element of financing is deemed present as the sales are made with normal credit days consistent with market practice.

The entity has assumed that recovery of excise duty flows to the entity on its own and liability for excise duty forms part of the cost of production. Revenue therefore includes excise duty.

Income arising from sales under "Consignment sale arrangements" are recognised in terms of the respective contracts on sale of the products by the consignee.

b) **Export incentives**

Export incentives principally comprise of Duty drawback. The benefit under these incentive schemes are available based on the guideline formulated for respective schemes by the government authorities. Duty drawback is recognized as revenue on accrual basis to the extent it is probable that realization is certain.

c) **Royalty income**

Income from royalties is recognized in terms of the respective contracts upon sale/ production of the products by the franchisees. Income from royalties is net of Goods and Services Tax.

d) **Dividend income**

Dividends are recognized in the Statement of Profit and Loss only when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend flow to the Company, and the amount of the dividend can be measured reliably.

e) **Interest income**

Interest income from debt instrument is recognized using the effective interest rate (EIR) method. EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset. When calculating the EIR the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options) but does not consider the expected credit losses.

f) **Sale of scrap**

Revenue from sale of scrap is recognized when significant risks and rewards of ownership in the goods are transferred to the buyer with the company losing effective control or the right to managerial involvement thereon.

g) **Others**

Insurance and other claims are recognized as revenue when right to receive is established.

1.5 ***Income Tax***

Income tax expense for the year comprises of current tax and deferred tax. Income tax is recognized in the Statement of Profit and Loss except to the extent that it relates to an item which is recognized in other comprehensive income or directly in equity, in which case the tax is recognized in 'Other comprehensive income' or directly in equity, respectively. First time adoption adjustments as on 1st April 2016 under Ind AS considered for computation of MAT liability as per section 115JB equally for five years starting from Financial Year 2017-18.

The Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Company establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Provision for current tax is made after taking in to consideration benefits admissible under Income Tax Act, 1961.

Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Minimum Alternative Tax (MAT)

Minimum alternate tax credit entitlement paid in accordance with tax laws, which gives rise to future economic benefit in form of adjustment to future tax liability, is considered as an asset to the extent management estimate its recovery in future years.

1.6 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to April 1, 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

a) **As a lessee**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

b) **As a lessor**

Leases in which the company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

1.7 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1.8 Trade Receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

1.9 Inventories

Inventories which comprise of raw materials, work-in-progress, finished goods, stock-in-trade, packing materials and stores and spares are carried at the lower of cost or net realisable value. Costs are assigned to individual items of inventory on first-in-first-out (FIFO) basis. Cost includes purchase price, freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The comparison of cost and net realizable value is made on an item by item basis. Adequate provisions are made for obsolete and non-moving inventories.

1.10 Excise duty

In respect of finished goods covered by Central Excise, excise duty is provided on closing stocks and also considered for its valuation. In respect of finished goods covered by State Excise, different States are empowered to levy excise duty, which is payable in the States where these goods are sold. The rate of State excise duty is determinable at the point of issue / clearance of goods from factory, and is also dependent on the excise policy of the State of consumption. As per the practice consistently followed by the Company, the state excise duties on finished goods not cleared from the factory premises and bonded warehouse at the yearend is not determinable and is not included in the value of finished goods as it varies according to the places to which the goods will be dispatched, except for excise duty which is already paid at the time of transfer of finished goods from manufacturing units to depots. This treatment has however no impact for the profits/losses for the respective years.

1.11 Financial Instrument

The Company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair values on initial recognition, except for trade receivables which are initially measured at transaction price.

a) **Financial Assets**

i) **Classification** The Company classifies its financial assets in the following measurement categories:

(1) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

(2) those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. This election is not permitted if the equity investment is held for trading.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii) **Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

iii) **Subsequent measurement**

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

(1) **Amortized cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognised in statement of profit and loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

(2) **Fair value through other comprehensive income (FVOCI)**: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

(3) **Fair value through profit or loss**: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit and loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the statement of profit and loss. Dividends from such investments are recognised in the statement of profit and loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iv) **Impairment of Financial Assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company measures the expected credit loss associated with its trade receivables based on historical trend/current facts and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

v) **De recognition of Financial Assets**

A financial asset is derecognized only when:

(1) The Company has transferred the rights to receive cash flows from the financial asset or

(2) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

b) **Financial Liabilities**

i) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

ii) **Subsequent measurement**

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss.

(1) **Borrowings:** Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the EIR. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit and loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(2) **Trade and other payables:** These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest method.

iii) **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

iv) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1.12 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

a) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

b) Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

c) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring and non–recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.13 Property plant and equipment

Freehold land is carried at historical cost. Other property, plant and equipment are carried at historical cost less accumulated depreciation and amortization, if any. Cost comprises the purchase price, any cost attributable to bringing the assets to its working condition for its intended use and initial estimate of costs of dismantling and removing the item and restoring the site if any.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognized.

Gains and losses on disposals and/or on retirement of tangible fixed assets are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss within other gains/(losses).

Projects under which tangible fixed assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Transition to Ind AS

The Company has elected to continue with the carrying value for all of its PPE recognized in the financial statements as on April1,2016 to Ind AS , measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments as per Ind AS 101. “First-time Adoption of Indian Accounting Standards”. Refer note 50 for the first time adoption impact.

Intangible Assets

An intangible asset is recognised when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

Losses arising from retirement of, and gains or losses on disposals of intangible assets are determined as the difference between net disposal proceeds with carrying amount of assets and recognised as income or expenses in the Statement of Profit and Loss.

Transition to Ind AS

The Company has elected to continue with the carrying value for all of its intangible assets recognized in the financial statements as on April1,2016 to Ind AS , measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments as per Ind AS 101. “First-time Adoption of Indian Accounting Standards”. Refer note 50for the first time adoption impact.

1.14 Impairment of Non-Financial Assets

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Indefinite-life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary.

For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as a cash generating unit.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognizing the impairment loss as an expense in the Statement of Profit and Loss. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognized. An impairment loss recognized for goodwill is not reversed in subsequent periods.

1.15 Depreciation and amortization, estimated useful lives and residual value

Depreciation on fixed assets has been provided on straight line method in accordance with the provisions of Part C of Schedule II of the Companies Act 2013. The Management believes that the estimated useful lives as per the provisions of Schedule II to the Companies Act, 2013 are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Intangible assets comprising of computer software are amortized over a period of two years. Depreciation and amortization on addition to fixed assets is provided on pro rata basis from the date of assets are ready to use. Depreciation and amortization on sale/deduction from fixed assets is provided for upto the date of sale, deduction, discardment as the case may be.

The residual values, useful lives and methods of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

All assets costing Rs. 5,000 or below are depreciated/ amortized by a one-time depreciation/amortization charge in the year of purchase.

1.16 Investment properties

Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebate are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Subsequent measurement (depreciation and useful lives)

Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on investment properties is provided on the straight-line method, computed on the basis of useful lives (as set-out below) prescribed in Schedule II to the Act.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition Investment properties are de-recognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset.

1.17 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

1.18 Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

1.19 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of Profit and Loss net of reimbursements, if any.

1.20 Contingent Liabilities and Contingent Assets:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability.

A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the notes to financial statements. A Contingent asset is not recognised in financial statements, however, the same is disclosed where an inflow of economic benefit is probable.

1.21 Employee Benefits

a) **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) **Post-employment obligations**

The Company operates the following post-employment schemes:

i) defined benefit plans such as gratuity, leave encashment, provident fund; and

ii) defined contribution plans such as pension, employee state insurance etc.

Defined benefit plans

Gratuity obligations

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurements of gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost. The gratuity liability is funded with Life Insurance Corporation of India.

Leave encashment

Long-term leave encashment is provided for on the basis of an actuarial valuation carried out at the end of the year on the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the statement of profit and loss.

Provident fund

Eligible employees of the Company receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee’s salary. The Company contributes a portion to the Mohan Meakin Limited Employees Fund Trust. The trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

Defined Contribution plans

The Company makes contribution to pension scheme, employee state insurance corporation scheme, etc. as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

1.22 Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1.23 Earnings Per Share

Basic Earnings per Equity Share (BEPS) is computed by dividing the net profit attributable to Equity Shareholders of the Company by the Weighted Average Number of Equity Shares outstanding during the financial year.

For the purpose of calculating Diluted Earnings Per Share (DEPS), the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.24 Exceptional items

When an item of income or expense within Statement of profit and loss from ordinary activity is of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year, the nature and amount of such items is disclosed as exceptional items.

1.25 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs with two decimals as per the requirement of Schedule III to the Companies Act, 2013, unless otherwise stated. The sign ‘0.00’ in these financial statements indicates that the amounts involved are below INR one thousand and the sign ‘-’ indicates that amounts are nil.

1.26 Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates and judgments are:

1) Useful life of property, plant and Equipment

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The Company reviews, at the end of each reporting date, the useful life of property, plant and equipment and changes, if any, are adjusted prospectively, if appropriate.

2) Recoverable amount of property, plant and equipment

The recoverable amount of plant and equipment is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

3) Valuation of investment property

Investment property is stated at cost. However, as per Ind AS 40, there is a requirement to disclose fair value as at the balance sheet date. The Company engaged independent valuation specialists to determine the fair value of its investment property as at reporting date.

The determination of the fair value of investment properties requires the use of estimates such as future cash flows from the assets (such as lettings, future revenue streams, capital values of fixtures and fittings, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets. In addition, development risks (such as construction and letting risk) are also taken into consideration when determining the fair value of the properties under construction. These estimates are based on local market conditions existing at the balance sheet date.

4) Estimation of defined benefit obligation

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

5) Estimation of Deferred tax assets for carry forward losses and current tax Expenses

The Company reviews carrying amount of deferred tax assets and Liabilities at the end of each reporting period. The policy for the same has been explained under Note No 1.5.

6) Impairment of Trade Receivables

The Company review carrying amount of Trade receivable at the end of each reporting period and Provide for Expected Credit Loss. The policy for the same explained in the Note No.1.4.

Refer note 44 on financial risk management where credit risk and related impairment disclosures are made.

7) Fair value measurements

Management uses valuation techniques in measuring the fair value of financial instrument where active market codes are not available. Details of assumption used are given in the notes regarding financial assets and liabilities. In applying the valuation techniques management makes maximum use of market inputs and uses estimates and assumptions that are, as fast as possible, consistent with observable data that market participant would use in pricing the instrument where application data is not observable, management uses its best estimate about the assumption that market participant would make. These estimates may vary from actual prices that would be achieved in an arm's length transaction at the reporting date.

8) Provisions and contingent liabilities

The Company reviews its provisions and contingent liabilities at the end of each reporting period. The policy for the same has been explained under 1.20 and 1.21 above.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 2 Property plant and equipment

	Gross block				Accumulated depreciation				Net block	
	Balance as at 1 April 2017	Additions	Disposals	Balance as at 31 March 2018	Balance as at 1 April 2017	Depreciation for the year	On disposals	Balance as at 31 March 2018	Balance as at 1 April 2017	Balance as at 31 March 2018
Tangible assets										
Freehold land (refer Note i)	309.64	-	98.61	211.03	-	-	-	-	309.64	211.03
Building	329.29	179.41	0.92	507.78	22.14	23.33	0.26	45.21	307.15	462.57
Plant and machinery	2,349.02	268.61	105.64	2,511.99	208.83	190.44	25.09	374.18	2,140.19	2,137.81
Lab equipments	17.47	-	-	17.47	2.36	2.23	-	4.59	15.11	12.88
Electrical installations	18.54	0.12	0.04	18.62	3.34	2.84	0.00	6.18	15.20	12.44
Office equipment	13.67	5.39	1.10	17.96	2.86	2.43	0.53	4.76	10.81	13.20
Furniture and fixtures	15.03	1.35	0.01	16.37	2.58	2.11	0.00	4.69	12.45	11.68
Computers and equipment	13.66	4.97	0.02	18.61	4.51	5.37	0.00	9.88	9.15	8.73
Vehicles	108.58	78.33	3.76	183.15	18.65	25.73	2.53	41.85	89.93	141.30
Total	3,174.90	538.18	210.10	3,502.98	265.27	254.48	28.41	491.34	2,909.63	3,011.64

	Gross block				Accumulated depreciation				Net block	
	Balance as at 1 April 2016 (Deemed cost)*	Additions	Disposals	Balance as at 31 March 2017	Balance as at 1 April 2016	Depreciation for the year	On disposals	Balance as at 31 March 2017	Balance as at 1 April 2016	Balance as at 31 March 2017
Tangible assets										
Freehold land (refer Note ii)	63.10	246.54	-	309.64	-	-	-	-	63.10	309.64
Building	310.18	19.12	0.01	329.29	-	22.14	-	22.14	310.18	307.15
Plant and machinery	2,091.66	269.38	12.02	2,349.02	-	209.60	0.77	208.83	2,091.66	2,140.19
Lab equipments	16.88	0.65	0.06	17.47	-	2.36	0.00	2.36	16.88	15.11
Electrical installations	15.41	3.15	0.02	18.54	-	3.35	0.01	3.34	15.41	15.20
Office equipment	11.50	2.21	0.04	13.67	-	2.89	0.03	2.86	11.50	10.81
Furniture and fixtures	13.43	1.60	-	15.03	-	2.58	-	2.58	13.43	12.45
Computers and equipment	9.51	4.35	0.20	13.66	-	4.59	0.08	4.51	9.51	9.15
Vehicles	83.59	30.16	5.17	108.58	-	19.46	0.81	18.65	83.59	89.93
Total	2,615.26	577.16	17.52	3,174.90	-	266.97	1.70	265.27	2,615.26	2,909.63

Note (i) During the current year, freehold land was acquired under compulsory acquition by National Highway Authority of India. Refer Note 37.

(ii) During the previous year, the Company converted its leasehold land situated at Iradatnagar, Lucknow into freehold land and accordingly such land value is included in freehold land, including conversion charges.

(iii) Refer to Note 41 for disclosure of contractual commitments for the acquisition of Property, plant and equipments.

(iv) These assets were given as security to the lender. For details refer Note 20 and Note 23.

*** refer note 50 for details of exemption taken under Ind AS 101.**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 3 Capital work in progress

	2016-17				2017-18			
	Balance as at 1 April 2016	Additions	Capitalised during the year	Balance as at 31 March 2017	Balance as at 1 April 2017	Additions	Capitalised during the year	Balance as at 31 March 2018
Capital work in progress	592.82	244.16	119.81	717.17	717.17	172.71	242.34	647.54
	592.82	**244.16**	**119.81**	**717.17**	717.17	172.71	242.34	647.54

Note 4 Investment properties

	Gross Carrying Amount				Accumulated depreciation				Net block	
	Balance as at 1 April 2017	Additions	Disposals	Balance as at 31 March 2018	Balance as at 1 April 2017	Depreciation for the year	On disposals	Balance as at 31 March 2018	Balance as at 1 April 2017	Balance as at 31 March 2018
Tangible assets										
Freehold land	0.39	-	-	0.39	-	-	-	-	0.39	0.39
Building	2.61	-	-	2.61	0.13	0.08	-	**0.21**	2.48	2.40
Total	**3.00**	**-**	**-**	**3.00**	**0.13**	**0.08**	**-**	**0.21**	**2.87**	**2.79**

	Gross Carrying Amount				Accumulated depreciation				Net block	
	Balance as at 1 April 2016 (Deemed cost)*	Additions	Disposals	Balance as at 31 March 2017	Balance as at 1 April 2016	Depreciation for the year	On disposals	Balance as at 31 March 2017	Balance as at 1 April 2016	Balance as at 31 March 2017
Tangible assets										
Freehold land	0.39	-	-	0.39	-	-	-	-	0.39	0.39
Building	2.61	-	-	2.61	-	0.13	-	**0.13**	2.61	2.48
Total	**3.00**	**-**	**-**	**3.00**	**-**	**0.13**	**-**	**0.13**	**3.00**	**2.87**

(i) Amounts recognised in the Statement of Profit and Loss for Investment Property

Particulars	**Year ended March 31, 2018**	**Year ended March 31, 2017**
Rental income	15.68	21.84
Direct operating expense from property that generated rental income (depreciation)	(0.08)	(0.13)
Direct operating expense from property that did not generate rental income	-	-
Profit from Investment Property	**15.60**	**21.71**

(ii) Contractual Obligations

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Company.

(iii) Fair Value

	March 31, 2018	**March 31, 2017**	**April 01, 2016**
Investment Properties	523.40	523.40	523.40

Estimation of fair value

The Company obtains independent valuations for each of its investment property by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Fair market value is the amount expressed in terms of money that may be reasonably be expected to be exchanged between a willing buyer and a willing seller, with equity or both. The valuation by the valuer assumes that Company shall continue to operate and run the assets to have economic utility.

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences;
- discounted cash flow projections based on reliable estimates of future cash flows; and
- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence (Income approach).

Valuation technique:

The fair value of investment properties has been determined based on Income approach. Income approach also known as income capitalization approach when it comes to real estate valuation. This method is based on the relationship between the rate of return an investor requires and the net income that a property produces. It is used to estimate the value of income-producing properties. When the subject property can be expected to generate future income, and When its expenses are predictable and steady, income capitalization approach is more appropriate to use. This approach has been used to value Company properties as these properties are potential income generator properties and held not for sale.

The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data.

Fair value hierarchy

The fair value measurement for the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

The fair values of the investment property as at March 31, 2018 and March 31, 2017 significantly approximates with the fair value computed as at April 1, 2016.

Note 5 Intangible Assets

	Gross block				Accumulated depreciation				Net block	
	Balance as at 1 April 2017	Additions	Disposals	Balance as at 31 March 2018	Balance as at 1 April 2017	Depreciation for the year	On disposals	Balance as at 31 March 2018	Balance as at 1 April 2017	Balance as at 31 March 2018
Software	-		-	-	-		-	-	-	-
Sub total	**-**	**-**		**-**	**-**	**-**		**-**	**-**	**-**

	Gross block				Accumulated depreciation				Net block	
	Balance as at 1 April 2016 (Deemed cost)*	Additions	Disposals	Balance as at 31 March 2017	Balance as at 1 April 2016	Depreciation for the year	On disposals	Balance as at 31 March 2017	Balance as at 1 April 2016	Balance as at 31 March 2017
Software	18.97	-	18.97	-	-	18.97	18.97	-	18.97	-
Total	**18.97**	**-**	**18.97**	**-**	**-**	**18.97**	**18.97**	**-**	**18.97**	**-**

*** refer note 50 for details of exemption taken under Ind AS 101.**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 6 Non current Investments

	Number of shares as at				As at		
	March 31, 2018	March 31, 2017	April 01, 2016	Face value	March 31, 2018	March 31, 2017	April 01, 2016
(a)(i) Investment in equity shares (accounted using equity method, refer 40)							
Quoted Investments							
Associate companies							
National Cereals Products Limited (including 25,056 shares (March 31, 2017: 25,056 shares; April 1, 2016: 25,056 shares) amounting to Rs.3,082 (March 31, 2017: 3,082; April 1, 2016: 3,082) held under trust by the Company)	366,408	366,408	366,408	1	178.74	197.20	210.07
Unquoted investments							
Associate companies							
Mohan Closures Limited (net of capital reserve of Rs. 1.36 lacs)	30,000	30,000	30,000	10	5.64	8.60	10.72
(a)(ii) Investment in equity shares (at fair value through other comprehensive income)							
Quoted investments							
The Indian Hotels Company Limited	63,941	63,941	63,941	1	82.74	81.21	63.55
Jigrai Hydropower Private Limited	10,000	10,000	-	1	0.10	0.10	-
John Oakey & Mohan Limited	48,650	48,650	48,650	10	48.65	4.87	4.87
Tai Industries Limited	30,000	30,000	30,000	10	5.91	6.42	4.43
Unquoted investments							
Mohan Rocky Springwater Breweries Limited	89,000	89,000	89,000	10	44.18	35.96	35.98
Mohan Goldwater Breweries Limited	76,000	76,000	76,000	10	7.60	7.60	7.60
Arthos Breweries Limited	18,738	18,738	18,738	10	1.88	1.69	1.69
Macdonald Mohan Distillers Limited#	2,950,400	2,950,400	2,950,400	10	0.00	0.00	0.00
Maruti Limited#	100,000	100,000	100,000	10	0.00	0.00	0.00
Sideco Mohan Tools Kerala Limited#	83,300	83,300	83,300	10	0.00	0.00	0.00
Associated Journals Limited#	5,000	5,000	5,000	10	0.00	0.00	0.00
Mohan Carpets (India) Limited#	22,500	22,500	22,500	10	0.00	0.00	0.00
Fabron Textile & General Industries Private Limited#	150	150	150	100	0.00	0.00	0.00
					375.44	343.65	338.91

Represents Re. 1

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

(b) Investment in government securities

[Including Rs 3.04 lakhs (March 31, 2017: Rs 3.04 lakhs; March 31, 2016: Rs. 3.04 lakhs) lodged as security deposits]

Unquoted investments	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
4% Loan 1980	0.05	0.05	0.05
4 3/4% Loan 1989	0.37	0.37	0.37
5 3/4% M.P. Development Loan 1980	0.02	0.02	0.02
4 1/2% Ten Year Defence Deposit Certificates	0.10	0.10	0.10
12 Year National Plan Certificates	0.20	0.20	0.20
12 Year National Defence Certificates	0.05	0.05	0.05
7 Year National Savings Certificates	2.01	2.01	2.01
6 Year National Savings Certificates	0.28	0.28	0.28
	3.08	3.08	3.08
Total [= (a)+(b)]	378.52	346.73	341.99

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Aggregate amount of quoted investments and market value thereof*	137.40	92.60	72.85
Aggregate amount of unquoted investments*	56.74	48.33	48.35

*exclude Investment in equity shares of associates, accounted using equity method

Note 7 Non-current Loans

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good			
Security deposits	232.63	220.62	243.84
Total	**232.63**	**220.62**	**243.84**

For explanation on the Company credit risk management process, refer Note 44.

Note 8 Other non-current financial assets

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Fixed deposits held as lien with government authorities	178.42	165.35	144.85
Amount paid under protest	12.86	7.87	7.90
Interest accrued on deposits	7.81	10.01	6.74
Total	**199.09**	**183.23**	**159.49**

For explanation on the Company credit risk management process, refer Note 44.

Note 9 Non - current tax assets (net)

	As at March 31, 2018	**As at March 31, 2017**	**As at April 01, 2016**
Advance Income tax (Net of provision Rs. 964.48 lacs) (2017: Rs. 489.80 lacs, 2016 Rs. 321.80 lacs)	800.76	1,097.98	1,261.44
	800.76	**1,097.98**	**1,261.44**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 10 Deferred tax asset (net)	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
Deferred tax asset arising on account of:			
Carry forward losses	-	272.77	547.57
Provision for doubtful debts and advances	320.10	346.44	277.11
Expenditure covered by section 43B of Income-tax Act,1961	596.25	538.40	460.09
Amortisation of expenditure incurred under voluntary retirement scheme	6.73	57.54	104.19
Others	13.84	0.62	0.28
	936.92	**1,215.77**	**1,389.24**
Deferred tax liability arising on account of:			
Depreciation and amortization expense	406.74	422.92	404.77
Prepaid license fees and other prepayments	71.26	51.48	57.98
Fair valuation of investments	27.57	9.33	9.33
Others	14.90	0.64	3.96
	520.47	**484.37**	**476.04**
Minimum tax credit	**810.07**	**692.70**	**524.70**
Deferred tax assets (Net)	**1,226.52**	**1,424.10**	**1,437.90**

Movement in deferred tax assets	Carry forward losses	Provision for doubtful debts and advances	Depreciation and amortization	Expenditure covered by section 43B of Income-tax Act,1961	Amortisation of expenditure incurred under voluntary retirement scheme	Minimum tax credit	Fair valuation of investments	Prepaid license fees and other prepayments	Others
As at April 01, 2016	547.57	277.11	(404.77)	460.09	104.19	524.70	(9.33)	(57.98)	(3.68)
(Charged)/ Credited:									
- to profit and loss	(274.80)	69.33	(18.15)	78.31	(46.65)	168.00	-	6.5	3.66
- to other comprehensive income	-	-	-	-	-	-	-	-	-
As at March 31, 2017	272.77	346.44	(422.92)	538.40	57.54	692.70	(9.33)	(51.48)	(0.02)
(Charged)/ Credited:									
- to profit and loss	(272.77)	(26.34)	16.18	57.85	(50.81)	117.37		(19.78)	(1.04)
- to other comprehensive income	-	-	-	-	-	-	(18.24)	-	-
As at March 31, 2018	-	320.10	(406.74)	596.25	6.73	810.07	(27.57)	(71.26)	(1.06)

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 11 Other non-current assets	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital Advances	34.31	45.90	84.33
Advance other than capital advance			
i) Prepaid expense	7.58	4.97	2.38
ii) Balances with Government authorities	12.68	40.23	40.18
Leasehold rights (Refer note 42)	542.88	542.88	542.88
Total	**597.45**	**633.98**	**669.77**

Note 12 Inventories	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Raw materials	1,476.90	1,370.64	1,298.06
Work-in-progress	84.50	89.87	105.01
Finished goods	3,529.13	3,624.91	2,969.83
Stock-in-trade (in respect of goods acquired for Trading)	98.39	80.68	66.45
Stores and spares	332.35	314.10	481.99
Loose Tools	-	0.09	0.09
Total	**5,521.27**	**5,480.29**	**4,921.43**

i. Provision of inventory on account of non-moving items for the year ended March 31, 2018 Rs 103.30 lacs (March 31, 2017 Rs 112.29 lacs).

ii. These inventories were given as security to the lender. For details refer Note 20 and Note 23.

Note 13 Current Trade Receivables	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
i) Secured, Considered good	592.88	424.59	998.94
ii) Unsecured Considered good1	5,210.29	4,979.40	5,447.49
iii) Doubtful1	793.51	888.31	745.79
	6,596.68	6,292.30	7,192.22
Less : Allowance for bad & doubtful debts	(793.51)	(888.31)	(745.79)
	5,803.17	5,403.99	6,446.43

1 Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member

Unsecured Considered good	1,285.16	1,425.72	1,492.02
Doubtful	468.81	468.81	383.81

2 For explanation on the Company credit risk management process, refer Note 44.

3 These assets were given as security to the lender. For details refer Note 20 and Note 23.

4 For balances and term & conditions relating to related parties, refer Note 49.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 14 Cash and cash equivalents	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
Balance with banks			
- current account	400.74	487.28	463.71
- deposit accounts	385.52	95.00	25.00
Cheques, drafts on hand	-	128.00	60.00
Cash on hand	3.63	7.24	9.58
Total	**789.89**	**717.52**	**558.29**

Note 15 Current loans	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
Unsecured, considered good			
Loans to employees	6.61	9.08	13.43
Total	**6.61**	**9.08**	**13.43**

For explanation on the Company credit risk management process, refer Note 44.

Note 16 Other current financial assets	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
Insurance claim receivables	1.82	0.60	6.36
Interest accrued on deposits	38.54	27.88	33.23
Other recoverable - good*	-	-	527.00
Other recoverable - Doubtful	78.71	69.52	41.14
Less : Allowance for bad & doubtful debts	(78.71)	(69.52)	(41.14)
Total	**40.36**	**28.48**	**566.59**

For explanation on the Company credit risk management process, refer Note 44.
*Amount recoverable from Delhi Metro Rail Corporation on account of sale of land as per sale deed.

Note 17 Other current assets	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
Advance other than capital advances			
Advance to Employee	5.49	4.83	4.83
Prepaid expenses	263.94	224.50	170.88
Balances with Government authorities	993.31	493.94	464.28
Surplus in gratuity fund (net)	-	-	10.80
Advance to vendors	77.89	83.60	269.84
Asset held for sale	-	-	11.46
Other recoverable	41.14	42.04	14.22
Total	**1,381.77**	**848.91**	**946.31**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 18 Equity Share Capital

Authorised	No. of Shares	As at March 31, 2018 Amount	No. of Shares	As at March 31, 2017 Amount	No. of Shares	As at April 1, 2016 Amount
Equity shares of Rs. 5 each (March 31, 2017 : Rs. 5 each) (April 01, 2016 : Rs. 5 each)	20,000,000	1,000	20,000,000	1,000	20,000,000	1,000
Issued, subscribed & fully paid up Equity shares of Rs. 5 each (March 31, 2017 : Rs. 5 each) (April 01, 2016 : Rs. 5 each)	8,508,479	425.42	8,508,479	425.42	8,508,479	425.42
Total	8,508,479	425.42	8,508,479	425.42	8,508,479	425.42

a) Reconciliation of the number of shares outstanding

Particulars	No. of Shares	As at March 31, 2018 Amount	No. of Shares	As at March 31, 2017 Amount	No. of Shares	As at April 1, 2016 Amount
At the beginning of the year	8,508,479	425.42	8,508,479	425.42	8,508,479	425.42
Add : Shares issued during the year	-	-	-	-	-	-
At the end of the year	8,508,479	425.42	8,508,479	425.42	8,508,479	425.42

b) Rights, preference and restrictions attached to equity shares Voting

The Company has only one class of equity shares having a par valueof Rs.5/-per share referred to herein as equity share. Each holder of equity shares is entitled to one vote per share held.

Dividend and liquidation

The Company has not declared /distributed any dividend in the current year and previous year. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any. Such distribution amounts will be in proportion to the number of equity shares held by the shareholders.

c) Detail of shareholders holding more than 5% shares in the Company

	No. of Shares	As at March 31, 2018 % of holding	No. of Shares	As at March 31, 2017 % of holding	No. of Shares	Amount as at April 1, 2016 % of holding
Trade Links Private Limited	2,049,923	24.09%	2,049,923	24.09%	2,049,923	24.09%
Hemant Mohan (Trustee Narinder Mohan Foundation)	1,017,337	11.96%	-	-	-	-
Brig. Dr. Kapil Mohan, VSM and Hemant Mohan (Trustee Narinder Mohan Foundation)	-	-	1,017,337	11.96%	1,017,337	11.96%
Life Insurance Corporation of India	712,749	8.38%	712,749	8.38%	712,749	8.38%
Vinay Mohan (excluding 94,659 shares (previous year 94,659 shares) held as a joint holder)	499,110	5.87%	463,853	5.45%	463,853	5.45%

d) As per the records of the Company, including its register of shareholders/members, the above share holding represents both legal and beneficial ownership of shares.

e) No class of shares have been issued as bonus shares and shares issued for consideration otherthan cash and bought back by the Company during the period offive years immediately preceding the reporting date.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 19 Other Equity

Reserves and Surplus	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
Securities premium reserve	0.04	0.04	0.04
General reserve	763.63	763.63	763.63
Retained earnings	4,550.74	3,017.74	2,584.96
Equity instruments through other comprehensive income	133.27	97.99	78.18
Total	**5,447.68**	**3,879.40**	**3,426.81**

a) Securities premium account

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Balance at the beginning and end of the year (A)	**0.04**	**0.04**

b) General reserves

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Balance at the beginning and end of the year (B)	**763.63**	**763.63**

c) Retained earnings

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Opening balance	3,017.74	2,584.96
Add: Profit for the year transferred from Consolidated Statement of Profit and Loss	1,533.00	432.78
Closing balance (C)	**4,550.74**	**3,017.74**

d) Equity instruments through other Comprehensive Income

	As at March 31, 2018	**As at March 31, 2017**
Opening balance	97.99	78.18
Add: Additions during the year	35.28	19.81
Closing balance (D)	**133.27**	**97.99**
Total reserves and surplus (A+B+C+D)	**5,447.68**	**3,879.40**

Security premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilise in accordance with the provisions of the Act.

General reserve

This represents appropriation of profit by the Company and is available for distribution of dividend.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 20 Borrowings

		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Secured			
a.	Term Loans -From banks	42.75	457.74	981.39
b.	Deferred payment liability	429.27	429.27	429.27
		472.02	887.01	1,410.66
	Less: Current maturities of long term borrowings (refer note 25)			
a.	Term Loans -From banks	5.98	302.62	333.84
b.	Deferred payment liability	429.27	429.27	429.27
		36.77	**155.12**	**647.55**

Details of terms of repayment and security provided in respect of the borrowings

Particulars	Rate of Interest	Terms and Conditions	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Term Loans					
From banks					
Loans for Voluntary Retirement Scheme	13.6%(Previous year 13.35% to 13.60%)	Secured by first charge on fixed asset of the company (both present and future)- and collaterally secured by way of extension of charge on current assets. Repayable in quarterly installments of Rs. 35 lacs each.	-	103.49	339.57
Loan for repayment/ reimbursement of public fixed deposit	13.6% (Previous year 13.60%)	Secured by first charge on fixed asset of the company (both present and future) and collaterally secured by way of extension of charge on current assets. Repayable inquarterly installments of Rs. 50 lacs each.	-	347.90	641.82
Loan for Purchase of vehicles	8.15% to 8.80% (Previous year 8.80%)	Secured by hypothecation of specific vehicles. Repayable in 60 to 84 monthly installments.	42.75	6.35	-
		Subtotal	42.75	457.74	981.39
Deferred payment liability	15% (Previous year 15%)	Installments payableto UPSIDC Limited towards land at Salempur Industrial Area, Hathras,(U.P.) to be secured by first charge on such land and buildings and machines thereon, which were repayable in 8 equal half yearly installments. (Also refer note 42)	429.27	429.27	429.27
		Total	472.02	887.01	1,410.66

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 21 Non-current other financial liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Security deposits	1,646.52	1,389.30	1367.48
	1,646.52	**1,389.30**	**1,367.48**

Note 22 Non-current provisions

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provisions for employee benefits (refer note 47)	247.32	181.95	104.43
	247.32	**181.95**	**104.43**

Note 23 Current borrowings

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured			
Loans repayable on demand			
From Banks - Cash Credit	2,963.98	4,433.93	4,866.82
	2,963.98	**4,433.93**	**4,866.82**

Uptill previous year, Cash credit was secured by way of hypothecation of inventory and book debts (both present and future) and collaterally secured by way of second charge on movable assets of the Company (both present and future) and immovable property except free hold land at Lucknow unit. During the current year, the bank has obtained first charge on entire movable/immovable assets of the Company (present and future).

The cash credit is repayable on demand and carry interest @ 9.50% (previous year 12.85%) per annum.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 24 Current Trade Payables

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade Payables			
-due to micro and small enterprises (refer note 48)	103.04	148.82	139.54
-due to others	6,466.72	6,253.67	6,669.81
Total	**6,569.76**	**6,402.49**	**6,809.35**

Note 25 Other current financial liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Security deposits	82.81	63.51	11.98
Current maturities of long term borrowings (refer note 20)	435.25	731.89	763.11
Employee dues	401.64	400.08	443.84
Interest accrued and due on borrowings*	853.31	788.92	724.52
Capital Creditors	1.55	15.88	25.17
Unclaimed interest on matured deposits**	3.51	4.82	5.23
Amount held in trust - for employee	1.01	0.90	42.42
- for others	0.39	-	-
Total	**1,779.47**	**2,006.00**	**2,016.27**

* represents interests pertaining to Hathras land. For details refer note 42.

**represents unclaimed interest on matured deposits and does not include any amount required to be credited to Investor Education and Protection Fund. Further, during the current year and previous year, there has been no delay in transferring amounts required to be transferred to Investor Education and Protection Fund by the Company.

Note 26 Other current liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred income	-	70.00	40.00
Advances from customers	636.29	222.51	208.65
Statutory dues	858.44	841.61	872.57
	1,494.73	**1,134.12**	**1,121.22**

Note 27 Current Provisions

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for Employee benefits (refer note 47)	28.36	16.85	11.61
	28.36	**16.85**	**11.61**

(Rs. in Lacs unless otherwise stated)

Note 28 Revenue from operation

	As at March 31, 2018	As at March 31, 2017
Sale of products - Manufactured goods	29,760.67	27,802.48
Sale of traded goods	34,403.31	29,137.67
	64,163.98	56,940.15
Other operating revenues		
- Other miscellaneous sales #	510.35	452.81
- Export incentives	11.17	31.24
- Royalty income	870.84	652.22
- Cold storage charges	20.59	20.82
	1,412.95	1,157.09
	65,576.93	**58,097.24**

Includes sale of scrap, sale of mixtures of materials, etc.

Note 29 Other income

	As at March 31, 2018	As at March 31, 2017
Interest income	74.20	82.45
Dividend income	0.81	0.93
Profit on sale of fixed assets	3.84	2.80
Sale of scrap	182.07	167.44
Rent from investment properties	15.68	21.84
Other rent	18.15	20.52
Excess provision / unclaimed balances written back	121.57	125.03
Miscellaneous income	42.68	28.75
	459.00	**449.76**

Note 30 Cost of materials consumed

	As at March 31, 2018	As at March 31, 2017
Raw material consumed	7,719.92	7,731.21
	7,719.92	**7,731.21**

Note 31 Purchase of Stock-in-Trade (traded goods)

	As at March 31, 2018	As at March 31, 2017
Purchase of stock-in-trade	33,313.97	28,537.13
	33,313.97	**28,537.13**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 32 Changes in inventories of finished goods, work in progress and stock in trade

	As at March 31, 2018	As at March 31, 2017
Opening Stock		
Finished goods	3,625.49	2,969.83
Work-in-progress	89.87	105.01
Stock-in-trade	80.68	66.45
	3,796.04	3,141.29
Less: Closing Stock		
Finished goods	3,529.71	3,625.49
Work-in-progress	84.50	89.87
Stock-in-trade	98.39	80.68
	3,712.60	3,796.04
Increase / (decrease) in excise duty on finished goods	(195.67)	310.47
	(112.23)	**(344.28)**

Note 33 Employee benefit expenses

	As at March 31, 2018	As at March 31, 2017
Salaries and wages	2,332.50	2,172.56
Contribution to provident and other funds (refer note 47)	212.64	200.70
Staff welfare expense	163.30	166.27
	2,708.44	**2,539.53**

Note 34 Finance cost

	As at March 31, 2018	As at March 31, 2017
Interest:		
i. Borrowings	582.85	866.54
ii. Security deposit	35.22	11.82
Other borrowing cost - Bank charges	47.22	36.27
	665.29	**914.63**

Note 35 Depreciation and amortization expense

	As at March 31, 2018	As at March 31, 2017
Depreciation on property plant and equipment	254.48	266.97
Amortization on intangible assets	-	18.97
Depreciation on investment property	0.08	0.13
	254.56	**286.07**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 36 Other expenses

		As at March 31, 2018		As at March 31, 2017
Stores and spares consumed		323.14		291.93
Power and fuel1		1,175.51		1,142.00
Repairs				
- Building		103.29		116.84
- Plant and machinery		197.65		244.31
- Other repairs		147.60		140.33
Rent (refer note 51)		148.63		129.76
Insurance		43.97		44.69
Rates and taxes		664.55		563.88
Legal and professional charges		357.10		234.89
Travelling and conveyance		100.09		89.88
Advertisement, sales promotion and publicity		260.44		141.93
Freight and cartage		722.33		613.73
Voluntary retirement scheme expenses		-		3.48
Provision for inventory		103.30		112.29
Fixed assets written off		81.94		14.71
Depot operation charges / selling expenses		903.26		771.53
Provision for doubtful debts and advances		15.06		185.60
Bad debts and advances written off	37.54		15.81	
Less: Provision for Bad & Doubtful Debts	(37.54)	-	(15.81)	-
Payment to Auditor (inclusive of tax)				
- To statutory auditor				
- Statutory audit fees		25.96		36.80
- Fees for limited review, certificate etc.		24.78		13.80
- Other services		-		17.22
- Out-of-pocket expenses		2.84		0.84
- To branch auditor				
- Statutory audit fees		0.25		0.40
- Fees for limited review, certificate etc.		-		0.15
- Out-of-pocket expenses		-		0.14
Breakages, leakages, samples and cash discount		82.00		118.56
Commission to - Selling agents		554.63		755.15
- others		0.98		-
Manufacturing and works expenses		421.12		392.31
Miscellaneous expenses		423.90		408.33
		6,884.32		**6,585.48**

[1] Power and fuel is net of recoveries of Rs.64.38 lacs (previous year Rs.62.86 lacs)

Note 37 Exceptional items

	As at March 31, 2018	As at March 31, 2017
Profit related to compulsory acquisition of land by National Highway Authority of India	458.30	-
Settlement with GAIL [refer note 41(iii)]	(180.25)	-
Compensation received for vacating and handing over the possession of the property at Kolkata and Asansol depots	120.00	-
Profit on sale of land at Lucknow unit	417.39	-
	815.44	**-**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 38 Income tax expense

		As at March 31, 2018	As at March 31, 2017
a.	Current tax on the profits for the year	475.08	168.00
	Tax relating to previous years	(0.40)	-
b.	Deferred tax:		
	Tax expense/ (benefit) recognised in the statement of profit and loss	179.34	30.11
	Tax expense/ (benefit) recognised in OCI	18.24	(16.31)
		672.26	**181.80**

Reconciliation of tax expense and the accounting profit multiplied by tax rate:

	As at March 31, 2018	As at March 31, 2017
Profit before tax	2,186.75	662.26
Share of loss of associate (net of tax)	(21.11)	(14.44)
Enacted Income tax rate of 34.608% (March 31, 2017: 34.608%)	764.10	234.19
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Tax impact of non deductible expense	4.85	1.48
Adjustments in respect of capital gain tax rate	(100.69)	-
Rate change impact	4.00	(42.66)
Return true up adjustments	-	(11.21)
	672.26	**181.80**

Note 39 Earning per share

	As at March 31, 2018	As at March 31, 2017
Nominal value of equity share (INR)	5.00	5.00
Profit attributable to equity holders of the Company (A)	1,532.73	464.15
Weighted average number of equity shares (B)	85.08	85.08
Basic and diluted earning per share (A/B)	18.02	5.47

Note 40 Interest in Associates accounted using equity method

(i) Details of carrying value of Associates

Name of the entity	Place of Business/ country of incorporation	Year	% of ownership interest	Carrying Amount
National Cereals Products Limited	India	As at March 31, 2018	27.87%	178.74
		As at March 31, 2017	27.87%	197.20
		As at April 01, 2016	27.87%	210.07
Mohan Closures Limited	India	As at March 31, 2018	25.00%	5.64
		As at March 31, 2017	25.00%	8.60
		As at April 01, 2016	25.00%	10.72

National Cereals Products Limited

National Cereals Product Limited is a Public Limited Company engaged in the manufacture of Barley Malt.

Mohan Closures Limited

Mohan Closure Limited is engaged in the manufacturing and trade of crown corks.

(Rs. in Lacs unless otherwise stated)

(ii) Summarised financial information for Associates

The table sbelow provide summarised financial information for the associates. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and not Mohan Meakin Limited's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method and modifications for differences in accounting policies, if any.

a) Summarised balance sheet

Particulars	National Cereals Products Limited			Mohan Closures Limited		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Total current assets	440.65	290.97	516.06	31.99	42.79	56.25
Total non-current assets	357.28	564.16	383.06	4.06	4.27	4.64
Total assets	797.93	855.13	899.12	36.05	47.06	60.89
Total current liabilities	23.69	15.00	13.74	1.54	1.72	6.61
Total non-current liabilities	11.58	11.25	10.34	6.49	5.50	5.96
Total liabilities	35.27	26.25	24.08	8.03	7.22	12.57
Net assets	762.66	828.88	875.04	28.02	39.84	48.32

b) Reconciliation to carrying amounts

Particulars	National Cereals Products Limited		Mohan Closures Limited	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Opening carrying value	197.20	210.07	8.60	10.72
Profit/(loss) for the year	(18.15)	(12.32)	(2.96)	(2.12)
Other comprehensive expense	(0.31)	(0.55)	-	-
Closing carrying value	178.74	197.20	5.64	8.60

c) Summarised statement of profit and loss

Particulars	National Cereals Products Limited		Mohan Closures Limited	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Revenue	-	-	12.59	21.26
Other Income	37.52	31.86	1.40	2.00
Profit/ (loss) before tax	(65.60)	(66.54)	(11.75)	(8.33)
Profit/ (loss) after tax	(65.16)	(44.19)	(11.82)	(8.48)
Other comprehensive income/(expense)	(1.07)	(1.97)	-	-
Total comprehensive income	(66.23)	(46.16)	(11.82)	(8.48)

No dividend has been distributed by the associates during the year.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 41 Contingent liabilities and commitments

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(i)	**Contingent Liabilities**			
	Claims against the company not acknowledged as debt			
	Claims against the company by ex-employees/suppliers[1]	295.66	1,014.48	887.03
	Income tax matters[1]	-	423.95	423.95
	Excise / Customs duty matters[1]	242.67	377.01	374.24
	Sales tax Matters[1]	65.66	1,447.89	1482.77
	Share of contingent liabilities relating to interest in associates	19.72	20.05	20.05

[1]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.

(ii)	**Commitments**			
	Estimated amount of contract remaining to be executed on Capital account and not provided for (net of advances)	4.62	33.49	126.67
	Commitments relating to interest in associates			

(iii) The Company had entered into a long term contract with GAIL (India) Ltd. (GAIL) in December, 2008 for the period of 20 years for lifting the agreed quantity of gas of 25,000 SCM per day primarily for its Glass Bottling Unit at Mohan Nagar, Ghaziabad. Due to the discriminatory and arbitrary pricing charged by GAIL from the Glass Bottlers of Firozabad and from the Company, the Company had incurred significant losses. Considering the significant losses, the Company had taken up the matter with GAIL but inspite of long discussion and correspondences, the Company did not get any satisfactory response. Under those circumstances, in order to mitigate the future losses, the Company had no option but to closed down its Glass Bottling Unit permanently w.e.f. March 1, 2014. In view of this, the Company had requested GAIL to reduce the agreed quantity of gas from 25,000 SCM per day to 4,000 SCM per day under the force majeure conditions as per the agreement entered with GAIL. Pursuant to the said request GAIL had replaced the meters and pipeline at Mohan Nagar to cater for the reduced off take and had accepted Letter of Credit for the year 2014, 2015 and 2016 under the Agreement for the reduced off take.

Notwithstanding above, the Company had received demand notice from GAIL of Rs.994 lacs, Rs. 2,976 lacs and Rs.1,569 lacs in relation to deficiency in the quantity of gas lifted during the Calendar Year 2014, 2015 and 2016 respectively, computed on the basis of 25,000 SCM per day. The Company had challenged the above matter at appropriate higher authorities and had obtained stay from the Hon'ble High Court of Delhi against the recovery of the demand of Rs. 994 lacs and also filed its application to Arbitrator as mutually approved against all the aforesaid demands which have been stayed pending for the decision of the Arbitrator for which the next date of hearing was fixed in the month of September 2017 which was further adjourned in the month of January 2018.

Subsequently, the Company has agreed for an out of the court settlement with GAIL and parties mutually agreed the following terms and condition for settlement.

- The Company has accepted an one time settlement liability of Rs.180 lacs (exclusive of taxes and duties, as applicable) in respect of above all demands
- The parties has agreed to withdraw all the cases as discussed above against the said demands; and
- Contracted quantity of gas has been reduced from 25,000 SCM per day to 4,000 SCM per day from the date of this settlement i.e. January 17, 2018.

Resultant to above, the Company has recognised and paid the said liability in the current year financials.

Note 42 In respect of the leasehold land at Salempur Industrial Area, Hathras, Uttar Pradesh, which was purchased from the U.P. State Industrial Development Corporation Limited (UPSIDC) on installment payment basis during 2003, the symbolic possession letter for the entire piece of land of 830 acres had been issued by UPSIDC. In view of claims of Forest Department on 265 acres of land, the Company has not paid the installments due to UPSIDC, for which UPSIDC had served a notice to terminate the lease deed and forfeit the amount already paid. The Company had filed a writ petition in the High Court of Allahabad challenging the said notice along with waiver of interest claimed by UPSIDC as the possession of some part of land has been challenged by Forest Department. The High Court vide its order dated September 4, 2009 had disposed off the petition of the Company with a direction to UPSIDC to take a final decision on the objections raised by the Company in accordance with the law. However, no concrete steps have been taken by UPSIDC to resolve the matter inspite of clear directions of High Court of Allahabad.

The Company again filed a writ petition before the High Court of Allahabad on August 30, 2013 interalia praying for peaceful possession of 565 acres of land duly demarcated after removing the encroachment by local farmers along with adequate securities at the time of possession and directing UPSIDC to make up the loss of 265 acres of land claimed by the forest department at the same place or at any other placecloser to Delhi. In the year 2015-2016, the Hon'ble High Court passed an order dated December 2, 2015 and directed the parties to settle the disputes amicably by negotiation within six weeks. However, the matter was not yet been settled between the parties inspite of the various meetings the Company had with the authority. The Company again approached the High Court of Allahabad to dispose off the matter.The Hon'ble High Court held a hearing on the matter on December 15, 2017 but the order of the same has not yet been received.

Accordingly, the Company has given following treatment in their financials in respect of above:

- Due to ongoing dispute, no economic benefit has been derived from the said land therefore amortization has not been considered for leasehold rights amounting to Rs. 542.88 lacs (including land premium of Rs. 477.34 lacs and stamp duty and other charges etc.)
- Till date, land premium amounting Rs.48.07 lacs has been paid by the Company. As per lease deed, balance premium Rs. 429.27 lacs is to be paid in 8 equal half yearly installments. Accordingly same has been disclosed under deferred payment liability.
- In accordance with the lease deed, the Company is accruing interest @ 15% annually on balance amount of land premium.

(Rs. in Lacs unless otherwise stated)

Note 43 Fair valuation measurements

			As at March 31, 2018			As at March 31, 2017			As at April 01, 2016		
S.No.	Particulars	Level	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
	Financial assets										
1	Investments in Equity instruments (Excluding investment in associates)										
	- Quoted	1	-	137.40	-	-	92.60	-	-	72.85	-
	- Unquoted	3	-	53.66	-	-	45.25	-	-	45.27	-
2	Investments in government securities	3	-	-	3.08		-	3.08	-	-	3.08
3	Loans	3									
	- Security deposits				232.63			220.62			243.84
	- Others		-	-	6.61	-	-	9.08	-	-	13.43
4	Trade receivables	3	-	-	5,803.17	-	-	5,403.99	-	-	6,446.43
5	Other financial assets	3	-	-	239.45	-	-	211.71	-	-	726.08
6	Cash & Cash Equivalents	3	-	-	789.89	-	-	717.52	-	-	558.29
	Total Financial Assets		-	191.06	7,074.83	-	137.85	6,566.00	-	118.12	7,991.15
	Financial Liabilities										
1	Borrowings	3	-	-	3,000.75	-	-	4,589.05	-	-	5,514.37
2	Trade & Other Payables	3	-	-	6,569.76	-	-	6,402.49	-	-	6,809.35
3	Other financial Liabilities	3	-	-	3,425.99	-	-	3,395.30	-	-	3,383.75
	Total Financial Liabilities		-	-	12,996.50	-	-	14,386.84	-	-	15,707.47

a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

b) Fair value of non-current financial assets and liabilities has not been disclosed as there is no significant differences between carrying value and fair value.

There are no transfers between any levels during the year.

(Rs. in Lacs unless otherwise stated)

Note 44 Financial Risk management

Risk management objectives and policies

The Company's business activities expose it to a variety of financial risks, namely market risks, credit risk and liquidity risk. The Company's financial assets and liabilities by category are summarised in Note 43. The main types of risks are market risk, credit risk and liquidity risk

The Company's risk management is coordinated by its board of directors, and focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed to, are described below:

(i) Market Risk

Market risk is the risk that changes in market prices will have an effecton Company's income or value of the financial assets and liabilities. The Company is exposed to various types of market risks which result from its operating and investing activities. The most significant financial risks to which the Company is exposed are described below:

(a) Foreign currency risk

The Indian Rupee is the entity's most significant currency. As a consequence, foreign currency exposures are managed against Indian Rupee. The entity has limited foreign currency exposure which are mainly on account of exports.

The following table presents non-derivative instruments which are exposed to currency risk and are unhedged as at 31 March 2018, 31 March 2017 and 01 April 2016 :

	Foreign currency	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade receivables	USD	653.98	368.11	222.95

To mitigate the Company's exposure to foreign exchange risk, cashflows in foreign currencies are monitored and net cash flows are managed in accordance with Company's risk management policies. Generally, the Company's risk management procedures distinguish short term foreign currency cash flows (due within 6 months) from longer term cash flows (due after 6 months). Where the amounts to be paid and received in a specific currency are expected to largely offset one another, no hedging activity is undertaken.

The following table gives the volatility in exchange rates for the respective reporting years for major currencies:

Currencies	March 31, 2018	March 31, 2017
INR/USD	5%	5%

These percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis given in the table below is based on the Company's foreign currency financial instruments held at each reporting date.

Sensitivity analysis for entities with foreign currency balances in INR

The following tables illustrate the sensitivity of profit/loss and equity in regards to the Company's financial assets and financial liabilities and the movement of exchange rates of respective functional currencies' against INR, assuming 'all other things being equal'.

If the respective functional currencies had strengthened/weakened against the INR by the afore mentioned percentage of market volatility, then this would have had the following impact on profit/loss:

March 31, 2018		Impact on profit after tax	
	Movement	Strengthening	Weakening
USD Sensitivity	5%	32.70	(32.70)

(Rs. in Lacs unless otherwise stated)

March 31, 2017		Impact on profit after tax	
	Movement	**Strengthening**	**Weakening**
USD Sensitivity	5%	18.41	(18.41)

(b) Price risk sensitivity

The Company is mainly exposed to the price risk due to investment in quoted and unquoted equity shares and government securities.The price risk arises due to uncertainties about the future market values of these investments. In order to minimise pricing risk arising from such investments, Company invest in highly rated securities or invests only in accordance with the limits set by the Company.

March 31, 2018		Impact on profit after tax	
	Movement	**Strengthening**	**Weakening**
Price risk sensitivity	1%	1.94	(1.94)
March 31, 2017		**Profit/loss before tax**	
	Movement	**Strengthening**	**Weakening**
Price risk sensitivity	1%	1.41	(1.41)

(c) Interest rate sensitivity

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments as reported to the management of the Company is as follows:

The following table provides a break-up of the Company's fixed and floating rate borrowings:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Fixed-rate borrowings	429.27	429.27	429.27
Floating rate borrowings	3,006.73	4,891.69	5,848.21
	3,436.00	**5,320.96**	**6,277.48**

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	Impact on profit/loss after tax	
	March 31, 2018	**March 31, 2017**
Interest rates – increase by 50 basis points (50 bps)	(15.03)	(24.46)
Interest rates – decrease by 50 basis points (50 bps)	15.03	24.46

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments.

The carrying amount of financial assets represents the maximum credit risk exposure.

Credit risk management

For Bank and Financial Institutions, only high rated banks/ institutions are accepted.

For other counter parties, the company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are set accordingly. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.The Company's policy is to deal only with creditworthy counterparties only.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.
To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The company considers reasonable and supportive forward-looking information.

The company based on internal assessment which is driven by the historical experience/current facts available in relation to default and delays in collection thereof, the credit risk for trade receivable is considered low. The Company estimates its allowances for trade receivable using lifetime expected credit loss.
An impairment analysis is performed at each reporting date on an individual basis from trade receivables.
The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in financial statements.

The balance past due for more than 6 months (net of expected credit loss allowance) is Rs. 410.03 lacs (March 31, 2017 Rs. 888.54 lacs; April 01, 2016 Rs. 1,217.80 lacs).

Movement in the expected credit loss allowance of trade receivables are as follows:

	As at March 31, 2018	**As at March 31, 2017**
Balance at the beginning of the year	888.31	745.79
Add: Allowance recognised/(reversed) during the year, net	(94.80)	142.52
	793.51	888.31

The credit risk for cash and cash equivalents and other financial instruments is considered negligible and no impairment has been recorded by the Company except as described below.
Movement in allowance for bad & doubtful debts of other recoverable are as follows:

	As at March 31, 2018	**As at March 31, 2017**
Balance at the beginning of the year	69.52	41.14
Add: Allowance recognised/(reversed) during the year, net	9.19	28.38
	78.71	69.52

Significant estimates and judgments

Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates.The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily by Treasury. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting year:

	As at March 31, 2018	As at March 31, 2017
Floating rate		
Expiring within one year (Cash Credit)	3,614.65	2,116.01

As at end of reporting year, the Company's financial liabilities have contractual maturities* as summarised below :

	March 31, 2018				
	Upto 1 year	**1 to 3 years**	**3 to 5 year**	**Above 5 years**	**Total**
Borrowings#	3,402.57	18.62	16.64	10.65	3,448.48
Trade payables	6,569.76	-	-	-	6,569.76
Other financial liabilities	1,344.22	-	-	-	1,344.22
Total	**11,316.55**	**18.62**	**16.64**	**10.65**	**11,362.46**

	March 31, 2017				
	Upto 1 year	**1 to 3 years**	**3 to 5 year**	**Above 5 years**	**Total**
Borrowings#	5,328.41	3.23	2.83	-	5,334.47
Trade payables	6,402.49	-	-	-	6,402.49
Other financial liabilities	1,274.11	-	-	-	1,274.11
Total	**13,005.01**	**3.23**	**2.83**	**-**	**13,011.07**

	April 1, 2016				
	Upto 1 year	**1 to 3 years**	**3 to 5 year**	**Above 5 years**	**Total**
Borrowings#	5,728.57	615.59	50.00	-	6,394.16
Trade payables	6,809.35	-	-	-	6,809.35
Other financial liabilities	1,253.16	-	-	-	1,253.16
Total	**13,791.08**	**615.59**	**50.00**	**-**	**14,456.67**

Includes contractual interest payments based on the interest rate prevailing at the reporting date excluding interest on deferred payment liability payable to UPSIDC (refer note 42).

* The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of the liabilities at the reporting date. Further Current maturities of long term loans have been reclassified from other financial liabilities to borrowings to reflect the maturity profile of borrowings in a better manner.

(Rs. in Lacs unless otherwise stated)

Note 45 Capital management

(a) Risk management framework

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern as well as provide an adequate return to shareholders by pricing products and services commensurately with the level of risk. In determining its capital structure, Company considers the robustness of future cash flows and to maintain an optimal structure to reduce the cost of capital.

The Company monitors gearing ratio i.e. Net debt in proportion to its overall financing structure, i.e. equity and debt. Equity comprises of all the components of equity (i.e. share capital, additional paid in capital, retained earnings etc.). Net debt comprises of total borrowings less cash and cash equivallents of the Company. In order to maintain or adjust the capital structure, the Company may adjust the amount by issue of new shares or sell assets to reduce the debt.

The gearing ratios were as follows:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Net debt	2,646.11	4,603.44	5,719.19
Equity	5,873.10	4,304.82	3,852.23
Net debt to equity ratio	0.45	1.07	1.48

(i) Loan covenants

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. The breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018 and March 31, 2017.

(b) Dividend

The Company has not proposed any dividend for the year (March 31, 2017: Rs. Nil, April 01, 2016: Rs. Nil).

Note 46 Segment Reporting

A. Operating segments and principal activities:

Segment information is presented in respect of the company's key operating segments. The operating segments are based on the company's management and internal reporting structure. The chief operating decision maker identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly. All operating segments' operating results are reviewed regularly by the board of directors to make decisions about resources to be allocated to the segments and assess their performance.

The 'Board of Directors' have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget, planning, expansion, alliance, jointventure, merger and acquisition, and expansion of any facility.

The Chief Operating Decision Maker evaluates the company's performance and based on the same two reportable segments are identified i.e. Alcoholic and Non Alcoholic.

The Company's reportable segments include:

a. Alcoholic products (Including Premium Rums, Whiskies, Brandy, Vodka, Beer and Gin etc.)

b. Non alcoholic product (Including Juice, Vinegar, breakfast foods, Malt extract etc.)

The Company's board reviews the results of each segment on a quarterly basis. The Company's board of directors uses Profit before tax to assess the performance of the operating segments.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

B. Segment accounting policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

a. Segment assets and liabilities

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets, net of allowances and provisions which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include investments, share capital, reserves and surplus, loan funds, dividends payable, income-tax (current and deferred tax) and certain other assets and liabilities not allocable to the segments on a reasonable basis. While most of the assets/liabilities can be directly attributed to individual segments, the carrying amount of certain assets/liabilities pertaining to two or more segments are allocated to the segments on a reasonable basis.

b. Segment revenue and expenses

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

c. Unallocated expenses

Unallocated expenses represents general administrative expenses, head-office expenses and other expenses that arise at the Company level and relate to the Company as a whole. As such, these expenses have not been considered in arriving at the segment results.

C. Business segment information

(i) Segment Revenue (External)

	For the year ended March 31, 2018		For the year ended March 31, 2017	
	Revenue	**Results**	**Revenue**	**Results**
Alcoholic*	62,965.42	2,451.97	55,286.44	1,825.01
Non- Alcoholic	2,611.51	40.36	2,810.80	291.51
	65,576.93	2,492.33	58,097.24	2,116.52
Unallocable income/(expenditure)		380.82		(525.19)
Finance cost		(665.29)		(914.63)
Profit before share of loss of associate and tax		**2,207.86**		**676.70**
Share of loss of associates		(21.11)		(14.44)
Profit before tax		**2,186.75**		**662.26**
Current tax		474.68		168.00
Deferred tax		179.34		30.11
Profit for the Year		**1,532.73**		**464.15**

* Figures for the year ended March 31, 2018, are netted off of Rs 180.25 lacs reported as an exceptional item. Refer note 37.

(ii) Segment assets

	As at March 31, 2018	**As at March 31, 2017**	**As at April 01, 2016**
Segment assets			
Alcoholic	17,237.16	15,989.12	15,951.25
Non- Alcoholic	1,044.35	962.13	873.28
Total Segment assets	**18,281.51**	**16,951.25**	**16,824.53**
Unallocated Assets	2,358.50	3,073.33	3,972.44
Total assets as per the balance sheet	**20,640.01**	**20,024.58**	**20,796.97**

(Rs. in Lacs unless otherwise stated)

(iii) Segment liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Alcoholic	9,462.67	8,848.74	9,048.70
Non- Alcoholic	503.18	405.39	505.04
Total Segment liabilities	**9,965.85**	**9,254.13**	**9,553.74**
Unallocated Liabilities	4,801.06	6,465.63	7,390.99
Total liabilities as per the balance sheet	**14,766.91**	**15,719.76**	**16,944.73**

(iv) Segment Capital Expenditure

	For the year ended March 31, 2018	For the year ended March 31, 2017
Alcoholic	346.79	545.05
Non- Alcoholic	23.10	54.18
Unallocated	102.22	73.18
	472.11	**672.41**

(v) Segment depreciation

	For the year ended March 31, 2018	For the year ended March 31, 2017
Alcoholic	205.93	217.39
Non- Alcoholic	24.58	12.95
Unallocated	24.05	55.73
	254.56	**286.07**

(vi) Non Cash expenses other than depreciation

	For the year ended March 31, 2018	For the year ended March 31, 2017
Alcoholic	156.60	273.89
Non- Alcoholic	40.23	37.37
Unallocated	3.47	1.34
	200.30	**312.60**

D. Geographical Segments information

(i) Revenue

	For the year ended March 31, 2018	For the year ended March 31, 2017
India	63,205.09	55,899.63
Outside India	2,371.84	2,197.61
	65,576.93	**58,097.24**

(ii) Capital Expenditure

	For the year ended March 31, 2018	For the year ended March 31, 2017
India	472.11	672.41
Outside India	-	-
	472.11	**672.41**

(iii) Non-current Assets*	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 01, 2016**
India	5,060.18	5,361.63	5,161.26
Outside India	-	-	-
	5,060.18	**5,361.63**	**5,161.26**

*Non-current assets are excluding financial instruments and deferred tax assets.

(iv) Revenue from two customers of the company in alcoholic segment is more than 10 percent of the company's total revenue that are individually constituting Rs. 7,394.72 lacs (March 31, 2017- Rs. 7,617.60 lacs) and Rs. 9,840.44 lacs (March 31 2017- Rs. 9,033.71 lacs) respectively.

Note 47 Employee benefit obligations

The Company has classified various employee benefits as under:

a) Defined contribution plans
   i) Pension Scheme
   ii) Employee state insurance

   The Company has recognized the following amounts in the Statement of Profit and Loss for the year. (Refer Note 33)

Particulars	**March 31, 2018**	**March 31, 2017**
Contribution to Pension scheme	81.02	84.15
Contribution to Employee state insurance	65.46	54.85
Total	**146.48**	**139.00**

b) Defined benefit plans
   i) Gratuity
   ii) Earned Leave
   iii) Provident fund

Gratuity is payable to eligible employees as per the Company's policy and The Payment of Gratuity Act, 1972. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit (PUC) method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligations.

Provision for leave benefits is made by the Company on the basis of actuarial valuation using the Projected Unit Credit (PUC) method.

Liability with respect to the gratuity, leave encashment is determined based on an actuarial valuation done by an independent actuary at the year end and any differential between the fund amount and the actuarial valuation is charged to Statement of Profit and Loss.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognized immediately in the Statement of Profit and Loss as income or expense.

Other disclosures required under Indian Accounting Standards 19 "Employee benefits" are given below:

Principal Actuarial Assumption as at Balance Sheet date

Particulars	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
Discount Rate (per annum)	7.71%	7.54%	8.00%
Rate of increase in Compensation Levels	6.00%	5.50%	5.50%
Retirement age		60 years	
Mortality Table		100% of IALM (2006-08)	
Average Withdrawal Rate	Withdrawal Rate	Withdrawal Rate	Withdrawal Rate
a) Upto 30 Years	0.50%	3.00%	3.00%
b) From 31 to 44 Years	1.00%	2.00%	2.00%
c) Above 44 Years	5.00%	1.00%	1.00%

(Rs. in Lacs unless otherwise stated)

The discount rate has been assumed at 7.71% p.a. (Previous year 7.54% p.a.) which is determined by reference to market yield at the balance sheet date on government securities for remaining life of employees. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market on long term basis.

i) Changes in the Present Value of Obligation

Particulars	Year Ended March 31, 2018		Year Ended March 31, 2017	
	Leave Encashment	Gratuity Funded	Leave Encashment	Gratuity Funded
Present Value of Obligation as at the beginning of the year	127.52	1,049.79	116.04	994.78
Interest Cost	9.62	79.15	9.28	79.58
Past Service Cost	-	3.26	-	-
Current Service Cost	11.55	43.41	8.85	41.70
Contribution by Plan Participants	-	-	-	-
Benefit Paid	(15.19)	(127.61)	(10.21)	(112.16)
Actuarial (Gains)/Loss	20.76	(3.59)	3.56	45.89
Present Value of Obligation as at the End of the Year	154.26	1,044.41	127.52	1,049.79

ii) Changes in the Fair value of Plan Assets

Particulars	Year Ended March 31, 2018		Year Ended March 31, 2017	
	Leave Encashment	Gratuity Funded	Leave Encashment	Gratuity Funded
Present Value of Plan Asset as at the Beginning of the Year	-	978.51	-	1,005.58
Expected Return on Plan Assets	-	73.78	-	80.45
Actuarial Gain/(Loss)	-	(3.01)	-	(1.24)
Employers Contribution	-	1.32	-	5.88
Employees Contribution	-	-	-	-
Benefit Paid	-	(127.61)	-	(112.16)
Fair Value of Plan Assets as at the End of the Year	-	922.99	-	978.51

iii) Percentage of Each Category of Plan Assets to Total Fair Value of Plan Assets as at the End of the Year

Particulars	Year Ended March 31, 2018		Year Ended March 31, 2017	
	Leave Encashment	Gratuity Funded	Leave Encashment	Gratuity Funded
Fund Managed by Insurance Company	-	100%	-	100%

(Rs. in Lacs unless otherwise stated)

iv) Reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets

Particulars	Year Ended March 31, 2018		Year Ended March 31, 2017	
	Leave Encashment	Gratuity Funded	Leave Encashment	Gratuity Funded
Present Value of Funded Obligation as at the end of the year	-	1,044.41	-	1,049.79
Fair Value of Plan Assets as at the End of the Year	-	922.99	-	978.51
Present Value of Unfunded Obligation as at the End of the Year	154.26	121.42	127.52	71.28
Unfunded Net Liability Recognized in the Balance Sheet	154.26	121.42	127.52	71.28
Current Liability	28.36	-	16.85	-
Non Current Liability	125.90	121.42	110.67	71.28

v) Expenses recognized in the Statement of Profit and Loss Account

Particulars	Year Ended March 31, 2018		Year Ended March 31, 2017	
	Leave Encashment	Gratuity Funded	Leave Encashment	Gratuity Funded
Current Service Cost	11.55	43.41	8.85	41.70
Past Service Cost	-	3.26	-	-
Interest Cost	9.62	79.15	9.28	79.58
Expected Return on Plan Assets	-	(73.78)	-	(80.45)
Benefit Paid	-	-	-	-
Net actuarial (Gains)/Loss	20.76	-	3.56	-
Employers Contribution	-	-	-	-
Total Expenses Recognized in the Statement of Profit and Loss	41.93	52.04	21.69	40.83

vi) Other Comprehensive Income (OCI)

Particulars	Year Ended March 31, 2018		Year Ended March 31, 2017	
	Leave Encashment	Gratuity Funded	Leave Encashment	Gratuity Funded
Net cumulative unrecognized actuarial gain/(loss) opening	-	-	-	-
Actuarial gain / (loss) for the year on PBO	-	3.59	-	(45.89)
Actuarial gain /(loss) for the year on Asset	-	(3.01)	-	(1.24)
Unrecognized actuarial gain/(loss) at the end of the year	-	0.58	-	(47.13)

(Rs. in Lacs unless otherwise stated)

vii) Experience Adjustment:

Particulars	Year Ended March 31, 2018		Year Ended March 31, 2017	
	Leave Encashment	Gratuity Funded	Leave Encashment	Gratuity Funded
On Plan Liability (Gain)/ Loss	14.55	(42.80)	(0.52)	19.53
On Plan Assets (Gain) / Loss	-	-	-	-
Expected Employer Contribution for the Next Year	24.19	55.81	19.09	49.32

viii) Maturity Profile of Defined Benefit Obligation

Particulars	Year Ended March 31, 2018		Year Ended March 31, 2017	
	Leave Encashment	Gratuity Funded	Leave Encashment	Gratuity Funded
0 to 1 Year	28.36	165.31	16.85	137.06
1 to 2 Year	15.57	234.60	13.52	110.94
2 to 3 Year	12.40	107.26	10.09	104.61
3 to 4 Year	11.14	80.27	8.18	77.74
4 to 5 Year	12.18	62.45	7.18	73.34
5 to 6 Year	9.49	58.04	9.01	78.69
6 Year onwards	65.12	336.48	62.69	467.40

ix) Sensitivity Analysis of the Defined Benefit Obligation:-

Particulars	Leave Encashment	Gratuity Funded
	2017-18	
Impact of change in discount rate		
Present Value of obligation at the end of the year	154.26	1,044.41
a) Impact due to increase of 0.50%	(4.74)	(24.85)
b) Impact due to decrease of 0.50%	5.05	26.11
Impact of change in Salary rate		
Present Value of obligation at the end of the year	154.26	1,044.41
a) Impact due to increase of 0.50%	5.11	26.03
b) Impact due to decrease of 0.50%	(4.84)	(25.00)

Description of risk exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow-

a) Salary increases - Actual salary increase will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

b) Investment Risk - If plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

c) Discount Rate - Reduction in discount rate in subsequent valuations can increase the plan's liability.

d) Mortality & disability - Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

e) Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 48 Additional Information as required under Schedule III to the Companies Act, 2013

As at March 31, 2018

Name of the entity	Net assets (total Assets minus total Liabilities)		Share in profit or (loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	In Lacs	As % of Consolidated profit and loss	In Lacs	As % of Consolidated Other comprehensive income	In Lacs	As % of Consolidated Total comprehensive income	In Lacs
Mohan Meakin Limited	96.86%	5,688.72	101.38%	1553.84	100.87%	35.86	101.37%	1589.70
Associates								
National Cereals Products Limited	3.04%	178.74	(-1.18%)	(18.15)	(-0.87%)	(0.31)	(-1.18%)	(18.46)
Mohan Closures Limited	0.10%	5.64	(-0.19%)	(2.96)	0.00%	-	(-0.19%)	(2.96)
	100.00%	5,873.10	100.00%	1,532.73	100.00%	35.55	100.00%	1,568.28

As at March 31, 2017

Name of the entity	Net assets (total Assets minus total Liabilities)		Share in profit or (loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	In Lacs	As % of Consolidated profit and loss	In Lacs	As % of Consolidated Other comprehensive income	In Lacs	As % of Consolidated Total comprehensive income	In Lacs
Mohan Meakin Limited	95.22%	4,099.02	103.11%	478.59	95.24%	(11.01)	103.31%	467.58
Associates								
National Cereals Products Limited	4.58%	197.20	(-2.65%)	(12.32)	4.76%	(0.55)	(-2.84%)	(12.87)
Mohan Closures Limited	0.20%	8.60	(-0.46%)	(2.12)	0.00%	-	(-0.47%)	(2.12)
	100.00%	4,304.82	100.00%	464.15	100.00%	(11.56)	100.00%	452.59

Note 49 Related party disclosure:

As per Ind AS – 24 “Related Party Disclosure” the Company’s related parties and transactions with them in the ordinary course of business are disclosed below :

A. Name of related party and relationship

i) Associate Companies: National Cereals Products Limited (NCPL) and Mohan Closures Limited (MCL)

ii) Key Managerial Personnel :

a) Brig.(Dr.) Kapil Mohan, VSM, (Retd.) Ph.D.
(Resigned as Director and Managing Director w.e.f. July 26, 2016)

b) Shri Hemant Mohan (Previously Deputy Managing Director appointed as a Managing Director w.e.f. August 1, 2016)

c) Shri Vinay Mohan (Non Executive Director)

d) Smt. Shalini Mohan (Non Executive Director)

e) Shri L.K. Malhotra (Non Executive Director)

f) Shri Yash Kumar Sehgal (Non Executive Director)

g) Shri Murugan Navamani (Appointed as Additional Director w.e.f. September 15, 2016)

h) Shri M.Nandagopal (Non Executive Director)

i) Shri R.C. Jain (Appointed as Additional Director w.e.f. August 14, 2017)

j) Shri J.K. Jain (Resigned as Director w.e.f. November 15, 2016)

k) Shri Swaraj Suri (Resigned as Director w.e.f. May 12, 2017)

(Rs. in Lacs unless otherwise stated)

iii) Enterprises over which Key Managerial Personnel and/or their relatives exercise control:
Mohan Rocky Springwater Breweries Limited, Trade Links Private Limited, Mohan Shakti Trust, Narinder Mohan Foundation and Mohan Breweries and Distilleries Limited.

iv) Post Employment Benefit Plan: Mohan Meakin Limited, Provident Fund Trust

B. Key management personnel compensation

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
i)	Short - term employee benefits	94.01	85.71
ii)	Post - employment benefits	5.99	6.60
iii)	Long - term employee benefits	20.33	-
iv)	Director Sitting Fee	4.20	5.00

C. Transactions with related parties referred to in (A)

	Particulars	March 31, 2018	March 31, 2017	April 1, 2016
i)	**Transaction with Associate Companies**			
	Sale of products			
	- Mohan Closures Limited	0.10	0.09	
	Purchases of stock-in-trade			
	- Mohan Closures Limited	13.42	21.36	
	Power and fuel charges recovered			
	- Mohan Closures Limited	0.35	0.52	
	- National Cereals Products Limited	0.30	0.30	
	Rental Income			
	- Mohan Closures Limited	2.25	1.92	
	- National Cereals Products Limited	0.30	0.30	
	Other miscellaneous expenses recovered			
	- National Cereals Products Limited	0.20	1.37	
	Balances outstanding as at the year end			
	Payable			
	- Mohan Closures Limited	0.73	3.75	10.55
	- National Cereals Products Limited	135.08	265.61	434.29

(Rs. in Lacs unless otherwise stated)

	Particulars	March 31, 2018	March 31, 2017	April 1, 2016
ii)	**Transactions with enterprises over which Key Managerial Personnel exercise control:**			
	Purchases of traded goods			
	- Mohan Rocky Springwater Breweries Limited	30,584.54	25,795.94	
	Purchases of services/related goods			
	- Narinder Mohan Foundation	1.81	12.89	
	- Trade Links Private Limited	0.79	1.85	
	Sales (net of rebate and discount)			
	- Mohan Rocky Springwater Breweries Limited	270.39	308.49	
	- Trade Links Private Limited	4,580.90	4,666.82	
	- Mohan Breweries and Distilleries Limited	13.17	151.68	
	Royalty from			
	- Mohan Rocky Springwater Breweries Limited	0.86	1.04	
	- Trade Links Private Limited	6.00	6.00	
	- Mohan Breweries and Distilleries Limited	225.00	225.39	
	Commission to a selling agent			
	- Trade Links Private Limited	74.86	62.78	
	Depot handling charges to a selling agent			
	- Trade Links Private Limited	212.93	111.94	
	Expenses recovered			
	- Mohan Rocky Springwater Breweries Limited	7.46	4.34	
	- Trade Links Private Limited	6.90	34.20	
	Expenses incurred on Company's behalf reimbursed			
	- Trade Links Private Limited	5.40	5.73	
	Balances outstanding as at the year end (Payable/Receivable)			
	Receivable			
	- Mohan Rocky Springwater Breweries Limited	323.19	324.26	330.07
	- Trade Links Private Limited	426.55	344.70	332.51
	- Mohan Breweries and Distilleries Limited	1,004.23	1,225.57	1,213.25
	Payable			
	- Mohan Shakti Trust	3.51	2.35	0.48
	- Narinder Mohan Foundation	-	0.05	-
	- Trade Links Private Limited	0.82	0.03	-
iii)	**Contribution to Post Employment Benefit Plans**			
	- PF Trust	60.64	14.74	
	Payable			
	-PF Trust	23.07	21.55	21.24

D. Terms and conditions

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and are at market value. Outstanding balances at the year-end are unsecured (except receivable with Trade Links Private Limited amounting to Rs. 46.40 lacs (March 31, 2017 Rs. 46.40 lacs, April 01, 2016 Rs. 46.40 lacs) and Mohan Breweries and Distilleries Limited amounting to Rs. 68.00 lacs (March 31, 2017 Rs. 68.00 lacs, April 01, 2016 Rs. 68.00 lacs) which is secured) and interest free and settlement occurs in cash. For the year ended March 31, 2018, the Company has recorded impairment of receivables amounting to Rs. Nil (March 31, 2017 Rs. 85.00 lacs) relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Note 50 First-time adoption of Ind AS

These are the first financial statements prepared in accordance with Ind AS by the Company.

The accounting policies set out in Note 1 have been applied in preparing financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in preparation of an opening Ind AS balance sheet at April 01, 2016 (the transition date). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under the section 133 Companies Act, 2013, read together with rule 7 of Companies (Accounts) Rules, 2014 (Previous GAAP).

An explanation of how the transition from Previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A1.1 Deemed cost

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property plants and equipment as recognised in the financial statements as the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments as per Ind AS 101. This exemption is also used for intangible assets covered by Ind AS38 Intangible Assets and investment property covered by Ind AS 40 investment property.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their Previous GAAP carrying value.

A.1.2 Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The Company has elected to apply this exemption for such contracts/arrangements.

A1.3 Investment in associates

As per Ind AS 101, if a first-time adopter measures such an investment at cost in accordance with Ind AS 27, it shall measure that investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

(a) cost determined in accordance with Ind AS 27; or

(b) deemed cost. The deemed cost of such an investment shall be its:

  (i) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or

  (ii) Previous GAAP carrying amount at that date

Accordingly the Company has availed the exemption and has measured these investments at Previous GAAP carrying amount at the transition date.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

The Company's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

There is no such estimate which is changed while applying Ind AS. All the estimates as per Previous GAAP is carried forward as in Ind AS transition balance sheet as at April 01, 2016.

Further, the Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Previous GAAP:

- Investment in equity instruments carried at FVTPL or FVOCI;
- Investment in debt instruments carried at amortised cost; and
- Impairment of financial assets based on expected credit loss model.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

A.2.3 De-recognition of financial assets and liabilities

As per Ind AS 101, an entity should apply de-recognition requirement in Ind AS 109, "Financial Instruments", prospectively for transactions occurring on or after the date of transition to Ind AS.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

B. Reconciliations between Previous GAAP and Ind AS

(i) Reconciliations from Previous GAAP to Ind AS as at April 01, 2016

		As at April 1, 2016		
Particulars	**Notes**	**Previous GAAP***	**IND AS Adjustments**	**IND AS**
ASSETS				
Non-current assets				
Property, plant and equipment	1,6	3,161.14	(545.88)	2,615.26
Capital work in progress	1	592.82	-	592.82
Investment property	1,2	-	3.00	3.00
Other intangible assets		18.97	-	18.97
Financial assets				
i) Investments	3	263.81	78.18	341.99
ii) Loans	4	244.65	(0.81)	243.84
iii) Other financial Assets		159.49	-	159.49
Non - current tax assets (net)		1,261.44	-	1,261.44
Deferred tax assets (net)	5	213.79	1,224.11	1,437.90
Other non-current assets	4,5,6	453.47	216.30	669.77
Total		**6,369.58**	**974.90**	**7,344.48**
Current assets				
Inventories		4,921.43	-	4,921.43
Financial assets				
i) Trade receivables		6,446.43	-	6,446.43
ii) Cash and cash equivalents		558.29	-	558.29
iii) Loans		13.43	-	13.43
iv) Other Financial Assets		566.59	-	566.59
Other current assets	4	945.62	0.69	946.31
Total		**13,451.79**	**0.69**	**13,452.48**
Total Assets		**19,821.37**	**975.59**	**20,796.96**
EQUITY AND LIABILITIES				
EQUITY				
a) Equity Share capital		425.42	-	425.42
b) Other equity		2,439.11	987.70	3,426.81
Total Equity		**2,864.53**	**987.70**	**3,852.23**
LIABILITIES				
Non-current Liabilities				
Financial liabilities				
i) Borrowings	7	653.50	(5.95)	647.55
ii) Other financial liabilities		1,367.48	-	1,367.48
Provisions		104.43	-	104.43
Total		**2,125.41**	**(5.95)**	**2,119.46**
Current liabilities				
Financial liabilities				
i) Borrowings		4,866.82	-	4,866.82
ii) Trade payables		6,809.35	-	6,809.35
iii) Other financial liabilities	7	2,022.43	(6.16)	2,016.27
Other current liabilities		1,121.22	-	1,121.22
Provisions		11.61	-	11.61
Total		**14,831.43**	**(6.16)**	**14,825.27**
Total liabilities		**16,956.84**	**(12.11)**	**16,944.73**
Total Equity and liabilities		**19,821.37**	**975.59**	**20,796.96**

* The Previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018
(Rs. in Lacs unless otherwise stated)

(ii) Reconciliations from Previous GAAP to Ind AS as at March 31, 2017

Particulars	Notes	As at March 31, 2017 Previous GAAP*	IND AS Adjustments	IND AS
ASSETS				
Non-current assets				
Property, plant and equipment	1,6	3,455.38	(545.75)	2,909.63
Capital work in progress	1	717.17	-	717.17
Investment property	1,2	-	2.87	2.87
Financial assets				
i) Investments	3,12	242.71	104.02	346.73
ii) Loans	4	220.63	(0.01)	220.62
iii) Other financial Assets		183.23	-	183.23
Non - current tax assets (net)		1,097.98	-	1,097.98
Deferred tax assets (net)	5	272.90	1,151.20	1,424.10
Other non-current assets	4,5,6	585.80	48.18	633.98
Total		**6,775.80**	**760.51**	**7,536.31**
Current assets				
Inventories		5,480.29	-	5,480.29
Financial assets				
i) Trade receivables		5,403.99	-	5,403.99
ii) Cash and cash equivalents		717.52	-	717.52
iii) Loans		9.08	-	9.08
iv) Other Financial Assets		28.48	-	28.48
Other current assets	4	848.79	0.12	848.91
Total		**12,488.15**	**0.12**	**12,488.27**
Total Assets		**19,263.95**	**760.63**	**20,024.58**
EQUITY AND LIABILITIES				
EQUITY				
a) Equity Share capital		425.42	-	425.42
b) Other equity		3,115.02	764.38	3,879.40
Total Equity		**3,540.44**	**764.38**	**4,304.82**
LIABILITIES				
Non-current Liabilities				
Financial liabilities				
i) Borrowings	7	155.17	(0.05)	155.12
ii) Other financial liabilities	8	1,390.97	(1.67)	1,389.30
Provisions		181.95	-	181.95
Total		**1,728.09**	**(1.72)**	**1,726.37**
Current liabilities				
Financial liabilities				
i) Borrowings		4,433.93	-	4,433.93
ii) Trade payables		6,402.49	-	6,402.49
iii) Other financial liabilities	7	2,008.03	(2.03)	2,006.00
Other current liabilities		1,134.12	-	1,134.12
Provisions		16.85	-	16.85
Total		**13,995.42**	**(2.03)**	**13,993.39**
Total liabilities		**15,723.51**	**(3.75)**	**15,719.76**
Total Equity and liabilities		**19,263.95**	**760.63**	**20,024.58**

* The Previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

(iii) Reconciliation of total comprehensive income

		For the year ended March 31, 2017			
		Notes	**Previous GAAP***	**IND AS Adjustments**	**IND AS**
	Income				
I.	Revenue from operations	9	46,551.03	11,546.21	58,097.24
II.	Other Income	4, 8	435.52	14.24	449.76
III.	**Total Income (I+II)**		**46,986.55**	**11,560.45**	**58,547.00**
IV	**Expenses**				
	Cost of materials consumed		7,731.21	-	7,731.21
	Excise duty	9	-	11,620.53	11,620.53
	Purchase of Stock-in-Trade		28,537.13	-	28,537.13
	Changes in inventories of finished goods, work in progress and stock in trade		(344.28)	-	(344.28)
	Employee benefits expense	10	2,586.66	(47.13)	2,539.53
	Finance cost	7, 8	892.80	21.83	914.63
	Depreciation and amortization expense		286.07	-	286.07
	Other expense	4,9	6,658.96	(73.48)	6,585.48
	Total expenses (IV)		**46,348.55**	**11,521.75**	**57,870.30**
V	**Profit before share of loss of associate and exceptional items (III-IV)**		**638.00**	**38.70**	**676.70**
VI	Share of loss of asscociates (net of tax)	12	21.20	6.76	14.44
VII	**Profit before exceptional items and tax (V-VI)**		**616.80**	**31.94**	**662.26**
VIII	Exceptional items	-	-	-	
IX	**Profit before tax (VII+VIII)**		**616.80**	**31.94**	**662.26**
X	**Tax expense**				
	1) Current tax		168.00	-	168.00
	2) Deferred tax	5	(227.11)	257.22	30.11
XI	**Profit for the period (IX-X)**		**675.91**	**(225.28)**	**464.15**
XII	**Other comprehensive income/(expense)**				
i.	Items that will not be reclassified to profit or loss				
	Re-measurement of the defined benefit plan	10	-	(47.13)	(47.13)
	Fair value changes on Equity Instruments through other comprehensive income	3	-	19.81	19.81
ii.	Income tax relating to Items that will not be reclassified to profit or loss		-	16.31	16.31
iii.	Share of loss of associates (net of tax)		-	(0.55)	(0.55)
XIII	**Total comprehensive income for the period (XI+XII)** (Comprising Profit and Other Comprehensive Income for the period)		**675.91**	**(236.84)**	**452.59**
	Profit for the year attributable to:				
(a)	Owners of the Company		675.91	(225.28)	464.15
(b)	Non-controlling interests		-	-	-
	Other comprehensive income/(expense) attributable to:				
(a)	Owners of the Company		-	(11.56)	(11.56)
(b)	Non-controlling interests		-	-	-
	Total comprehensive income for the period attributable to:				
(a)	Owners of the Company		675.91	(236.84)	452.59
(b)	Non-controlling interests		-	-	-

* The Previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

(iv) Reconciliation of total equity as at March 31, 2017 and April 01, 2016

		Notes	As at March 31, 2017	As at April 01, 2016
	Total equity (shareholder's fund) as per Previous GAAP		**3,540.44**	**2,864.53**
	Adjustments:			
(i)	Processing fee on loans accounted using effective interest rate	7	2.08	12.11
(ii)	Investment in Equity instruments carried at fair value through Other Comprehensive Income	3	97.81	78.18
(iii)	Recognition of deferred tax asset under Ind AS	5	656.49	897.41
(iv)	Adjustments in share in profit/loss of associates	12	6.21	-
(v)	Others	4,8	1.79	-
Total Adjustments			**764.38**	**987.70**
Equity as reported under Ind AS			**4,304.82**	**3,852.23**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Notes to first-time adoption:

Note 1 The Company has elected to take the exemption of para D7AA, Appendix C of Ind-AS 101 for all items of Property, Plant and Equipment, Intangible Assets and Investment property as at the date of transition to Ind AS. Hence, as at the date of transition to Ind AS there is no change in the carrying values under Previous GAAP.

Note 2 Pursuant to Ind AS requirements, investment property is presented separately. Under I-GAAP the same was presented as part of tangible assets.Tangible assets have been now divided into two categories under Ind AS viz property plant & equipment and Investment Property.

Note 3 Under the Previous GAAP, investments in equity instruments and other instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, such investments, except investments in associates, are required to be measured at fair value. The resulting fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in FVOCI–Equity instruments through OCI as at the date of transition and subsequently in the other comprehensive income for the year ended 31 March 2017.

Effect to Balance Sheet	**March 31, 2017**	**April 01, 2016**
Increase/(decrease) in investments in equity instruments	97.81	78.18
Increase/(decrease) in Retained earnings	-	78.18

Effect to Statement of Profit and Loss	**March 31, 2017**
Increase in other comprehensive income	19.63

Note 4 Under Previous GAAP, the interest free security deposits given for lease are accounted at an undiscounted value. Under Ind AS, the security deposits for lease have been recognised at discounted value and the difference between undiscounted and discounted value has been recognised as ‘Deferred lease rent’ which has to be amortised over respective lease term as rent expense under ‘other expenses’. The discounted value of the security deposits is increased over the period of lease term by recognising the notional interest income under ‘other income’.

Effect to Balance Sheet	**March 31, 2017**	**April 01, 2016**
Increase/(decrease) in Loans - Non current financial asset	(0.01)	(0.81)
Increase/(decrease) in other non current asset	-	0.12
Increase/(decrease) in other current asset	0.12	0.69

Effect to Statement of Profit and Loss	**March 31, 2017**
Increase in notional interest income	0.70
Increase in notional rent expense	(0.60)

Note 5 Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

Further, in accordance with Ind AS 12, the Company has also recognised deferred tax asset on unused tax losses and unused tax credits to the extent it is probable that future taxable profits will be available against which the unused tax losses and unused tax credit can be utilised, and presented unused tax credits (as represented by MAT credit entitlement) as deferred tax asset in the balance sheet.

Effect to Balance Sheet	March 31, 2017	April 01, 2016
Increase/ (decrease) in deferred tax asset	1,151.20	1,224.11
Increase/(decrease) in other non current assets	(494.71)	(326.70)
Increase/(decrease) in Retained earnings		897.41

Effect to Statement of Profit and Loss	March 31, 2017
Increase/ (decrease) in deferred tax charge	257.22

Note 6 Under Previous GAAP, leasehold land is recorded and classified as fixed assets. As per IND AS 17, leasehold land would be recognised as operating lease or finance lease as per the definition and classification criteria.

In accordance with IND AS 17, the Company has classified leasehold land at Salempur Industrial Area, Hathras, as an operating lease and accordingly, cost of the above said land amounting to Rs. 542.88 lakhs has been reclassified to 'Leasehold Rights' under 'Other Non current Assets'.

Note 7 Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition.These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

Effect to Balance Sheet	March 31, 2017	April 01, 2016
Increase/(decrease) in non current financial liability- Borrowings	(0.05)	(5.95)
Increase/(decrease) in current financial liability- Borrowings	(2.03)	(6.16)
Increase/(decrease) in Retained earnings	-	12.11

Effect to Statement of Profit and Loss	March 31, 2017
Increase/ (decrease) in finance cost	10.01

Note 8 Under Previous GAAP, the interest free security deposits received from depot agents and contract manufacturers are accounted at an undiscounted value. UnderInd AS, the security deposits received from such parties have been recognised at discounted value and the difference between undiscounted and discounted value has been recognised as 'Deferred income' which has to be amortised over respective contract period as amortization expense under 'other expenses'. The discounted value of the security deposits is increased over the period of lease term by recognising the notional interest expense under 'finance cost'.

Effect to Balance Sheet	March 31, 2017	April 01, 2016
Increase/(decrease) in other non current financial liabilities	(28.76)	(8.12)
Increase/(decrease) in other current financial liabilities	27.09	8.12

Effect to Statement of Profit and Loss	March 31, 2017
Increase/ (decrease) in finance cost	11.82
Increase in other income	13.55

Note 9 Under the Previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty and net of sales tax and discounts. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended March 31, 2017 by Rs. 11,620.53 lacs. There is no impact on the total equity and profit.

Further, under Indian GAAP, cash discounts of Rs 74.32 lacs was recognised as part of other expenses which has been adjusted against the revenue under Ind AS during the year ended March 31, 2017.

Note 10 Both under the Previous GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under the previous GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS 19, Actuarial gains and losses pertaining to defined benefit obligations and re-measurement pertaining to return on plan assets are recognised in Other Comprehensive Income and are not reclassified to profit or loss. Thus the employee benefit cost for the year ended March 31, 2017 is increased by Rs. 47.13 lakh and Remeasurement loss on defined benefit plans has been recognized in the OCI net of tax.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. in Lacs unless otherwise stated)

Note 11 Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes change in fair value of investments which are classified at fair value through OCI and re-measurements of defined benefit plans. The concept of other comprehensive income did not exist under Previous GAAP.

Note 12 The associates previous GAAP networth was considered for equity method of accounting. Under Ind AS, the share of networth and profit/(loss) under Ind AS is considered for the purpose of equity method of accounting.

Note 13 The transition from previous GAAP to IND AS does not had a material impact on the statement of Cash flows.

Note 51 i. Non-cancellable operating lease - Company as a lessee

The Company has taken land at Salempur Industrial Area, Hathras, Uttar Pradesh, from UP State Industrial Development Corporation Limited ('UPSIDC') under non-cancellable operating lease. The lease is for the term of 90 years and rentals are payable on agreed terms. Also refer note 42.

Future Minimum Lease Rentals	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
Within one year	6.70	6.70	6.70
Later than one year but not later than five years	26.80	26.80	26.80
Later than five years	1,574.50	1,581.20	1,587.90
	1,608.00	**1,614.70**	**1,621.40**

ii. Cancellable Operating lease - Company as a lessee

In addition to the above non cancellable lease, the Company has the following significant leasing arrangements which are usually renewal on mutually agreeable terms.

a. The Company has taken on lease a manufacturing unit at Jahari for the purpose of manufacture, bottling, distribution of IMFL products.
   - lease deed is for the period of 5 year ending on March 31, 2020
   - lease rentals are payable on the agreed terms
   - prior approval of the lessor is required to sublet the unit or its part.

b. The Company has taken on lease space for running depots at various locations.
   - lease deeds are generally for a period of one to five years
   - lease rentals are charged on the basis of agreed terms
   - there are scheduled escalations

c. The Company has entered into operating lease on building/ premises with lease term of one year for residential purposes.

iii. Rental expense relating to operating lease	**As at March 31, 2018**	**As at March 31, 2017**
Minimum lease payments (refer note 36)	141.93	123.06

iv. Cancellable Operating lease - Company as a lessor

The Company has given its property on lease wherein rental income is receivable based on the terms of the lease agreement entered between the parties. Other income includes income from operating lease amounting to Rs 33.82 lacs (Mar 31, 2017 Rs 42.36 lacs). The terms of the agreements are generally for a period of one year, which are usually renewal on mutually agreeable terms.

Note 52 The previous year figures have been regrouped, rearranged and reclassified wherever necessary to confirm to current year's classification.

As per our report of even date.
For HARIBHAKTI & CO. LLP
Chartered Accountants
ICAI Firm Registration No.:103523W/W100048
Mayur Gupta
Partner
Membership No.: 505629
NEW DELHI, Date : 30.05.2018

For and on behalf of Board of Directors of
Mohan Meakin Limited

HEMANT MOHAN	***Managing Director***	***(DIN: 00197951)***
LALIT KUMAR MALHOTRA	***Director***	***(DIN: 00213086)***
R.C. JAIN	***Director Finance*-cum-CFO**	***(DIN: 00256210)***
H.N .HANDA	***Company Secretary***	

ALCOHOLIC PRODUCTS

WHISKIES
Summer Hall
Colonel's Special
Golden Eagle
King Castle
Top Brass
Diplomat Deluxe
Black Knight
Solan No.1
Solan No. 1 Black
Solan Gold Single Malt
Cellar 117
MMB
Blue Bull

BRANDIES
Triple Crown
Doctor's Reserve No.1
D.M.
MMB

GINS
Big Ben London (Export Quality)

VODKA
Knight Rider Premium

BEERS
Golden Eagle Lager
Golden Eagle Deluxe Premium Lager
Gold Lager Beer (Herbal Beer)
Golden Eagle Super Strong
Gymkhana Premium Lager
Asia 72 Extra Strong Lager
Black Knight Super Strong
Solan No.1 Premium
I Q
Lion
Meakins 10000 Super Strong
Old Monk Super Strong

RUMS
Old Monk The Legend
Old Monk Supreme
Old Monk Gold Reserve
Old Monk XXX
Old Monk Deluxe XXX
Old Monk Matured Deluxe XXX
Old Monk White
Old Monk Apple
Old Monk Orange
Old Monk Lemon
Old Monk Matured XXX Select

NON-ALCOHOLIC PRODUCTS

JUICES
Mohun's Gold Coin Apple Juice

VINEGARS
Mohun's Brewed Vinegar
Mohun's Non-Fruit Vinegar

MINERAL WATER
Golden Eagle Mineral Water
Mohun's Mineral Water

BREAKFAST FOODS
Mohun's New Life Classic Corn Flakes
Mohun's New Life Corn Flakes
Mohun's Wheat Porridge
Mohun's Wheat Flakes
Mohun's Wheat Dalia

EXTRACTS : Malt Extract

EXPORTS : Beer, Rum, Whisky, Brandy & Gin.

THE MANAGEMENT OF MOHAN MEAKIN LIMITED WISHES TO THANK THE EMPLOYEES, DISTRIBUTORS AND OTHER ASSOCIATES FOR THE EXCELLENT WORK PERFORMANCE AT ALL LEVELS.