



*19th Annual Report 2012*

**RAVI KUMAR  
DISTILLERIES LIMITED**

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. R.V. Ravikumar	Managing Director
Dr. Anand Ravikumar	Vice Chairman & Joint Managing Director
Mr. Badrinath S Gandhi	Executive Director
Mrs. S. Vijayalakshmi	Executive Director
Mr. K.S.M. Rao	Independent Director
Mr. Ashok R Shetty	Independent Director
Mr. Popatlal M Kathariya	Independent Director
Mr. R. Ramanujam	Independent Director

### COMPANY SECRETARY

Mr. V. Viswanathan

### AUDITORS

M/s. Ramanand & Associates,  
6/C, Gr. Floor, Ostwal Park Building,  
No.4, Near Jesal Park Jain Temple,  
Bhayandar (East), District Thane – 401 105.

### BANKERS

State Bank of India

### REGISTERED OFFICE

“Mena Kampala”, 3<sup>rd</sup> Floor,  
B Wing, B-Block, No.114 & 115, Sir Theagaraya Road,  
T. Nagar, Chennai – 600 017, India.  
Tel. No. 91 – 044 – 28154087  
Fax. No. 91 – 044 – 28154087  
Website: www.ravikumardistilleries.com  
Email: cs@ravikumardistilleries.com

### CORPORATE OFFICE

No.17, Kamaraj Salai, Puducherry – 605 011, India.  
Tel. No. 91 – 0413 – 2343278 & 2346386  
Fax No. 91 – 0413 – 2343278 & 2331032  
Website: www.ravikumardistilleries.com  
Email: cs@ravikumardistilleries.com

### REGISTRAR & SHARE TRANSFER AGENT

M/s. Karvy Computershare Pvt.Ltd.,  
17-24, Vittal Rao Nagar, Madhapur,  
Hyderabad – 500 081.  
Phone: 91 – 040 – 44655000  
Email: einward.ris@karvy.com

### FACTORY:

R.S. No. 89/4-A, Katterikuppam Village,  
Mannadipet Commune, Puducherry – 605 502.  
Tel.No. 91 – 0413 – 26744444, 2674888

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## **DIRECTORS' REPORT**

To  
**The Members**  
Ravi Kumar Distilleries Limited.

Your Directors have pleasure in presenting the 19th Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2012.

<b>Financial Results:</b>		<b>(Rs. in lakhs)</b>	
<b>Particulars</b>	<b>2011-12</b>	<b>2010-11</b>	
Income from Operations	5,689	4,934	
Other Income	740	76	
Profit Before Depreciation and Taxes	270.00	197.71	
Less: Depreciation	67.00	64.01	
Less : Provision for	-	-	
(a) Income tax	71.00	50.81	
(b) Deferred tax	(6.00)	(4.67)	
Less Proposed Dividend	0.00	60.00	
Dividend Distribution tax	0.00	10.19	
Profit for the Year	138.00	87.56	
Balance Carried Forward to Balance sheet	138.00	87.56	

### **Performance of the Company during the year under review**

Your Company is engaged in the business of manufacture and trade of Indian Made Foreign Liquor (IMFL) under own brand Capricorn, 2 Barrels, Green Magic, Chevalier as well as under tie-up arrangements with other Companies. The IMFL comprises of Whisky, Brandy, Rum, Gin and Vodka. Your Company currently operate through own manufacturing unit located at R.S 89/4A, Katterikuppam Village, Mannadipet Commune, Pondicherry. The Unit is equipped with state of art infrastructure facilities and technology, which encompasses all modern facilities for blending and bottling can undertake manufacture of IMFL. The core competency of your Company is in house technical and formulation knowledge, skilled workforce and well equipped manufacturing facilities, which enable us to manufacture a wide range of IMFL products to diverse client requirements.

During the year, the total Income from operations was Rs 5,689 lakhs compared to Rs 4,934 lakhs in the previous year recording a growth of 755 lakhs. The net profit was Rs. 138 lakhs as against Rs 87.56 lakhs in the previous year. Earning per share is Rs. 0.58 against Rs. 0.57 in the

previous year on a weighted average basis as per Accounting Standard 20 issued by the Institute of Chartered Accountants of India.

### **Future Outlook:**

During current year, your Company will try to achieve maximum capacity utilization in our existing plant at Pondicherry. Further, your management is planning for acquisitions and expansions during the year to make your Company a major one in the Southern Region of the Company.

The acquisition of SV Distilleries Private Limited, which the Company was about to finalize in the last financial year, was put on hold for not being able to obtain the applicable statutory licenses and incompleteness of other formalities. However the Board expects to conclude this transaction by the end of this financial year.

### **Insurance:**

All the properties of the Company including buildings, plant and machinery and stocks have been adequately insured.

### **Reply to Auditors' Comments:**

In the point no.16 of annexure to auditors' report, the auditors have commented about non utilization of loan for the purpose for which it was availed by the Company. The reason for the same is the machinery proposed for purchase was from to be not usable as per requirement of the Company an hence the program was shelved with intimation to the said NBFC.

### **Directors:**

Mr. R. Ramanujam, Director passed away on 01 October 2012 and the Board members and employees place on record the support and guidance given by him for the growth of the Company.

Mrs R. Amirthavalli and Mr Anand Ravikumar resigned from the directorship on 28 May 2011 and 10 October 2012 respectively and the same was considered and approved by the Board of Directors. The Board expresses its gratitude towards the services rendered by them for the Company.

Mr Popatlal M Kathariya and Mr K S M Rao, Directors retire by rotation at this Annual general meeting and being eligible, offers themselves for re-appointment. Pursuant to clause 49 of the Listing Agreement with the Stock Exchanges, brief resume of Mr Popatlal M Kathariya and Mr K S M Rao have been provided in the notice convening the Annual General Meeting.

### **Dividend:**

The Board of Directors wishes to retain the profits of the Company to be deployed for the future growth and hence does not recommend any dividend for the year 2011-12.

### **Fixed deposits:**

During the year under review, the Company has not accepted any fixed deposits and there are no fixed deposits, which are pending repayment.

**Subsidiary Companies:**

Your Company does not have any subsidiary company during the year under review.

Particulars of employees' under section 217 (2A) of the Companies Act, 1956:

None of the employees of the Company employed throughout the financial year/part of the year were in receipt of remuneration in excess of the limits as prescribed under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and hence no particulars are required to be given.

**Directors' Responsibility statement:**

As required under Section 217(2AA) of the Companies Act, 1956, your Directors hereby confirm that:

1. In the preparation of the Annual Accounts for the financial year 2011-12, the applicable Accounting Standards have been followed and there are no material departures;
2. The accounting policies selected and applied are consistent and the judgment and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the financial year 2011-12;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities
4. The Annual Accounts have been prepared on a going concern basis.

**Corporate Governance:**

The Company has complied with the requirements of the Code of Corporate Governance as stipulated in clause 49 of the listing agreement with the stock exchanges. A Report on Corporate Governance along with Certification by the Chairman is attached to this Directors' Report.

A Certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated by clause 49 of the listing agreement is attached to this Directors' Report.

**Auditors:**

The statutory auditors of the Company M/s. Ramanand & Associates, Mumbai retire at the conclusion of the ensuing Annual General Meeting. The retiring auditors have furnished a certificate under Sec. 224 (1B) of the Companies Act, 1956 confirming their eligibility for reappointment.

**Employee Relations:**

The relations between the employees and management continued to be cordial during the year.

**Particulars as required under section 217(1) (e) of the companies act, 1956 read with the companies (disclosure of particulars in the report of board of directors) rules, 1988:**

**1. Conservation of Energy, Technology Absorption:**

The particulars regarding the disclosure of the conservation of energy, technology absorption, as required under clause (e) of sub Section (1) of Section 217 of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are given below.

- a) **Energy Conservation Measures Taken:** The Company continues to accord high priority to conserve the energy. Details of some of the measures undertaken to optimize energy conservation are.
- i. Installation of circuit breakers, safely and easily operative and accessible in each machinery / equipment resulting in reduction of idle run.
  - ii. Trip system in automatic bottling lines easily and safely operative, in case of lag / fault in any equipment / machinery across the line.
  - iii. Use of Waste Water after recycling thereby reduction of pumping of fresh water resulting in conservation of energy and water.
  - iv. Gravity Liquor flow system for blend to bottling transfer resulting in lesser consumption energy.
  - v. Natural ventilation system along with air operated exhaust fans have been fixed in roofs of all buildings resulting in avoiding of power consuming exhaust fans.
  - vi. Installation of Transparent Poly Coat Sheets in the roof resulting in availability of natural light.
- b) Statement of total energy consumption and energy consumption per unit are given as under:

S.No.	Power and Fuel Consumption	2011-2012	2010-2011
1.	Power including lighting Units Consumed	1,19,602	1,10,964
	Rate per Unit (in Rs.)	3.00	3.00
	Amount paid (in Rs.)	3,49,762	3,21,228
2.	Own generation by Diesel Generator		
	Diesel utilized Litres	3,104	3,001
	Unit per Litre of diesel oil generated	3.30	3.30
	Rate per Unit (in Rs.)	12.12	12.35



**2. Foreign Exchange Inflow & Outgo:**

- a) Activities relating to Exports, Initiatives taken to increase Exports, Developments of new Export Market for products and Services and Export Plans:

The Company has not undertaken any export activities.

b) **Total Foreign Exchange used and earned:**

Used : Nil

Earned : Nil

**Acknowledgments:**

The Management is grateful to the Regulatory Authorities, Share holders, Company's Bankers, Financial Institutions, Insurance Companies, Investors, Clients, Business Associates for their continued support and co-operation.

The Directors also wish to place on record their appreciation for the co-operation, active involvement and dedication of the employees, which enabled the Management to contribute to the growth of the Company.

For and on behalf of the Board of Directors

Place : Chennai

**R.V. Ravikumar**

Date : 10.10.2012 Chairman and Managing Director

**Registered Office:**

"Mena Kampala"

3rd Floor, B Wing, B-Block,

No.114 & 115, Sir Theagaraya Road,

T. Nagar, Chennai – 600 017.

## CORPORATE GOVERNANCE REPORT 2011-12

### Mandatory Requirements

#### 1. Company's Philosophy on Code of Corporate Governance:

Effective Corporate Governance is needed to maintain public trust and to succeed in business. The Company lays great emphasis on regulatory compliances and strives to ensure that high standard of professionalism and ethical conducts is maintained throughout the organization. The Company believes that shareholders interest is utmost and the management is only a trustee to carry out the activities in a truthful manner.

#### Code of Conduct:

The Board has laid down a code of conduct for all the Board Members and Senior Management of the Company. Senior Management includes personnel of the core management team excluding Board of Directors but including all functional heads.

#### 2. Board of Directors:

The Board of Directors comprises of both executive and non-executive directors with rich professional experience in various fields. The present strength of the Board of Directors is eight in number. Half of the Board consists of Independent Directors.

#### 3. Board Meetings & Procedures

During the year, the Board met 5 times on 30.05.2011, 06.08.2011, 03.11.2011, 21.12.2011 and 14.02.2012.

The composition of Board of Directors, attendance at the Board Meetings during the financial year and attendance at the last Annual General Meeting, number of outside Directorship, Chairman/Membership of Committees is as under:

Name of Director	Category	No. of Board meetings attended	Last AGM attendance	No of Directorships	Membership/ Chairmanship of other Audit & Shareholders' Grievance Committees*
Mr. R.V. Ravikumar	Managing Director	5	Yes	9	-
Dr. Anand Ravikumar #	Joint Managing Director	3	Yes	3	-
Mr. Badrinath S Gandhi	Executive Director	5	Yes	3	-
Mr. K.S.M. Rao	Independent Director	4	Yes	-	-
Mr. Ashok R Shetty	Independent Director	5	Yes	-	-
Mr.Popatlal M Kathariya	Independent Director	5	Yes	1	-
Mr. R.Ramanujam*	Independent Director	-	-	-	-
Mrs. S.Vijayalakshmi	Executive Director	2	-	-	-
Mrs Amirthavalli**	Director	-	-	7	-

# Resigned from directorship with effect from 10 October 2012

\*Ceased to be a Director with effect from 01 October 2012

\*\* Resigned from directorship with effect from 28 May 2011

**4. Appointment/Reappointment:**

Mr. Papatlal M Kathariya and MR K S M Rao are the Independent Directors of the Company and is retiring at this Annual General Meeting and being eligible offer themselves for re-appointment.

The details of these directors are provided in the notes to the notice calling Annual general meeting.

**5. Resignation of Directors:**

Mrs Amirthavalli and Mr Anand Ravikumar resigned from the directorship on 28 May 2011 and 10 October 2012 respectively and the same was considered and approved by the Board of Directors. The Board expresses its gratitude towards the services rendered by them for the Company.

**6. Audit Committee:****Terms of reference:**

The Audit Committee has been constituted pursuant to section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The Primary object of Audit Committee of the company is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

**Composition:**

The Audit Committee comprises of 4 members out of which 3 are Independent Directors. Mr Ashok R Shetty is the Chairman of the Audit Committee. All the members of the Committee are financially literate. Mr Ashok R Shetty and Mr Papatlal M Katharia are Chartered Accountants and Mr K S M Rao is a retired Banking professional and Mr Badrinath S Gandhi is an Engineer by profession but has varied experience in finance and industrial management.

During the year, the Committee met 4 times on 30.05.2011, 06.08.2011, 03.11.2011 & 14.02.2012 and the gap between any 2 meetings was less than 4 months.

**Attendance at the Audit Committee Meeting:**

Name	Designation	Category	Attendance out of 4 meetings
Mr. Ashok R Shetty	Chairman	Independent	4
Mr. K.S.M. Rao	Member	Independent	3
Mr. Papatlal M Kathariya	Member	Independent	4
Mr. Badrinath S Gandhi	Member	Executive	4

**7. Shareholders' Grievance Committee:****Constitution and attendance:**

The committee comprises of Mr. K.S.M. Rao, Mr. Ashok R Shetty and Mr. Badrinath S Gandhi.

**Attendance at the Shareholders' Grievance Committee Meeting:**

Name	Designation	Category	Attendance of 2 meetings held
Mr. K.S.M. Rao	Chairman	Independent	1
Mr. Ashok R Shetty	Member	Independent	2
Mr. Badrinath S Gandhi	Member	Executive	2

- Mr V Viswanathan, Company Secretary has been designated as Compliance Officer.
- The investors may register their complaints at the email-id [cs@ravikumardistilleries.com](mailto:cs@ravikumardistilleries.com)
- During the year, the Company received 21 complaints on various matters. The Company has attended the same and complaints pending unresolved at the end of the financial year were NIL.

**Terms of reference:**

During the year under review the Committee met twice in a year on 30.05.2011 & 14.02.2012. The Shareholders' Grievance Committee focuses on shareholders' grievances and strengthening of investor relations, specifically looking into redressal of grievances pertaining to:

- 1) transfer and transmission of shares
- 2) non-receipt of balance sheet
- 3) non-receipt of declared dividend
- 4) matters relating to demat / remat
- 5) other related issues

**8. Remuneration / Compensation Committee:****Constitution and attendance:**

The Board constituted a Remuneration/Compensation Committee comprises of Mr. Ashok R Shetty, Mr. Popatlal M Kathariya and Mr. R. Ramanujam.

Attendance at the Remuneration / Compensation Committee Meeting:

Name	Designation	Category	Attendance out of 4 meetings
Mr. Ashok R Shetty	Chairman	Independent	1
Mr. Popatlal M Kathariya	Member	Independent	1
Mr. R. Ramanujam	Member	Independent	-

The Committee was reconstituted on 10 October 2012 with the following members:

One meeting was held on 30.05.2011

Name	Designation	Category
Mr. Ashok R Shetty	Chairman	Independent
Mr. Popatlal M Kathariya	Member	Independent
Mr. K.S.M. Rao	Member	Independent

**Terms of reference:**

The terms of reference of the Remuneration Committee are as per the guidelines set out in the Listing Agreement with the stock exchanges that include determination of the Company's policy on specific remuneration packages for Directors.

**Remuneration Policy:**

The remuneration of the Executive Directors is recommended by the Remuneration committee, based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry and responsibilities shouldered. The Company pays remuneration by way of salary and perquisites to its Executive Directors.

The Non-executive Directors are not paid any remuneration except sitting fees. Further the company has not entered into any pecuniary relationship or transactions with the Non-executive directors.

The details of the remuneration paid/payable to the Executive Director during the Financial Year 2011- 2012, shareholding and relationship with Directors are as under:



**Details of remuneration paid to the Directors.****(Rs. In lakhs)**

Directors	Salary (including Performance Incentive, if any and other allowance)	Perquisites	Contribution to P. F. superannuation and Gratuity	Sitting Fees	Total
Mr R.V. Ravikumar	12.00	NIL	NIL	NIL	12.00
Dr Anand Kumar Ravikumar	1.00	NIL	NIL	NIL	1.00
Mrs S. Vijayalakshmi	5.00	NIL	NIL	NIL	5.00
Mr K.S.M. Rao	NIL	NIL	NIL	0.63	0.63
Mr Ashok R Shetty	NIL	NIL	NIL	0.84	0.84
Mr Badrinath S Gandhi	5.00	NIL	NIL	0.33	5.33
Mr R. Ramanujam	NIL	NIL	NIL	NIL	NIL
Mr Popatlal M Kathariya	NIL	NIL	NIL	0.23	0.23
Mrs Amirthavalli	5.00	NIL	NIL	NIL	5.00

**9. General Body Meetings:**

(i) Details of Annual General Meetings during the last three years

Financial Year	Day, Date & Time	Venue	Special resolution passed
2008-09	Wednesday, 30th September 2009 at 10.00 a.m.	Registered Office at No.1-C, Nandita Apartments, 47, Thirumalai Pillai Road, T. Nagar, Chennai – 600 017	No
2009-10	Tuesday, 28th September, 2010 at 11.00 a.m.	Registered Office at No.1-C, Nandita Apartments, 47, Thirumalai Pillai Road, T. Nagar, Chennai – 600 017	Yes
2010-11	Saturday, 6th August 2011, 3.00 p.m.	Hotel Benz Park, 62, Thirumalai Pillai Road, T. Nagar, Chennai – 600 017	Yes

(ii) **Special Resolution Passed in the last three Annual general meetings:**

Year	Date	Special Resolution passed
2010-2011	06 August 2011	2
2009-2010	28 September 2010	3
2008-2009	30 September 2011	-

(iii) **Special Resolution passed through Postal ballot last year:**

The Resolution passed under 372A of the Companies Act 1956, through Postal Ballot.

**10. Disclosures:**

- There were no transactions of material nature with its Promoters, Directors or the Management, or their relatives during the period that may have potential conflict with the interest of the company at large.
- Transactions with the related parties are disclosed in point No. 38 of the notes on the accounts in the Annual Report as required by Accounting Standards under AS 18 issued by the Institute of Chartered Accountants of India.
- There were no non-compliances by the Company during the year. No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other Statutory Authorities on any matters related to the capital markets, during the previous three financial years.

- iv. The Board has adopted a Code of Conduct including for its Directors and Senior Management. This is available on the Company's web-site.
- v. The Managing Director has submitted before the Board a declaration of compliance with the Code of Conduct by the Directors during the financial year ended March 31, 2012.
- vi. The Company follows the Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of the financial statement; the Company has not adopted a treatment different from that prescribed by any Accounting Standard.
- vii. Risk assessment and minimization procedures are periodically reviewed by the Audit Committee and the Board of Directors of the Company.
- viii. The Managing Director has submitted a certificate to the Board of Directors in Compliance of Clause 49 (V) of the Listing Agreement with the Stock Exchanges.
- ix. The Company has complied with all mandatory requirements under Clause 49 of the Listing Agreement with the Stock Exchanges. The adoption of non-mandatory requirements has been dealt with in this Report.
- x. Company has not established any Whistle Blower Policy. However no personnel is denied access to the Audit Committee.

#### 11. Means of Communication:

Quarterly un-audited financial results are published in leading English/Vernacular newspapers. The half yearly report is not sent separately to the Shareholders. Annual Reports will be sent to the shareholders at their registered address with the company and also put up on Company's web site [www.ravikumardistilleries.com](http://www.ravikumardistilleries.com).

The quarterly results, shareholding pattern and other mandatory information are available at the website of Bombay Stock Exchange ([www.bseindia.com](http://www.bseindia.com)) and National Stock Exchange ([www.nseindia.com](http://www.nseindia.com)).

#### 12. General Shareholders' Information:

##### Annual General Meeting

Date	:	5th November, 2012.
Time	:	10.00 a.m.
Venue	:	Bharathiya Vidya Bhavan, 8/12, East Mada Street, Mylapore, Chennai 600004

##### Financial Calendar (Tentative)

Financial reporting for the quarter ending June 30, 2012	:	2nd week of August 2012
Financial reporting for the quarter ending September 30, 2012	:	1st week of November 2012
Financial reporting for the quarter ending December 31, 2012	:	1st week of February 2013
Financial reporting for the quarter ending March 31, 2013	:	1st week of May 2013
Annual General Meeting for the year ended March 31, 2013	:	August-September, 2013

**Date of Book Closure** : 02.11.2012 to 05.11.2012 (Both days inclusive)

**Listing on Stock Exchanges** : Bombay Stock Exchange Ltd (BSE)  
National Stock Exchange of India Ltd (NSE)

**Stock Code** : Bombay Stock Exchange Ltd, - 533294  
National Stock Exchange of India Ltd – RKDL

**Payment of Annual Listing fees** : Listing fees for the financial year 2012-2013 has been paid to both the Stock Exchanges BSE & NSE

**Demat ISIN for NSDL & CDSL** : INE722J01012



## RAVIKUMAR DISTILLERIES LIMITED

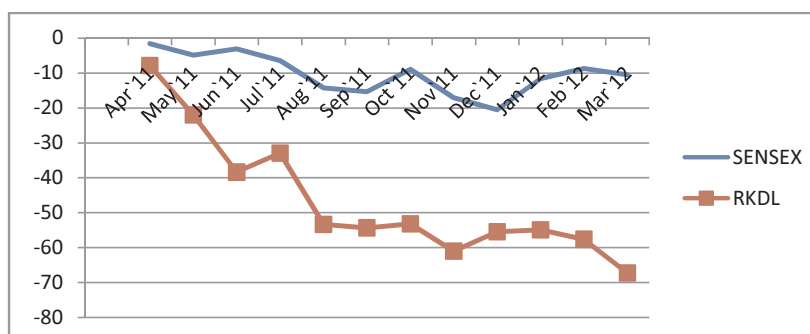
### Stock performance vs. BSE Sensex and NSE

Market Price Data during the year ended 31.03.2012

#### Bombay Stock Exchange:

Month	High	Low	Close
Apr-2011	36.95	31.50	32.30
May-2011	32.90	26.55	27.35
June-2011	28.20	21.15	21.60
July-2011	25.50	21.50	23.50
Aug-2011	23.65	14.95	16.35
Sept-2011	19.45	15.45	16.00
Oct-2011	17.20	15.15	16.40
Nov-2011	19.45	13.50	13.65
Dec-2011	15.60	8.69	15.60
Jan-2012	17.25	14.80	15.80
Feb-2012	16.55	14.65	14.85
Mar-2012	14.80	11.10	11.47

Performance of Company's shares in comparison to broad-based indices - BSE Sensex



National Stock Exchange			
Month	High	Low	Close
Apr-2011	36.90	32.00	32.40
May-2011	33.00	26.50	27.15
June-2011	28.00	21.05	21.60
July-2011	25.45	20.70	23.35
Aug-2011	23.60	14.80	16.50
Sept-2011	19.50	15.55	16.10
Oct-2011	17.20	15.05	16.30
Nov-2011	18.85	13.00	13.70
Dec-2011	15.35	8.65	15.10
Jan-2012	17.30	14.75	15.75
Feb-2012	16.90	14.50	14.75
Mar-2012	14.75	11.05	11.40

Registrars & Transfer Agents : M/s. Karvy Computershare Pvt.Ltd.,  
17-24, Vittal Rao Nagar,  
Madhapur, Hyderabad – 500 081.

Contact person : Mr. T.P. Raju

Contact No. : 040 - 44655000

email : einward.ris@karvy.com

#### Share Transfer System

- Securities lodged for transfer at the Registrar's Office are normally processed within 15 days from the date of lodgment, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within 15 days. The Company Secretary is empowered to approve transfer of shares and other investor related matters. Grievances received from investors and other miscellaneous correspondence on change of address, mandates, etc are processed by the Registrars within 30 days.
- Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates, on half-yearly basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company. Pursuant to Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, certificates have also been received from a Company Secretary-in-Practice for timely dematerialization of the shares of the Company and for conducting a Secretarial Audit on a quarterly basis for reconciliation of the Share Capital of the Company.

#### Distribution of Shareholding as on 31-03-2012

No of equity shares held	No. of share holders	% of share holders	Total Amount	% of Amount
Upto1 - 5000	7406	79.75	12059130.00	5.02
5001 - 10000	894	9.63	7318430.00	3.05
10001 - 20000	460	4.95	7455890.00	3.11
20001 - 30000	165	1.78	4287750.00	1.79
30001 - 40000	99	1.07	3555770.00	1.48
40001 - 50000	67	0.72	3131920.00	1.30
50001 - 100000	110	1.18	8235440.00	3.43
100001 and above	86	0.93	193955670.00	80.81
<b>Total</b>	<b>9287</b>	<b>100</b>	<b>240000000.00</b>	<b>100.00</b>

#### Shareholding Pattern as on 31-03-2012

Sl. No.	Category	No. of Shares	Percentage of Holding
1	Promoters & Persons acting in Concert	55,20,722	23.00
2	Mutual funds / UTI / Banks / FIs	--	--
3	Private Corporate Bodies	1,27,86,482	53.28
4	NRIs / OCBs	86,175	0.36
5	Indian Public	56,06,621	23.35
6	Foreign Institutional Investors	--	--
	<b>Grand Total</b>	<b>2,40,00,000</b>	<b>100.00</b>

Dematerialization of shares : NSDL – 40.39 %  
CDSL – 59.61 %  
100% of the shares have been dematerialized by the members so far.



## RAVIKUMAR DISTILLERIES LIMITED

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Outstanding GDRs/ADRs/Warrants or any convertible/instruments, conversion

data and likely impact on equity	:	N.A.
Plant location	:	Puducherry
Address for correspondence	:	No. 17, Kamaraj Salai, Puducherry – 605 011, India.
Contact person	:	Shri. V. Viswanathan, Company Secretary & Compliance Officer
E-mail	:	cs@ravikumardistilleries.com

Members holding shares in Demat mode should address all their correspondence to their respective Depository Participant.

### **Non-mandatory requirements:**

#### **1 Chairman of the Board**

No separate office is maintained for the Non-Executive Chairman. Company does not reimburse expenses incurred by him in performance of his duties.

Mr.Popatlal M Kathariya, Mr. K.S.M. Rao and Mr.Ashok R Shetty are Independent Directors on the Board of the Company. No specific period has been specified for these Directors. All of them have requisite qualification and experience and in the opinion of the Company this would enable them to contribute effectively to the Company in their capacity as Independent Directors.

#### **2 Shareholder Right**

The Company has not sent half yearly financial performance including summary of the significant events to each of the shareholders, since the results were published in 2 news papers, one in Vernacular and one in English newspaper.

#### **3 Audit Qualifications**

During the year under review, there was no major audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements. However the Company may move towards a regime of unqualified financial statements.

#### **4 Training of Board Members**

The Directors interact with the management in a very free and open manner on information that may be required by them.

#### **5 Mechanism for evaluation of Non-Executive Board Members**

The evaluation process is yet to be formulated by the Board.

### **DECLARATION**

In accordance with Clause 49 of the Listing Agreement with the Stock exchanges, I hereby confirm that, all the Board Members and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct and Ethics during the financial year ended March 31.03.2012.

Place: Chennai  
Date : 10.10.2012

**R.V. Ravikumar**  
Chairman and Managing Director

## MANAGEMENT DISCUSSION AND ANALYSIS

The company is engaged in the business of manufacturing and trade of Indian Made Foreign Liquor (IMFL) under our own brand portfolio as well as under tie up arrangements with other companies. The IMFL comprises of whisky, Brandy, Rum, Gin & Vodka. We started our initial capacity of 7,20,000 cases per annum and a bond capacity 6300 cases of Excise Bonded warehouse. Presently our plant is having an installed capacity of 14,25,000 cases per annum and 26000 cases of Excise Bonded warehouse. We are an ISO 9001:2000 certified Company since 2007.

During the year, the total Income from operations was Rs 5,689 lakhs compared to Rs 4,934 lakhs in the previous year recording a growth of 755 lakhs. The net profit was Rs. 138 lakhs as against Rs 87.56 lakhs in the previous year. The competitive strength of the Company is our popular brand Capricorn, 2 Barrels, Chevalier & Green Magic.

### Business Outlook

There are two major segments for liquor in India: Branded and unbranded. Total branded sales are over 100 million cases while country liquor (unbranded, low-priced alcohol) sales are 200 million cases. The industry is growing around 12-15% annually for the last three years. The sector is expected to maintain its CAGR of 15%.

The Indian IMFL market is dominated by low-priced whisky. The whisky segment constitutes almost 60% of the total IMFL market. 17% & 18% is brandy and Rum and the rest 5% is white spirits. The maximum consumption is in Andhra Pradesh followed by Karnataka and Maharashtra.

### Risk Factors:

Government regulations affects the Indian Liquor industry introducing structural rigidities. Apart from the high level taxes and levies (that account for upto 65% of consumer price) regulations pertaining to licensing creation or expenses of brewing / distillery and bottling capacities , manufacturing process (grain based and molasses based ), distribution and advertising impinge on the industry. Further liquor being a state subject, every state has different regulations (including those on distribution) and tax rate for the industry apart from restrictions as well as levies on the inter- state movement of liquor.

### Future Outlook:

During current year, your Company will try to achieve maximum capacity utilization in our existing plant at Pondicherry. Further, your management is planning for acquisitions and expansions during the year to make your Company a major one in the Southern Region of the Company.

The acquisition of SV Distilleries Private Limited, which the Company was about to finalize in the last financial year, was put on hold for not being able to obtain the applicable statutory licenses and incompleteness of other formalities. However the Board expects to conclude this transaction by the end of this financial year.

### Internal control systems and their adequacy

The Managing Director / Whole Time Director certification provided in the report discusses the adequacy of our internal control systems and procedures.

### Human Resource Development

The most important asset of the company is its Human Resources. The company is planning to introduce ESOP scheme for sharing of wealth with employees.

### Cautionary statements

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



**MANAGING DIRECTOR/ WHOLE TIME DIRECTOR CERTIFICATION**

We hereby certify to the Board that:

- a) We have reviewed the financial statements and the cash flow statements for the year ended 31st March, 2012 and to the best of our knowledge and belief.
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
  - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's Code of Conduct.
- c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and that, we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any of which we are aware and the steps we have taken or propose to take steps to rectify these deficiencies.
- d) We further certify that:
  - i) There have been no significant changes in internal control during the year;
  - ii) There have been no significant changes in accounting policies during the year,
  - iii) To the best of our knowledge, there have been no instances of fraud, involving management or an employee having a significant role in the Company's internal control systems.

**For Ravi Kumar Distilleries Ltd**

Place: Chennai  
Date : 10.10.2012

**R V Ravi Kumar**  
Managing Director

**Badrinath S Gandhi**  
Executive Director

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

TO

The Members of  
RAVI KUMAR DISTILLERIES LIMITED

We have reviewed the relevant records of Ravi Kumar Distilleries Limited for the year ended 31 March 2012 relating to compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our review 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 our opinion and according to the information and explanations given to us, we have to state that, to the best of our knowledge, the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

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

**For Ramanand & Associates**  
Chartered Accountants  
Firm No. 117776W

Place:Chennai  
Date: 10.10.2012

Ramanand R. Gupta  
Partner  
Membership No.: 103975

**AUDITOR'S REPORT**

To,  
The Members of  
RAVIKUMAR DISTILLERIES LIMITED

We have audited the attached Balance Sheet of 'RAVIKUMAR DISTILLERIES LIMITED' as at **31st March, 2012**, the Profit & Loss Account & also Cash flow Statement of the company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order 2004 (the 'Order') issued by the Central Government of India in terms of Section 227 (4A) of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the annexure referred to above, we Report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of those books.
- c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts.
- d) In our opinion, the Balance Sheet and the Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub-section 3(C) of Section 211 of the Companies Act, 1956.
- e) On the basis of the written representations received from the directors, as on **31st March, 2012** and taken on record by the Board of Directors, we report that none of the directors is disqualified as on **31st March 2012** from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - i. In the case of the Balance Sheet, of the state of affairs of the Company as at **31st March, 2012**; and
  - ii. In the case of the Profit & Loss Account, of the profit of the Company for the year ended on that date, and
  - iii. In the case of the Cash Flow statement of the Cash Flow for the year ended on the date.

**For Ramanand and Associates**  
Chartered Accountants

**CA Ramanand Gupta**  
Partner  
Membership No. : 103975

Place : Chennai  
Date : August 11, 2012





**ANNEXURE TO THE AUDITORS' REPORT**

Referred to in paragraph (3) of our Report of even date on the statements of Account of as at **March 31, 2012**

- 1 (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company have been physically verified by the Management during the year. We have been informed that no material discrepancies were noticed on such physical verification.
- (c) No substantial part of the fixed assets has been disposed off during the year, which has bearing on the going concern status of the company.
- 2 (a) The stock of inventory has been physically verified during the year, by the Management. In our opinion, the frequency of verification is reasonable.
- (b) The procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information given to us, the company is maintaining proper records of the inventory and no material discrepancies were noticed on physical verification of the inventory.
- 3 (a) The company has not granted any unsecured loans to any party covered in the register maintained u/s 301 of the companies act, 1956. And hence the provisions of clause 4(iii) (a),(b),(c) and (d) are not applicable .
- (b) In our opinion and according to information and explanation given to us the company had taken interest free unsecured loans from a director covered in the register maintained under section 301 of the Companies Act 1956. Maximum amount outstanding during the year ended **31st March 2012** was Rs. **436** Lacs and the year ended balance was Rs. **39** Lacs.
- (c) According to information and explanations provided to us, the terms and conditions of the said unsecured loans are prima facie not prejudicial to the interest of the Company.
- (d) According to information provided to us there is no stipulation of time schedule for repayment of principal and hence provision of clause 4(iii) (g) of the order is not applicable.
- 4 In our opinion and according to information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regards to purchase of inventory and fixed assets and for the sale of inventories. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the company.
- 5 (a) According to the information and explanation given to us, we are of the opinion that the transactions/particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register maintained under that section.
- (b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- 6 In our opinion and as per the information and explanation given to us, the Company has not accepted deposits within the meaning of section 58-A or Section 58-AA of the Companies Act,1956 and the Companies Acceptance of Deposit Rules,1975 and hence the provisions of Clause 4(vi) of the order are not applicable to the Company .
- 7 In our opinion and according to the information and explanations given to us the Company has an internal audit system commensurate with the size and nature of its business.
- 8 In our opinion and as per the information and explanation given to us, the Central Government has not prescribed maintenance of cost records, Under Section 209(1) (d) of the Companies Act, 1956 for any of the products of the Company. Hence the provisions of clause 4(viii) of the Order are not applicable to the Company.
- 9 According to the records of the company, the company is not regular in depositing the undisputed statutory dues relating to the contributions under provident fund Act, Employees State Insurance Act and the remittance in respect of TDS, Income Tax And the Fringe Benefit Tax Wherever applicable to it with appropriate authorities. The company is generally regular in depositing statutory tax dues including Excise Duty Customs Duty and other applicable dues with appropriate authorities.

There is no amount payable in respect of the above undisputed dues are in arrears, as at **31st March, 2012** for the period of more than six months from the date on which they become payable due.

According to the information and explanations given to us and the records of the company examined by us there are no dues of income tax, sales tax, Wealth tax, service tax, custom duty, and excise duty which have not been deposited on account of any dispute pending before any forum other than the following amounts:

Serial no.	Name of the Statute	Nature of dues	Amount (in lakhs)	Period to which the amount relates	Forum where the dispute is pending.
1	Pondicherry General Sales Tax Act	Turnover Tax	25.89	2002-2004	Appellate Assistant Commissioner Pondicherry
2	Pondicherry General Sales Tax Act	Turnover Tax	84.70	2004-2008	High Court , Madras
3	Pondicherry General Sales Tax Act	Turnover Tax	27.04	1999-2002	High Court , Madras
4	Kerala General Sales Tax Act	Turnover Tax & Interest thereon	84.92	2001-2004	High Court , Kerala
5	Income Tax Act 1961	Non Deduction of Tax Deducted at Source – Disallowance u/s 40(a)(ia) and Deduction u/s 80 IB	124.62	2008-2009	Commissioner of Income Tax (Appeals), Chennai
6	Income Tax Act 1961	Non Deduction of Tax Deducted at Source – Disallowance u/s 40(a)(ia) and Deduction u/s 80 IB	275.51	2007-2008	Commissioner of Income Tax (Appeals), Chennai

- 10 In our opinion, The Company does not have accumulated losses as at the end of financial year and has not incurred cash losses in the current financial year and immediately preceding financial year.
- 11 In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- 12 In our opinion and according to the records of the Company, the Company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities and hence the provisions of clause 4(xii) of the Order are not applicable to the Company.
- 13 The company is not a chit fund, nidhi, mutual benefit fund or a society and clause 12 of the order is not applicable. Therefore the provision of clause 4 (xiii) of the Companies (Auditor's report) order, 2003 are not applicable to the company.
- 14 As the company is not dealing or trading in shares, securities, debentures and other investments so clause (xiv) of the said order is not applicable to the company.
- 15 According to the information and explanations given to us, the Company has given guarantee for loan taken by others from bank or financial institutions are not prejudicial to the interest of company.
- 16 In our Opinion & on the Basis of the Review of utilization of funds pertaining to term loan & related information as made available to us, the term loan taken by the company from Sundaram Finance Limited, (Non Banking Financial Institution) of Rs. 1.20/- Crores for the purpose of Machinery have been utilized for working capital purpose.**
- 17 According to the information and explanation given to us, and On the basis of an Overall examination of the Balance Sheet and Cash Flow Statement of the Company, we report that no funds raised on short-term basis have been used for long term investment.
- 18 According to the information and explanation given to us, during the year, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act; hence question of issue price of shares prejudicial to interest of the company does not arise.
- 19 During the year covered by our audit report, the company has not issued any Secured debentures. Hence the creation of security in respect of debenture is not applicable.
- 20 The Company has not made any invitation to public to subscribe to share of the Company during the financial year 2011-2012.
- 21 Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the course of our audit during the year.

**For Ramanand & Associates**  
Chartered Accountants

CA Ramanand Gupta, Partner  
Membership No. 103975

Place : Chennai  
Date : August 11, 2012


**BALANCE SHEET AS AT 31ST MARCH 2012**

Particulars	Note	(Rs. in Lacs)	
		As At 31-03-2012	As At 31-03-2011
<b>IEQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	3	2,400	2,400
(b) Reserves & Surplus	4	6,619	6,481
<b>2 Non- Current Liabilities</b>			
(a) Long - Term borrowings	5	1,518	778
(b) Deferred Tax Liabilities (Net)	6	32	38
(c) Other Long - Term Liabilities	7	291	50
<b>3 Current Liabilities</b>			
(a) Short - Term borrowings	8	4,369	5,840
(b) Trade Payables	9	501	290
(c) Other Current Liabilities	10	257	252
(d) Short - Term Provisions	11	86	168
<b>Total</b>		<b>16,072</b>	<b>16,295</b>
<b>II Assets</b>			
<b>1 Non-Current Assets</b>			
(a) Fixed Assets	12		
(i) Tangible Assets		576	596
(ii) Intangible Assets		0	0
(iii) Capital Work- In- Progress		0	0
(iv) Intangible assets under development		0	0
(b) Non- Current Investments	13	1	1
(c) Deferred Tax Assets (Net)		0	0
(d) Long Term Loans & Advances	14	3,134	6,479
(e) Other Non- Current Assets	15	177	223
<b>2 Current Assets</b>			
(a) Current Investments	16	0	400
(b) Inventories	17	2,084	1,633
(c) Trade Receivables	18	1,545	1,692
(d) Cash And Cash Equivalents	19	2,130	4,144
(e) Short - Term Loans And Advances	20	6,332	1,080
(f) Other Current Assets	21	94	48
<b>Total</b>		<b>16,072</b>	<b>16,295</b>
Summary of Significant Accounting Policies	2		
The Notes to Accounts form an integral part of these financial statements.			
This is the Balance Sheet as referred to in our report of even date.			

**For Ramanand and Associates**

Chartered Accountants  
Firm Registration No. 117776W  
**CA Ramanand Gupta, Partner**

Membership No. 103975  
Date : August 11, 2012  
Place : Chennai

**Mr. R.V. Ravikumar**  
Managing Director

On behalf of the Board  
**Mr. Badrinath S. Gandhi**  
Executive Director

**V. Viswanathan**  
Company Secretary

**PROFIT AND LOSS ACCOUNT** FOR THE YEAR ENDED ON MARCH 31, 2012

No	Particulars	Note	(Rs. in Lacs)	
			As On 31-03-2012	As On 31-03-2011
1	Revenues From Operations	22	5,689	4,934
2	Other Income	23	740	76
3	<b>Total Revenue</b>		<b>6,429</b>	<b>5,011</b>
4	<b>Expenses :</b>			
	Cost Of Material Consumed	24	2,324	1,985
	Purchase of Goods Traded	25	2,117	1,842
	Changes in Inventory	26	-196	-267
	Employee Benefit Expenses	27	170	137
	Finance Cost	28	981	427
	Depreciation and Amortization	12	67	64
	Other Expenses	29	761	737
5	<b>Total Expenses</b>		<b>6,224</b>	<b>4,925</b>
6	<b>Profit / Loss Before Prior Period Items</b>		<b>205</b>	<b>86</b>
7	Prior Period Items	34	1	47
8	<b>Profit Before Exceptional and Extraordinary Items and Tax</b>		<b>204</b>	<b>134</b>
9	Exceptional Items		0	0
10	<b>Profit before extraordinary items and tax</b>		<b>204</b>	<b>134</b>
11	Extraordinary Items		0	0
12	<b>Profit before tax (VII-VIII)</b>		<b>204</b>	<b>134</b>
13	<b>Tax Expense:</b>			
	(1) Current Income Tax		71	51
	(2) Deferred Income Tax	6	-6	-4
	(3) Others		0	0
14	<b>"Profit / (Loss) for the period From Continuing Operations ""</b>		<b>138</b>	<b>87</b>
15	"Profit / (Loss) from Discontinuing Operations ""		0	0
16	Tax Expenses of Discontinuing Operations		0	0
17	<b>Profit / (Loss) from Discontinuing Operations (after tax)</b>		<b>0</b>	<b>0</b>
18	<b>Profit / (Loss) for the period</b>		<b>138</b>	<b>87</b>
19	<b>Earning Per Equity Share :</b>			
	(1) Basic Earnings Per Share		0.58	0.57
	(2) Diluted Earnings Per Share		0.58	0.57

The Notes to Accounts form an integral part of these financial statements.  
This is the Statement of Profit and Loss as referred to in our report of even date.

For Ramanand and Associates

Mr. R.V. Ravikumar  
Managing DirectorMr. Badrinath S. Gandhi  
Executive DirectorOn behalf of the Board  
V. Viswanathan  
Company SecretaryChartered Accountants  
Firm Registration No. 117776WCA Ramanand Gupta  
Partner  
Membership No. 103975Date : August 11, 2012  
Place : Chennai


**CASH FLOW STATEMENT** FOR THE YEAR ENDED ON MARCH 31, 2012

(Rs. in Lacs)

No	Particulars	Year ended March 31, 2012	Year ended March 31, 2011
<b>A</b>	<b>Cash flow from Operating Activities</b>		
	"Net Profit Before Taxation and Prior Period "and Extraordinary Items"	<b>204</b>	<b>134</b>
	<b>Adjustments for</b>		
	Depreciation on Fixed Assets	67	64
	Miscellaneous Expenditure Written off	47	47
	Interest and other income	-740	-76
	Finance Costs	981	427
	<b>Operating Profit before Working capital Changes</b>	<b>559</b>	<b>596</b>
	<b>Adjustments for Working Capital Changes</b>		
	Changes in Current Investments	400	-400
	Changes in Inventories	-451	-644
	Changes in Trade Receivables	147	365
	Changes in Short Term Loans and Advances	-5,252	-64
	Changes in Other Current Assets	-46	-985
	Changes in Short Term Borrowings	-1,471	3,911
	Changes in Trade Payables	212	-284
	Changes in Other Current Liabilities	5	180
	Changes in Short Term Provisions	-82	0
	<b>Net Cash generated from Operating Activities</b>	<b>-5,979</b>	<b>2,675</b>
	Income Taxes Paid	-1	-100
	<b>Cash Flow before Prior Period and Extraordinary Items</b>	<b>-5,980</b>	<b>2,575</b>
	Cash Flow from Prior Period and Extraordinary Items	-1	47
	<b>Net Cash from Operating Activities</b>	<b>-5,981</b>	<b>2,622</b>
<b>B</b>	<b>Cash flow from Investing Activities</b>		
	Purchase of Fixed Assets	-57	-28
	Sale Proceeds of Land at Vadalur	9	0
	Capital Advances	0	-2,190
	Interest and other income	740	76
	<b>Net Cash from Investing activities</b>	<b>692</b>	<b>-2,142</b>
<b>C</b>	<b>Cash flow from Financing Activities</b>		
	Term Loan from Banks and Other Loans	1,053	-11
	Equity Share Capital including Securities Premium Account	0	7,360
	Share Issue Expenses	0	-234
	Finance Costs	-981	-427
	Long Term Maturities of Finance Lease Obligations	-227	-91
	Deferred Credit from Suppliers	135	3
	Advance for Bottling	20	-58
	Refund of Capital Advance	3,290	0
	Refund of Long Term Loans and Advances	6	0
	Refund of Advances from Suppliers	73	-2,870
	Decrease in Other Non - Current Assets	0	-69
	Dividend and Corporate Dividend Tax Paid	-70	0
	TDS Related to Customer	-26	-110
	<b>Net Cash Flow from Financing Activities</b>	<b>3,273</b>	<b>3,493</b>
	<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>-2,015</b>	<b>3,973</b>
	<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>4,144</b>	<b>171</b>
	<b>Cash and Cash Equivalents at the end of the year</b>	<b>2,129</b>	<b>4,144</b>
	Cash in Hand	17	5
	Bank Balances	2,113	4,139
	<b>Total Cash and Cash Equivalents as at March 31, 2012</b>	<b>2,130</b>	<b>4,144</b>

This is the cash flow statement as referred to in our report of even date.

**For Ramanand and Associates**

 Chartered Accountants  
 Firm Registration No. 117776W

**Mr. R.V. Ravikumar**  
 Managing Director

On behalf of the Board

**Mr. Badrinath S. Gandhi**  
 Director

**V. Viswanathan**  
 Company Secretary

**CA Ramanand Gupta**, Partner

Membership No. 103975

Date : August 11, 2012 , Place : Chennai

**SCHEDULES** FORMING PART OF BALANCE SHEET AS ON 31ST MARCH 2012

No	Particulars	(Rs. in Lacs)	
		As On 31-03-2012	As On 31-03-2011
<b>A</b>	<b>Share Capital</b>		
	<b>Authorised Capital</b>		
	2,50,00,000 Nos. Equity Shares of 10/- each (Previous Year:- 2,50,00,000 Nos. Equity Shares of 10/- each)	<b>2,500</b>	<b>2,500</b>
	<b>Issued, Subscribed &amp; Paid up Share Capital</b>		
	2,40,00,000 Equity Shares of 10/- each Fully Paid. (Previous Year 2,40,00,000 Equity Shares of 10/- each)	2,400	2,400
	<b>Total `.</b>	<b>2,400</b>	<b>2,400</b>
<b>B</b>	<b>Reserves And Surplus</b>		
<b>1</b>	<b>Securities Premium Account</b>		
	<b>Opening Balance</b>	<b>6,210</b>	<b>6,210</b>
	Add :- Securities Premium Credit On Shares	0	0
	Less :- Premium Utilised For Various Reasons		
	Premium on Redemption Of Debentures.	0	0
	For Issuing Bonus Shares	0	0
	<b>Closing Balance</b>	<b>6,210</b>	<b>6,210</b>
<b>2</b>	<b>Profit &amp; Loss Account</b>		
	<b>Opening Balance</b>	<b>271</b>	<b>253</b>
	Add:- Net Profit as per Profit & Loss Account	138	88
	Less:- Bonus shares Issued	0	0
	Less:- Proposed Dividend	0	60
	Less : Dividend Distribution Tax	0	10
	<b>Closing Balance</b>	<b>409</b>	<b>271</b>
	<b>Total Reserves and Surplus `.</b>	<b>6,619</b>	<b>6,481</b>
<b>C</b>	<b>Long Term Borrowings</b>		
	<b>(a) Term Loans</b>		
	From Banks	1,053	0
	From Other Parties	8	8
	<b>(b) Deferred Payment Liabilities</b>	<b>702</b>	<b>793</b>
	<b>(c) Deposits</b>	<b>0</b>	<b>0</b>
	<b>(d) Loans &amp; Advances from related party</b>	<b>0</b>	<b>0</b>
	<b>(e) Long Term maturities of finance lease obligation</b>	<b>0</b>	<b>0</b>
	<b>(f) Other Loans and advances (specify nature)</b>	<b>0</b>	<b>0</b>
	<b>Total Long Term Borrowings `.</b>	<b>1,763</b>	<b>801</b>
<b>D</b>	<b>Other Long Term Liabilities</b>		
	(a) Trade Payables	0	
	(b) Others	46	26
	<b>Total Other Long Term Liabilities `.</b>	<b>46</b>	<b>26</b>
<b>E</b>	<b>Long Term Provisions</b>		
	(a) Provisions for Employee benefits	0	0
	(b) Others (Specify nature)	0	0
	<b>Total Long Term Provisions `.</b>	<b>0</b>	<b>0</b>
<b>F</b>	<b>Short term borrowings</b>		
	<b>(a) Loans repayable on demand</b>		
	From Banks	4,330	5,812
	From Other Parties	0	25
	(b) Loans and advances from related parties	39	2
	(c) Deposits	0	0
	(d) Other Loans and Advances	0	0
	<b>Total Short Term Borrowings `.</b>	<b>4,369</b>	<b>5,840</b>



## RAVIKUMAR DISTILLERIES LIMITED

No	Particulars	(Rs. in Lacs)	
		As On 31-03-2012	As On 31-03-2011
<b>G</b>	<b>Trade Payables</b>		
	Sundry Creditors - For Goods	501	290
	<b>Total Trade Payables `</b>	<b>501</b>	<b>290</b>
<b>H</b>	<b>Other Current Liabilities</b>		
	Current maturities of long term debt		
	Current maturities of finance lease obligations		
	Interest accrued but not due on borrowings		
	Interest accrued and due on borrowings		
	Income received in advance		
	Unpaid dividends	0	70
	Unpaid matured deposits and interest accrued thereon		
	Unpaid matured debentures and interest accrued thereon		
	Others Payable (Specify nature)	257	182
	<b>Total Other Current Liabilities `</b>	<b>257</b>	<b>252</b>
<b>I</b>	<b>Short Term Provisions</b>		
	Provision For employee benefits	29	22
	Provision for Taxation	0	0
	Others (Specify nature)	57	146
	<b>Total Short Term Provisions `</b>	<b>86</b>	<b>168</b>
<b>J</b>	<b>Non Current Investments</b>		
	Investments in Government or Trust securities	1	1
	Grand Total	1	1
	Less : Provision for diminution in the value of Investments	0	0
	<b>Total Non - Current Investments `</b>	<b>1</b>	<b>1</b>
<b>K</b>	<b>Long term loans and advances</b>		
	Capital Advances	0	3,290
	Security Deposits	53	55
	Loans and advances to related parties (details)	0	0
	Advance Income Tax	48	22
	Other Loans and advances (specify nature)	3,032	3,112
	<b>Total Long Term Loans and Advances `</b>	<b>3,134</b>	<b>6,479</b>
<b>L</b>	<b>Other Non-Current assets</b>		
	Long Term Trade Receivables (including trade receivables on deferred credit terms)	0	0
	Others	177	223
	<b>Total Other Non - Current Assets `</b>	<b>177</b>	<b>223</b>

No	Particulars	(Rs. in Lacs)	
		As On 31-03-2012	As On 31-03-2011
<b>M</b>	<b>Current Investment</b>		
	Investments in Equity Instruments	0	0
	Investments in Preference Shares	0	0
	Investments in government or trust securities	0	0
	Investments in debenture or bonds	0	0
	Investments in mutual funds	0	400
	Investments in Partnership Firm	0	0
	Other Investments (specify nature)	0	0
	<b>Total Current Investments `.</b>	<b>0</b>	<b>400</b>
<b>N</b>	<b>Inventories</b>		
	Raw Materials	1,331	1,077
	Work - In - Progress	58	64
	Finished Goods	560	438
	Stock In Trade	134	54
	Stores & Spares	0	0
	Loose Tools	0	0
	Others	0	0
	<b>Total Inventories `.</b>	<b>2,084</b>	<b>1,633</b>
<b>O</b>	<b>Trade Receivables</b>		
	Less Than Six Months		
	Secured, considered good	1,110	1,172
	Unsecured, considered good		
	Unsecured, considered doubtful		
	<b>Less : Provision for doubtful debts</b>		
	More Than Six Months		
	Secured, considered good		
	Unsecured, considered good	435	520
	Unsecured, considered doubtful		
	<b>Less : Provision for doubtful debts</b>		
	<b>Total Trade Receivables `.</b>	<b>1,545</b>	<b>1,692</b>
<b>P</b>	<b>Cash and cash equivalents</b>		
	Balances with Banks	19	488
	Cheques, drafts on hand	0	0
	Cash on hand	17	5
	Other Bank Balances	2,094	3,650
	<b>Total Cash and Cash Equivalents `.</b>	<b>2,130</b>	<b>4,144</b>
<b>Q</b>	<b>Short term Loans and advances</b>		
	Loans and advances to related parties	6,282	1,052
	Others Loans and advances	50	27
	<b>Total Short Term Loans and Advances `.</b>	<b>6,332</b>	<b>1,080</b>
<b>R</b>	<b>Other Current assets</b>		
	Prepaid Expenses	94	48
	<b>Total Other Current Assets `.</b>	<b>94</b>	<b>48</b>





**FIXED ASSETS AND DEPRECIATION FOR THE PERIOD ENDED 31-03-2012 - Note - 12  
DEPRECIATION AS PER COMPANIES ACT, 1956**

No. Particulars	Rate of Depreciation	GROSS BLOCK		DEPRECIATION BLOCK		NET BLOCK				
		Cost as on 01-04-2011	Additions during the Year	Deletions during the Year	As on 31-03-2012	Depreciation upto 01-04-2011	Adjustment on account of Sale	Depreciation during the Year	Depreciation upto 31-03-2012	As on 31-03-2012
<b>A Tangible Assets</b>										
1 Land	0%	136	0	9	127	0	0	0	0	136
Land (Inclusive of Development Cost)										
2 Building	10%	522	11	0	532	322	0	21	343	199
3 Plant and Equipments	13.91%	702	3	0	704	469	0	33	501	233
Plant & Machinery										
4 Furniture and Fixtures	18.10%	37	7	0	44	28	0	2	30	10
Furniture & Fixtures										
5 Vehicles	25.89%	6	28	0	34	6	0	6	12	0
Motor Vehicles										
Cycle	20.00%	0	0	0	0	0	0	0	0	0
6 Office Equipments	13.91%	33	6	0	39	21	0	2	23	12
Office Equipments										
7 Others	40.00%	53	3	0	56	48	0	3	51	5
Computers & Printers										
<b>Total Tangible Assets</b>		<b>1,489</b>	<b>57</b>	<b>9</b>	<b>1,537</b>	<b>893</b>	<b>0</b>	<b>67</b>	<b>961</b>	<b>596</b>
<b>B Intangible Assets</b>										
Goodwill	40.00%	0	0	0	0	0	0	0	0	0
Brands / Trademarks	40.00%	0	0	0	0	0	0	0	0	0
Computer Software	40.00%	0	0	0	0	0	0	0	0	0
Mastheads and publishing titles	40.00%	0	0	0	0	0	0	0	0	0
Mining Rights	40.00%	0	0	0	0	0	0	0	0	0
Copyrights and Patents	40.00%	0	0	0	0	0	0	0	0	0
"Recipes, Formulae, Models designs and "Prototypes"	40.00%	0	0	0	0	0	0	0	0	0
Licences and Franchise others	40.00%	0	0	0	0	0	0	0	0	0
<b>Total Intangible Assets</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>C Capital Work in Progress</b>	<b>0%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Total Capital Work in Progress										
<b>D Intangible Assets under Development</b>	<b>40%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Total Intangible assets under development										
Current Year Total		1,490	57	9	1,537	894	0	67	961	596
Previous Year Total		1,461	28	0	1,490	830	0	64	894	631

## SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT AS ON 31ST MARCH 2012

Particulars	(Rs. in Lacs)	
	As On 31-03-2012	As On 31-03-2011
<b>Revenue From Operations</b>		
Sales Of Products	10641	9887
Other Operating Revenue	86	113
Less: Excise Duty Paid	5037	5065
<b>Total Revenue From Operations `.</b>	<b>5689</b>	<b>4934</b>
<b>Other Income</b>		
Interest Income	740	76
<b>Total Other Income `.</b>	<b>740</b>	<b>76</b>
<b>"Cost Of Raw Materials including Packing "Materials Consumed"</b>		
<b>Opening Stock</b>		
Raw Materials	685	357
Flavours & Essence	70	63
Packing Materials	322	280
<b>Total (A)</b>	<b>1077</b>	<b>701</b>
<b>Add : Purchases</b>		
Raw Materials	1096	1255
Flavours & Essence	22	18
Packing Materials	1460	1088
<b>Total (B)</b>	<b>2578</b>	<b>2361</b>
<b>Total (A+B)</b>	<b>3655</b>	<b>3062</b>
<b>Less : Closing Stock</b>		
Raw Materials	892	685
Flavours & Essence	70	70
Packing Materials	369	322
<b>Total</b>	<b>1331</b>	<b>1077</b>
<b>Cost of Materials Consumed `.</b>	<b>2324</b>	<b>1985</b>
<b>Purchases of Goods Traded</b>		
Purchase Of Stock In Trade	2117	1842
<b>Total Purchase of Goods Traded `.</b>	<b>2117</b>	<b>1842</b>
<b>Changes in Inventories</b>		
<b>Opening Stock</b>		
Work-in-Progress	64	33
Finished Goods	438	173
Stock Of Goods Traded	54	82
<b>Total</b>	<b>556</b>	<b>289</b>
<b>Closing Stock</b>		
Work-in-Progress	58	64
Finished Goods	560	438
Stock Of Goods Traded	134	54
<b>Total</b>	<b>753</b>	<b>556</b>



<b>Increase in Stock</b>	196	267
<b>Employee Cost</b>		
Salaries, Wages & Incentives	118	101
Contribution to provident & other funds	14	10
Staff welfare expenses	7	4
Remuneration to Whole Time Directors	31	22
<b>Total Of Employee Cost `.</b>	<b>170</b>	<b>137</b>
<b>Financial Expenses</b>		
Loan Processing Charges	19	0
Interest & Finance Charges	962	427
<b>Total Of Financial Expenses `.</b>	<b>981</b>	<b>427</b>
<b>Other Expenses</b>		
<b>Other Manufacturing &amp; Operating Expenses</b>		
Excise Duty & Charges	11	63
Factory Expenses	57	42
Label Charges	5	5
Utilities	6	6
Operational Support Cost	193	89
Other Operating Expenses	17	10
Rent	27	28
Electricity Charges	4	3
Rates, Duties & Taxes	23	26
Insurance	1	2
Professional & Consultancy Charges	25	11
Telephone & Communication Expenses	7	5
Travelling & Conveyance	46	12
Printing & Stationery	6	2
Security Charges	1	1
Vehicle Running & Maintenance Expenses	25	12
Postage & Courier Charges	2	1
Repairs & Maintenance	8	7
Miscellaneous Expenses written off	47	47
Internal Audit Fees	3	3
Auditors Remuneration	7	7
Custodian Charges	4	0
Board Meeting Expenses	1	0
Share Transfer Charges	4	0
Directors Sitting Fees	3	1
Listing Fees	1	0
Other Expenses	23	22
Advertisement Expenses	5	2
Discounts, Schemes & Allowances	70	170
Sales Promotion	21	31
Incentives & Commissions	87	86
Outward Freight Charges	5	24
Bank Charges	18	17
<b>Total other Expenses `.</b>	<b>761</b>	<b>737</b>

**NOTES TO FINANCIAL STATEMENTS :****1. General Information :**

The Company was incorporated during the year 1993 and is engaged in the business of manufacture and sale of Indian Manufactured Foreign Liquor (IMFL). The Company has its manufacturing unit at Pondicherry.

**2. Significant Accounting Policies :****2.1 Basis of preparation of Financial Statements :**

The Financial Statements have been prepared in accordance with the generally accepted accounting principles ('GAAP') applicable in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211 (3C), Companies (Accounting Standard) Rules, 2006, as amended from time to time and the other relevant provisions of the Companies Act, 1956.

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule VI of the Companies Act, 1956.

**2.2 Use of Estimates :**

The preparation of Financial Statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized. Management believes that the estimates used in preparation of financial statements are prudent and reasonable.

**2.3 Tangible Assets :**

Tangible Assets are stated at cost (or revalued amount as the case may be) less accumulated depreciation and accumulated impairment losses if any. Cost Comprises purchase price and any other attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Gain or loss arising from de-recognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation on fixed assets is provided on written down value method (WDV) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 over their useful life. Depreciation of asset sold / discarded during the period is proportionately charged. Individual low cost assets (acquired for less than Rs 5000/-) are depreciated within a year of acquisition. Intangible assets are amortized over their estimated useful life on a straight line basis.

**2.4 Borrowing Costs :**

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

**2.5 Impairment of assets :**

As on Balance Sheet date, the Company reviews the carrying amount of Fixed Assets to determine whether there are any indications that those assets have suffered "Impairment Loss". Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from continuing use of an asset and from its disposal at the end of its useful life.

**2.6 Investments :**

Investments that are readily realizable and intended to be held for not more than a year are classified as "Current Investments". All other Investments are classified as Long Term Investments.

Current Investments are carried at lower of cost or Market / Fair Value determined on a individual investment basis.

Long Term investments are valued at cost. Provision for diminution in the value of long term investment is made only if such decline is other than temporary in nature.



### 2.7 Grants and Subsidies :

Grants and Subsidies are recognized when there is reasonable assurance that the Grant / Subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to a revenue item it is recognized as income over the period necessary to match them on a systematic basis to the costs, which it is intended to compensate.

Where the Grant on subsidy relates to an asset its value is deducted in arriving at the carrying amount of the related asset.

### 2.8 Revenue Recognition :

The company is in the business of manufacture and sale of IMFL products. Sale of goods are recognized when the goods are dispatched / on passing title of the Goods to the customers. The sales are accounted by including the scheme / discounts / Excise Duty and Sales Tax. The Scheme discounts / Sales Tax are charged off separately to the Profit and Loss Account.

Profit on sale of investments is recorded on transfer of title from the company and is determined as the difference between the sale price and the carrying value of the investment. Interest is recognized based on time-proportion method based on rates implicit in the transaction.

### 2.9 Inventories :

Inventories are valued at lower of cost and estimated net realizable value after providing for cost of obsolescence and other anticipated losses, wherever considered necessary. Cost includes taxes, duties and all incidental expenses directly attributable to the purchases.

#### Method of assignment of cost is as under:

Raw Material, Stores & Spares	:	Weighted average cost basis
Work – in – progress	:	Direct expenses plus appropriate Factory overheads on the basis of completed production
Finished Goods	:	Cost of goods, direct expenses plus appropriate Factory overheads and Excise Duty
Traded Goods	:	Actual cost Basis

### 2.10 Employee Benefits :

The Provident fund scheme and Employee State Insurance Scheme are defined contribution plans. The company contributes a fixed sum to the Provident Fund / Employees State Insurance Scheme maintained by the Central Government. The contribution paid / payable under the schemes is recognised during the period in which the employee renders the related service.

The liability for Gratuity to employees as at the Balance Sheet date is as per the obligation to gratuity fund administered by the trustees and managed by Life Insurance Corporation of India. The contribution thereof paid / payable for the relevant period is charged off to Profit and Loss Account.

### 2.11 Foreign Exchange Transactions :

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the respective transactions.

Foreign Exchange monetary items in the Balance Sheet are translated at the year-end rates. Exchange differences on settlement / conversion are adjusted to Profit and Loss Account.

### 2.12 Tax Expense :

Tax expenses for the year comprise of current tax and deferred tax. Current tax is measured after taking into consideration the deductions and exemptions admissible under the provision of Income Tax Act, 1961 and in accordance with Accounting Standard 22 on “Accounting for Taxes on Income”.

Deferred Tax represents the tax effect of timing differences between taxable income and accounting income for the reporting period and is capable of reversal in one or more subsequent periods. Deferred tax are quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet Date.

Deferred Tax Assets are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax asset on unabsorbed depreciation and carry forward of losses are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

### 2.13 Contingent Liabilities and Provisions :

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

**Contingent Liability is disclosed for**

- Possible obligation which will be confirmed only by future events not wholly within the control of the company or
- Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made.
- Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized

**2.14 Earnings Per Share :**

In determining the Earnings Per share, the company considers the net profit after tax including any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the Weighted average number of shares outstanding during the period.

The number of shares used in computing Diluted earnings per share comprises the Weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. The number of Equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

**2.15 Leases :****Finance Lease**

Leases which effectively transfer to the company all the risks and benefits incidental to ownership of the leased item, are classified as Finance Lease. Lease rentals are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return.

**Operating Lease**

Lease where the lessor effectively retains substantially all risks and benefits of the asset are classified as Operating lease. Operating lease payments are recognized as an expense in the Profit & Loss account on a Straight Line Basis over the Lease term.

**2.16 Segment Reporting :**

The generally accepted accounting principles used in the preparation of the financial statements are applied to record revenue and expenditure in individual segments.

Segment revenue and segment results include transfers between business segments. Such transfers are accounted for at the agreed transaction value and such transfers are eliminated in the consolidation of the segments.

Expenses that are directly identifiable to segments are considered for determining the segment result. Expenses, which relate to the company as a whole and are not allocable to segments are included under unallocated corporate expenses.

Segment assets and liabilities include those directly identifiable with the respective segments. Unallocated corporate assets and liabilities represent the assets and liabilities that relate to the company as a whole and not allocable to any segment.

**3. Equity Share Capital :**

Particulars	As on 31-03-2012	As on 31-03-2011
<b>A Share Capital</b>		
<b>Authorised Capital</b>		
2,50,00,000 Nos. Equity Shares of Rs. 10/- each (Previous Year:- 2,50,00,000 Nos. Equity Shares of Rs. 10/- each)	2,500	2,500
<b>Issued, Subscribed &amp; Paid up Share Capital</b>		
2,40,00,000 Equity Shares of Rs. 10/- each Fully Paid. (Previous Year 2,40,00,000 Equity Shares of Rs. 10/- each)	2,400	2,400
<b>Total</b>	<b>2,400</b>	<b>2,400</b>



## RAVIKUMAR DISTILLERIES LIMITED

### a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As on	As on	As on	As on
	31-03-2012	31-03-2012	31-03-2011	31-03-2011
	Numbers	Rupees in Lacs	Numbers	Rupees in Lacs
<b>Equity Shares</b>				
<b>At the Beginning of the year</b>	<b>24,000,000</b>	<b>2,400</b>	<b>24,000,000</b>	<b>2,400</b>
LESS : Cancelled during the year	0	0	0	0
ADD : Issued during the Year	0	0	0	0
<b>Outstanding at the end of the year</b>	<b>24,000,000</b>	<b>2,400</b>	<b>24,000,000</b>	<b>2,400</b>

### b. Details of Shareholders holding more than 5% shares in the company

No.	Particulars	As on	As on	As on	As on
		31-03-2012	31-03-2012	31-03-2011	31-03-2011
		Numbers	% of Holding	Numbers	% of Holding
1	Mr. R V Ravikumar	5,375,000	22.40%	9,349,719	38.96%
2	Ravikumar Properties Private Limited	0	0%	3,075,000	12.81%
3	Comfort Intech Limited	2,366,000	9.86%	0	0%
4	BPJ Holding Private Limited	2,026,000	8.44%	0	0%
5	Chiraag Suppliers Private Limited	1,308,906	5.45%	0	0%
6	Nandlal Vyapaar Private Limited	1,254,000	5.23%	0	0%

d. The Company issued 55 Lacs Shares as bonus shares during the Financial Year 2007-2008 and 2009-2010.

e. Out of the above, 25 Lacs shares were issued for consideration other than cash during the financial year 2007-2008.

### 4. Reserves and Surplus :

	Particulars	As on	As on
		31-03-2012	31-03-2011
<b>B</b>	<b>Reserves And Surplus</b>		
<b>1</b>	<b>Securities Premium Account</b>		
	<b>Balance at the beginning of the year</b>	<b>6,210</b>	<b>6,210</b>
	Add :- Securities Premium Credit On Shares	0	0
	Less :- Premium Utilised For Various Reasons		
	Premium on Redemption Of Debentures	0	0
	For Issuing Bonus Shares	0	0
	<b>Balance at the end of the year</b>	<b>6,210</b>	<b>6,210</b>
<b>2</b>	<b>Profit &amp; Loss Account</b>		
	<b>Balance at the beginning of the year</b>	<b>271</b>	<b>253</b>
	Add:- Net Profit as per Profit & Loss Account	138	88
	Less:- Bonus shares Issued	0	0
	Less:- Proposed Dividend	0	60
	Less : Dividend Distribution Tax	0	10
	<b>Balance at the end of the year</b>	<b>408</b>	<b>271</b>
	<b>Total Reserves and Surplus</b>	<b>6,619</b>	<b>6,481</b>

**5. Long Term Borrowings :**

Particulars	As on	As on	As on	As on
	31-03-2012	31-03-2012	31-03-2011	31-03-2011
	Non Current	Current	Non Current	Current
	(` in Lacs)	(` in Lacs)	(` in Lacs)	(` in Lacs)
<b>Long Term Borrowings</b>				
Secured Loans				
Term Loan from Banks	832	221	0	0
Long Term maturities of finance lease Obligations	201	24	428	24
Unsecured Loans				
Deferred Payment Liabilities	477	0	342	0
Other Loans and Advances	8	0	8	0
<b>Total Long Term Borrowings</b>	<b>1,518</b>	<b>245</b>	<b>778</b>	<b>24</b>

**5.1 Term Loan from Banks :**

- 5.1.1 Term Loan from Banks include Term Loan from State Bank of India of Rs. 1,000 Lacs (Outstanding as on 31-03-2012 Rs. 1,033.88 Lacs) which is secured against Plant and Machinery, Building and other assets belonging to 'Liquor India Limited' which was proposed to be acquired by the company. The same is repayable by way of 72 monthly installments of Rs. 12.50 Lacs each commencing from April 2012.
- 5.1.2 Term Loan from State Bank of India is collaterally secured by Equitable Mortgage of Factory Land and Building at R S No. 89 / 4A and 89 / 1, Katterikuppam, Mannadipet Commune, Pondicherry and Term Deposit Receipts in the name of Company. The collateral security as mentioned above is common security for all facilities granted by the bank viz. Cash Credit, Term Loan, Bank Guarantee etc.
- 5.1.3 The promoters, directors and shareholders of the company have also given their personal assets as collateral security for entire facilities sanctioned by State Bank of India. The disclosure of the same is given below :

No.	Name of the Promoter / Shareholder / Related Party	Relationship	Particulars of Security
1	Mr. R V Ravikumar	Director / Shareholder	Personal Guarantee Equitable Mortgage of Personal Properties
2	Ravikumar Properties Private Limited	Related Party	Corporate Guarantee
3	Liquor India Limited	Related Party	Corporate Guarantee Extension of Charge on Plant and Machinery with Collateral Security belonging to Company
4	Mrs. R Amirthavalli	Shareholder	Personal Guarantee Equitable Mortgage of Personal Properties
5	Mr. V Sivashankar	Related Party	Personal Guarantee Equitable Mortgage of Personal Properties
6	Mr. S Boopalan	Related Party	Personal Guarantee Equitable Mortgage of Personal Properties

- 5.1.4 Term Loan from Banks include Term Loan from HDFC Bank of Rs. 22.40 Lacs (Outstanding as on 31-03-2012 Rs. 18.85 Lacs) which is secured against hypothecation of vehicle. The same is repayable by way of 48 monthly installments of Rs. 0.59 Lacs each.

**5.2 Long Term Liabilities of Finance Lease Obligations :**

The Company has availed Term Loan from 'Sundaram Finance Limited' a Non Banking Financial Corporation amounting to Rs. 958.74 lakhs for expansion of facilities. The Finance Lease obligations are secured against leased assets.




**5.3 Deferred Payment Liabilities**
**Manufacture of IMFL Brands owned by other Corporates**

The Company manufactures and sells its own brand of liquors and also uses the brand of others. For the purpose of manufacture and sales of liquor brands not owned by the company, the company has entered into arrangement / agreement with the respective brand owners.

The terms of the Agreement / Arrangement with such brand owners provide for payment of consideration for use of brand name / for the additional services rendered by the brand owners / other amount due to the brand owners in the agreed proportion. The payment towards use of Brand name is accounted in the books as "Royalty". Other dues / payments along with Royalty are grouped as "Operational Support Cost". The Operational Support Cost is included under the head "Other Manufacturing Expenses"

Further the Agreements / Arrangements with other Brand owners provide a facility of Deferred Payment of the amount due under the agreement. These payables, as per the Terms, which are payable after a period exceeding 12 months are classified as "**Deferred Credit from Corporate Suppliers**" and are grouped under "**Non Current Long Term Borrowings**".

**5.4 Other Loans and Advances :**

'**Other Loans and advances**' represents an amount due to 'ETK Investment and Finance Limited' of Rs. 8.27 Lacs and an amount of Rs. 7.20 lacs maintained as deposit with State Bank of India represents the amount withheld by the Bank as per the specific direction of the Madras High Court towards the Income Tax due by 'ETK Investment and Finance Limited'. The same is treated as 'Non Current Borrowings'.

**6. Deferred Taxes**

Deferred Tax liability on account of depreciation has been recognized in the financial statements. Details of deferred tax are as under:

Particulars	Year Ending March 31, 2012	Year Ending March 31, 2011
Deferred Tax Liability related to Fixed Assets	32	38
Deferred Tax Asset on items Disallowed under the Income Tax Act	0	0

**7. Other Long Term Liabilities :**

Particulars	As on 31-03-2012	As on 31-03-2011
<b>Other Long Term Liabilities</b>		
(a) Trade Payables	0	0
(b) Current Maturities of Long Term Obligations	245	24
(b) Others	46	26
<b>Total Other Long Term Liabilities `.</b>	<b>291</b>	<b>50</b>

Other Long Term Liabilities represent 'Deposits' received from 'Tie Up Parties' which are not expected to be repaid back within a period of 12 months from the date of financial statements.

**8. Short Term Borrowings :**

Particulars	As on 31-03-2012	As on 31-03-2011
<b>Short term borrowings</b>		
<b>Secured Short Term Borrowings</b>		
<b>Working Capital Loans</b>		
From Banks	4,330	5,812
From Other Parties	0	0
<b>Unsecured Short Term Borrowings</b>		
From Banks	0	0
From Other Parties	0	25
Loans and advances from related parties	39	2
<b>Total Short Term Borrowings `.</b>	<b>4,369</b>	<b>5,840</b>

- 8.1 Working Capital Loans are secured by hypothecation of present and future stock of raw materials, Stock in Process, Finished Goods, Spares, Book Debts, Outstanding monies, receivables, claims, materials in transit etc.
- 8.2 Out of the above Working Capital Demand Loan of Rs. 1,889 Lacs are secured against pledge of Term Deposits of Rs. 1,987 Lacs.
- 8.3 Loans and advances from related parties includes short term loans received from Mr. R V Ravikumar of Rs. 39 Lacs (Previous Year Rs. 2 Lacs) for temporary working capital purposes.

9. **Trade Payables :**

Particulars	As on 31-03-2012	As on 31-03-2011
<b>Trade Payables</b>		
Sundry Creditors - For Goods	501	290
<b>Total Trade Payables</b>	<b>501</b>	<b>290</b>

The company has not received intimation from all the "Suppliers" regarding their status under **Micro, Small and Medium Enterprises Development Act, 2006**, and hence, the disclosure relating to amounts unpaid as at March 31, 2012 together with interest paid /payable as required under the said Act has been provided only to the extent of intimations received.

10. **Other Current Liabilities :**

Particulars	As on 31-03-2012	As on 31-03-2011
<b>Other Current Liabilities</b>		
Current maturities of long term debt	0	0
Current maturities of finance lease obligations	0	0
Unpaid dividends	0	70
Others Payable - Statutory Dues	257	182
<b>Total Other Current Liabilities</b>	<b>257</b>	<b>252</b>

11. **Short Term Provisions :**

Particulars	As on 31-03-2012	As on 31-03-2011
<b>Short Term Provisions</b>		
Provision For employee benefits	29	22
Provision for Expenses	57	146
<b>Total Short Term Provisions</b>	<b>86</b>	<b>168</b>

12. **Fixed Assets (Continuation on Page 34)**

13. **Non Current Investments :**

Particulars	As on 31-03-2012	As on 31-03-2011
<b>Non Current Investments – Other Investments</b>		
Investments in Government or Trust securities - Unquoted 6 Years National Savings Certificates (Deposited with Sales Tax Department and Other Government Authorities)	1	1
<b>Total</b>	<b>1</b>	<b>1</b>
LESS : Provision for diminution in the value of Investments	0	0
<b>Total Non - Current Investments</b>	<b>1</b>	<b>1</b>



**FIXED ASSETS AND DEPRECIATION FOR THE PERIOD ENDED 31-03-2012 - Note - 12  
DEPRECIATION AS PER COMPANIES ACT, 1956**

No. Particulars	GROSS BLOCK		DEPRECIATION BLOCK		NET BLOCK	
	Rate of Depreciation	Cost as on 01-04-2011	As on 31-03-2012	Depreciation upto 01-04-2011	Depreciation upto 31-03-2012	As on 31-03-2011
<b>A Tangible Assets</b>						
1 Land						
Land (Inclusive of Development Cost)	0%	136	127	0	0	136
2 Building	10%	522	532	322	343	199
3 Plant and Equipments	13.91%	702	704	469	501	233
4 Furniture and Fixtures	18.10%	37	44	28	30	10
5 Vehicles	25.89% 20.00%	6 0	34 0	6 0	12 0	0 0
6 Office Equipments	13.91%	33	39	21	23	12
7 Others	40.00%	53	56	48	51	5
Computers & Printers						
<b>Total Tangible Assets</b>		<b>1,489</b>	<b>1,537</b>	<b>893</b>	<b>961</b>	<b>596</b>
<b>B Intangible Assets</b>						
Goodwill	40.00%	0	0	0	0	0
Brands / Trademarks	40.00%	0	0	0	0	0
Computer Software	40.00%	0	0	0	0	0
Mastheads and publishing titles	40.00%	0	0	0	0	0
Mining Rights	40.00%	0	0	0	0	0
Copyrights and Patents	40.00%	0	0	0	0	0
"Recipes, Formulae, Models designs and "Prototypes"	40.00%	0	0	0	0	0
Licences and Franchise others	40.00%	0	0	0	0	0
<b>Total Intangible Assets</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>C Capital Work in Progress</b>	0%	0	0	0	0	0
Total Capital Work in Progress						
<b>D Intangible Assets under Development</b>	40%	0	0	0	0	0
Total Intangible assets under development						
Current Year Total		1,490	1,537	894	961	596
Previous Year Total		1,461	1,490	830	894	631

**14. Long Term Loans and Advances :**

Particulars	As on 31-03-2012	As on 31-03-2011
<b>Long term loans and advances</b>		
<b>Unsecured Considered Good unless otherwise stated</b>		
Capital Advances	0	3,290
Security Deposits	53	55
Advance Income Tax	48	22
Other Loans and advances (specify nature)	3,033	3,112
<b>Total Long Term Loans and Advances</b>	<b>3,134</b>	<b>6,479</b>

**14.1 Capital Advances :**

The Company had entered into an Agreement with one of the group companies for purchase of immovable properties and Capital equipments for expansion of manufacturing operations in Tamilnadu. The Company had submitted all the necessary documents to the Government Authorities for getting the manufacturing licence. The advance paid in respect of the same amounted to Rs. 3,290 lakhs and was shown as 'Capital Work in Progress' during the previous financial year. Since, the company could not initiate the obligations under the said agreement, the same is cancelled during the current financial year and accordingly an amount of Rs. 2,708 Lakhs was repaid by the company. Outstanding balance of Rs. 832 Lakhs as on 31-03-2012 is shown under 'Short Term Loans and Advances to Related Parties since the same is immediately receivable.

**15. Other Non – Current Assets :**

Particulars	As on 31-03-2012	As on 31-03-2011
Other Non-Current assets		
Unsecured Considered Good unless otherwise stated		
Long Term Trade Receivables (including trade receivables on deferred credit terms)	0	0
Others #	177	223
<b>Total Other Non - Current Assets `</b>	<b>177</b>	<b>223</b>

# The above includes an amount of Rs. 35.67 Lacs which represents Turnover Tax paid during the previous financial years which is under dispute.

**16. Current Investments :**

Particulars	As on 31-03-2012	As on 31-03-2011
Current Investment		
Investments in mutual funds	0	400
<b>Total Current Investments</b>	<b>0</b>	<b>400</b>

16.1 Investment includes short term investment in SBI-SHF-Ultra Short Term Fund of Rs. Nil Lacs (Previous Year Rs. 400 Lacs).

**17. Inventories :**

Particulars	As on 31-03-2012	As on 31-03-2011
Inventories		
Raw Materials	1332	1077
Work - In - Progress	58	64
Finished Goods	560	438
Stock In Trade	134	54
<b>Total Inventories</b>	<b>2084</b>	<b>1633</b>


**18. Trade Receivable :**

Particulars	As on 31-03-2012	As on 31-03-2011
<b>Trade Receivables</b>		
<b>Less Than Six Months</b>		
Secured, considered good		
Unsecured, considered good	1,110	1,172
Unsecured, considered doubtful		
Less : Provision for doubtful debts		
<b>More Than Six Months</b>		
Secured, considered good		
Unsecured, considered good	435	520
Unsecured, considered doubtful		
Less : Provision for doubtful debts		
<b>Total Trade Receivables</b>	<b>1,545</b>	<b>1,692</b>

**19. Cash and Cash Equivalents :**

Particulars	As on 31-03-2012	As on 31-03-2011
<b>Cash and cash equivalents</b>		
Balances with Banks	19	488
Cash on hand	17	5
Other Bank Balances	2,094	3,650
<b>Total Cash and Cash Equivalents `.</b>	<b>2,130</b>	<b>4,144</b>

19.1 Balance with banks include unclaimed dividend of Rs. 0.45 Lacs (Previous Year Rs.NIL).

19.2 Fixed Deposits with Banks include an amount of Rs. 7.20 Lacs maintained as deposit with State Bank of India which is withheld by Bank as per the specific direction of the Madras High Court towards the Income Tax due by 'ETK Investment and Finance Limited'. (Also Refer Note No. 5.4)

19.3 Fixed Deposits of Rs. 1 Lacs are pledged with Electricity Departments as Deposit.

19.4 Fixed Deposits of Rs. 55 Lacs are pledged as security for Non Funded Facilities granted by State Bank of India.

19.5 Fixed Deposits of Rs. 37 Lacs with Axis Bank are pledged as security against deposit given to BSE.

**20. Short Term Loans and Advances :**

Particulars	As on 31-03-2012	As on 31-03-2011
Short term Loans and advances		
Unsecured considered good unless otherwise stated		
Loans and advances to related parties	6,282	1,052
Others Loans and advances	49	28
<b>Total Short Term Loans and Advances `.</b>	<b>6,331</b>	<b>1,080</b>

20.1 The above includes an amount of Rs. 1257.97 Lacs as an advance given for acquisition of shares of 'Liquor India Limited' (Rs. 761.22 Lacs) and 'S V Distilleries Private Limited' (Rs. 496.75 Lacs) during the Financial Year 2011-2012. However, no share purchase agreement has been entered into till date. The company could not acquire entire shareholding of the target companies. In view of the above, the above advance is immediately receivable and accordingly shown as 'Advance for Purchase of Shares' under 'Short Term Loans and Advances'.

20.2 The Company had entered into an Agreement with one of the group companies for purchase of immovable properties and Capital equipments for expansion of manufacturing operations in Tamilnadu. The Company had submitted all the necessary documents to the Government Authorities for getting the manufacturing licence. The advance paid in respect of the same amounted to Rs. 3,290 lakhs and was shown as 'Capital Work in Progress' during the previous financial year. Since, the company could not initiate the obligations under the said agreement, the same is cancelled during the current financial year and accordingly an amount of Rs. 2,708 Lakhs was repaid by the company. Outstanding balance of Rs. 832 Lakhs as on 31-03-2012 is shown under 'Short Term Loans and Advances to Related Parties'.

**21. Other Current Assets :**

Particulars	As on 31-03-2012	As on 31-03-2011
Other Current assets		
Prepaid Expenses	94	48
<b>Total Other Current Assets</b>	<b>94</b>	<b>48</b>

**22. Revenue from Operations :**

Particulars	For the Year 31-03-2012	For the Year 31-03-2011
<b>Revenue From Operations</b>		
Sales Of Products	10641	9887
Other Operating Revenue	86	113
Less: Excise Duty Paid	5037	5065
<b>Total Revenue From Operations `.</b>	<b>5689</b>	<b>4934</b>

**23. Other Income :**

Particulars	For the Year 31-03-2012	For the Year 31-03-2011
<b>Other Income</b>		
Interest Income	740	76
<b>Total Other Income `.</b>	<b>740</b>	<b>76</b>

**24. Cost of Raw Materials Consumed :**

Particulars	For the Year 31-03-2012	For the Year 31-03-2011
<b>Cost Of Raw Materials including Packing Materials Consumed</b>		
<b>Opening Stock</b>		
Raw Materials	685	357
Flavours & Essence	70	63
Packing Materials	322	280
<b>Total (A)</b>	<b>1077</b>	<b>701</b>
Add : Purchases		
Raw Materials	1096	1255
Flavours & Essence	22	18
Packing Materials	1460	1088
<b>Total (B)</b>	<b>2578</b>	<b>2361</b>
<b>Total (A+B)</b>	<b>3655</b>	<b>3062</b>
LESS : Closing Stock		
Raw Materials	892	685
Flavours & Essence	70	70
Packing Materials	369	322
<b>Total</b>	<b>1331</b>	<b>1077</b>
<b>Cost of Materials Consumed `.</b>	<b>2324</b>	<b>1985</b>


**25. Purchases of Goods Traded :**

Particulars	For the Year 31-03-2012	For the Year 31-03-2011
Purchases of Goods Traded		
Purchase Of Goods Traded	2117	1842
<b>Total Purchase of Goods Traded `.</b>	<b>2117</b>	<b>1842</b>

**26. Changes in Inventories :**

Particulars	For the Year 31-03-2012	For the Year 31-03-2011
<b>Changes in Inventories</b>		
<b>Opening Stock</b>		
Work-in-Progress	64	33
Finished Goods	438	173
Stock Of Goods Traded	54	82
	<b>556</b>	<b>289</b>
<b>Closing Stock</b>		
Work-in-Progress	58	64
Finished Goods	560	438
Stock Of Goods Traded	134	54
	<b>753</b>	<b>556</b>
<b>Increase in Stock</b>	<b>196</b>	<b>267</b>

**27. Employee Benefit Expenses :**

Particulars	For the Year 31-03-2012	For the Year 31-03-2011
Employee Cost		
Salaries, Wages & Incentives	118	101
Contribution to provident & other funds	14	10
Staff welfare expenses	7	4
Remuneration to Whole Time Directors	31	22
<b>Total Of Employee Cost `.</b>	<b>170</b>	<b>137</b>

**28. Finance Costs :**

Particulars	For the Year 31-03-2012	For the Year 31-03-2011
Financial Expenses		
Loan Processing Charges	19	0
Interest & Finance Charges	962	427
<b>Total Of Financial Expenses `.</b>	<b>981</b>	<b>427</b>

**29. Other Expenses :**

Particulars	For the Year 31-03-2012	For the Year 31-03-2011
<b>Other Expenses</b>		
Other Manufacturing & Operating Expenses		
Excise Duty & Charges	11	63
Factory Expenses	57	42
Label Charges	5	5

Particulars	For the Year 31-03-2012	For the Year 31-03-2011
Utilities	6	6
Operational Support Cost	193	89
Other Operating Expenses	17	10
Rent	27	28
Electricity Charges	4	3
Rates, Duties & Taxes	23	26
Insurance	1	2
Professional & Consultancy Charges	25	11
Telephone & Communication Expenses	7	5
Travelling & Conveyance	46	12
Printing & Stationery	6	2
Security Charges	1	1
Vehicle Running & Maintenance Expenses	25	12
Postage & Courier Charges	2	1
Repairs & Maintenance	8	7
Miscellaneous Expenses written off	47	47
Internal Audit Fees	3	3
Auditors Remuneration	7	7
Custodian Charges	4	0
Board Meeting Expenses	1	0
Share Transfer Charges	4	0
Directors Sitting Fees	3	1
Listing Fees	1	0
Other Expenses	23	22
Advertisement Expenses	5	2
Discounts, Schemes & Allowances	70	170
Sales Promotion	21	31
Incentives & Commissions	87	86
Outward Freight Charges	5	24
Bank Charges	18	17
<b>Total other Expenses</b>	<b>761</b>	<b>737</b>

### 30. Gratuity and Other Post Employment Benefit Plans :

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below

#### Defined Contribution Plan

Particulars	Year Ending March, 31 2012	Year Ending March, 31 2011
Employers Contribution to Provident Fund	7.92	5.97
Employers Contribution to Gratuity Fund	3.86	1.15

#### Gratuity

The liability for Gratuity to employees as at the Balance Sheet date is determined on the basis of actuarial valuation based on Projected Unit Credit method and is funded to a Gratuity fund administered by the trustees and managed by Life Insurance Corporation of India. The contribution thereof paid/payable is charged in the books of accounts.





## RAVIKUMAR DISTILLERIES LIMITED

The employees and the Company make monthly fixed contributions to a Provident Fund Trust, equal to a specified percentage of the covered employee's salary. The interest rate payable by the Trust to the beneficiaries is being notified by the Government every year. 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.

The following table sets forth the status of the Gratuity plan and the Superannuation and the other Pension Plans of the Company and the amount recognized in the Balance Sheet and Profit and Loss Account

Particulars	Gratuity (Funded) 2011-2012	Gratuity (Funded) 2010-2011
Present Value of obligations at the beginning of the period	25	19
Current service cost	2	2
Interest Cost	0	2
Actuarial loss/(gain)	1	1
Benefits paid	(3)	(1)
Present Value of obligations at the end of the period	25	23
<b>Changes in the fair value of planned assets</b>		
Fair value of plan assets at the beginning of year	3	3
Expected return on plan assets	0	0
Contributions	3	0
Benefits Paid	(3)	(1)
Actuarial gain on plan assets	0	0
Fair Value of plan assets at the end of the year	3	2
<b>Amounts to be recognised in the balance sheet</b>		
Projected benefit obligation at the end of the period	25	24
Fair value of plan assets at the end of the period	3	3
Funded status of the plans – (Asset)/ Liability recognised in the balance sheet	25	21
<b>Cost for the period</b>		
Current service cost	2	3
Interest Cost	0	2
Expected return on plan assets	0	0
Net actuarial (gain)/loss recognised in the period	(1)	(1)
Net Cost	1	4
<b>Assumptions</b>		
Discount rate	8%	8%
Expected rate of planned assets		
Expected rate of salary increases	7%	7%

### 31. Impairment of Assets :

Assets of the Company are being tested for impairment. Considering the internal and external sources of information, there was no indication of potential impairment loss, and hence estimation of recoverable amount does not arise.

### 32. Segment Reporting :

The company operates only in one reportable business segment namely manufacture and sale of Indian Manufactured Foreign Liquor. The liquor business incorporates the product groups (viz) IMFL and others, which have similar risks and returns. Hence segment reporting is not applicable.

**33. Payment to Auditors :**

Particulars	Year Ending March31, 2012	Year Ending March31, 2011
As Statutory Auditor	6	6
For Taxation Matters	1	1
<b>Total</b>	<b>7</b>	<b>7</b>

**34. Prior Period Items :**

Particulars	FY 2011-2012	FY 2010-2011
Rent Advance received back for earlier years	0	1
Excess Managerial Remuneration received back	0	76
Excess Demand of Income Tax for A. Y. 2008-09	0	(7)
Excess Demand of FBT for A. Y. 2008-2009	0	(1)
Interest on Secured Loans from Sundaram Finance – Prior Period Interest	0	(22)
Folio Maintenance Charges / Interest on TDS	(1)	0
<b>Net Prior Period Income / (Expense)</b>	<b>(1)</b>	<b>47</b>

**35. Particulars of Raw Materials, Goods Purchased for Trading and Finished Goods :**

No. Particulars	Amount in Rs. Lacs
<b>A Raw Materials</b>	<b>Consumption</b>
1 Extra Neutral Alcohol (ENA)	889
2 Essence and Flavours	22
3 Packing Material & Others	1,413
<b>Total</b>	<b>2,324</b>
<b>B Goods Purchased for Trading</b>	<b>Purchases</b>
Whisky	109
Rum	77
Brandy	771
Others	1,161
<b>Total</b>	<b>2,117</b>
<b>C Work in Progress</b>	<b>WIP</b>
Blend	58
<b>Total</b>	<b>58</b>

No.	Particulars	Sales	Closing Inventory	Opening Inventory
1	Manufactured Goods	8887.95	560.00	438.13
2	Traded Goods	1752.62	134.00	54.46


**36. Expenditure in Foreign Currency :**

Foreign Currency Transaction	Year Ending March 31, 2012	Year Ending March 31, 2011
A) Foreign Exchange Earnings	Nil	Nil
B) Foreign Exchange Expenditure	Nil	Nil

**37. Value of Raw Materials, Spare Parts and Components consumed during the year**
**Raw Material and Other Materials**

Amount	Year Ending March31, 2012		Year Ending March31, 2011	
	Amount	%	Amount	%
Imported	Nil	Nil	Nil	Nil
Indigenous	2,324	100%	1,985	100%
Total	2,324		1,985	

**38. Related Party Transactions :**
**A. Related parties and their relationship:**

Nature of Relationship	Name of the Related Party
Enterprises that directly or indirectly through one or more intermediaries, control, or are controlled by or are under common control with the reporting enterprises	Ravikumar Properties Private Limited Craze India Private Limited Ravikumar Resorts and Hotels Private Limited Ravikumar Powergen Private Limited RKR Hotels Private Limited Reality Projects & Entertainments Private Limited Brahmar Cellulose Products Private Limited RV Matrix Software Technologies Private Limited Liquor India Limited S V Distilleries Limited
Key Management personnel	R.V.Ravikumar S. Vijayalakshmi Badrinath S Gandhi R. Anand Ravikumar

**B. Transactions with Related Parties (other than those advances given for business purposes)**

Transaction	Related Party	Year Ending March31, 2012	Year Ending March31, 2011
Remuneration	Mr R V Ravikumar	12	12
	Mrs Amrithavalli	5	7
	Mrs. Vijayalakshmi	5	3
	Mr. Badrinath S Gandhi	5	Nil
	Mr. Anand Ravi Kumar	1	Nil
	Mr. Sivasankar	3	Nil
Benefits & Perquisites to Whole-time Directors		0	Nil

Transaction	Related Party	Year Ending March31, 2012	Year Ending March31, 2011
Rent	Mr. R V Ravikumar	13	13
Unsecured Loans received and repaid	Mr. R.V.Ravikumar	1125	441
<b>Year End Balances:</b>			
Purchase / Advance for Purchase of Immoveable Assets	Ravikumar Properties Private Limited	832	3290
Loan from director	Mr. R V Ravikumar	39	2
Advances to Companies	Brahmar Cellulose Products Private Limited	0	1
	Ravikumar Properties Private Limited	0	51
	R V Matrix Software Technologies Private Limited	0	1
	Liquors India Limited	1,650	0
	S V Distilleries Private Limited	2,542	0

**39. Earnings Per Share as per Accounting Standard 20 :**

Particulars	Year Ending March31, 2012	Year Ending March31, 2011
Profit / (Loss) after Tax	138	87
Weighted Average number of Equity Shares used as denominator for calculating EPS	2,40,00,000	1,53,35,616
Basic Earnings Per Share of Rs.10/- each	Rs. 0.58	Rs. 0.57
Potentially dilutive shares	Nil	Nil
Diluted Earnings per share	Rs. 0.58	Rs. 0.57

**40. Taxation Matters :**

The Company has received a Demand Notice from Income Tax Department in respect of the Assessment year 2003-04, Assessment Year 2007-2008 and Assessment Year 2009-2010 on account of disallowance of exemption under section 80 IB of the Income Tax Act, 1961 and disallowance of expenditure under section 40 a (ia) of the Income Tax Act, 1961. The Department has raised a demand of Rs. 400.13 lakhs for all the assessment years. The Company has filed appeals with the Commissioner of Income Tax (Appeals) against the orders of the Assessing Officer. The Company is confident of succeeding in both the appeals and the Company has also taken favorable opinion from legal experts.

Similar disallowance of deduction under Section 80 IB has been made by the Department which has been contested and favorable decisions have been received from the First Appellate Forum. Hence no provision has been made in the books of accounts and the demand raised by the Department has been shown under "Contingent Liabilities".

In respect of other disputed liabilities pertaining to earlier years such as Turnover Tax, Compounding Fees under the Company Law, Bank Guarantee amount, the amounts have been shown under "Contingent Liabilities" in the respective years.

**41. Contingent Liabilities :**

<b>Contingent Liability not provided for in the books</b>	<b>Year Ending March 31, 2012</b>	<b>Year Ending March 31, 2011</b>
Turnover Tax	222.55	222.55
Company law Matters – Compounding Fee	Nil	2.80
Guarantee given to a bank	1.00	1.00
Counter Guarantee provided by the Bank on behalf of the Company	120.00	90.00
Income Tax matters	400.13	479.66
Claims against the company not acknowledged as debt	Nil	Nil

**42. Previous Year Figures :**

The financial statements for the year ended March 31, 2011 had been prepared as per the then applicable, pre revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2012 are prepared as per Revised Schedule VI. Accordingly, previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

For and on behalf of the Board of Directors

**For RAVI KUMAR DISTILLERIES LIMITED**

**Mr. R. V. Ravikumar**  
Managing Director

**Mr. Badrinath S Gandhi**  
Executive Director

**Mr. V Viswanathan**  
Company Secretary

Place: Chennai

Date: August 11, 2012



# **RAVI KUMAR DISTILLERIES LIMITED**

Regd Office : 'Mena Kampala", 3rd Floor, B Wing, B Block,  
No.114 & 115, Sir Theagaraya Road, T.Nagar, Chennai - 600 017.



## RAVIKUMAR DISTILLERIES LIMITED

Regd Office : "Mena Kampala", 3rd Floor, B Wing, B Block,  
No.114 & 115, Sir Theagaraya Road, T.Nagar, Chennai - 600 017.

### NOTICE

NOTICE is hereby given that the Nineteenth Annual General Meeting of Ravi Kumar Distilleries Limited will be held at Bharathiya Vidya Bhavan, 8/12, East Mada Street, Mylapore, Chennai 600004 on Monday, 5<sup>th</sup> day of November, 2012 at 10.00 a.m. to transact the following business:

#### **ORDINARY BUSINESS**

1. To approve and adopt the Balance Sheet as at 31<sup>st</sup> March, 2012 and Profit and Loss Account for the year ended as on that date and the report of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Papatlal M. Kathariya who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. K S M Rao who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

#### **SPECIAL BUSINESS**

5. **To consider and, if thought fit, to pass with or without modification/s, the following resolution as a Special Resolution.**

##### **Revision of payment of remuneration to Mr. R V Ravikumar as a Chairman and Managing Director:**

“RESOLVED THAT pursuant to Section 269,309,310 and other applicable provisions, if any of the Companies Act, 1956 read with Schedule XIII, the consent of the members be and is hereby accorded for the revision of payment of remuneration to Mr. R. V. Ravikumar as a Chairman and Managing Director of the company on a non-rotational basis with effect from 01.04.2012 for a period of 4 (four) years on the terms and conditions as set out below:

##### **Terms of appointment:**

###### **a. Period:**

For a period of 3 (three) years with effect from 01.04.2012.

###### **b. Terms of Remuneration:**

###### **Basic Salary:**

Rs. 2,00,000/- per month in the scale of Rs 2,00,000/- to Rs 4,00,000/- per month (annual increase in salary to be decided by the Board of Directors) in compliance as provided under Schedule XIII, Part II, Section II of the Companies Act, 1956.

##### **HRA:**

50% of Basic Salary.

##### **Commission:**

An amount by way of commission payable annually in addition to the above salary not exceeding one and half annual basic salary, subject to the further ceiling limit that the commission together with salary and perquisites shall not exceed 1% of the net profit as calculated under Section 349 of the Companies Act, 1956.

##### **Perquisites & Allowances:**

In addition to Salary, HRA & Commission as stated above, perquisites shall be restricted to an amount of Rs.3,00,000/- (Rupees three lakh only) per annum.

Managing Director can avail/utilize the benefit of the perquisites in any forms / types / manners, including perquisites of Gas, Electricity, water, reimbursement of Medical Expenses (for self & family), Leave Travel Allowance, reimbursement of traveling expenses (for self & family), fees & subscription to clubs, Personal Accident Insurance, and such other perquisites which the Managing Director wants to avail, irrespective of any maximum ceiling limit for any individual types / items of perquisites availed / utilized by him in any form / type / manner.

The Managing Director is also entitled for company's car with driver for official use.

The valuation of the perquisites will be as per the Income Tax Rules, 1962.

The following perquisites will not be included in the computation of the ceiling of perquisites:

- (i) Contribution to the Provident fund in accordance with the rules of the Company.
- (ii) Gratuity payable in accordance with the Rules of the Company.
- (iii) Encashment of leave at the end of tenure.

##### **Minimum Remuneration:**

If in any financial year, the Company has no profit or its profits are inadequate as computed under Section 349 of the Companies Act, 1956, the Company shall pay salary, HRA and perquisites as specified above, excluding commission, as minimum remuneration.

No sitting fee shall be paid to the Chairman and Managing Director for attending the meetings of the Board of Directors or any committee thereof.

No other Directors other than Mr. R.V. Ravikumar and Mr. Badrinath S Gandhi are interested or concerned in the resolution.

Place : Chennai

By order of the Board of Directors

Date : 10.10.2012

**Chairman and Managing Director**

**Notes:**

1. *A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself on a poll only and the proxy need not be member of the Company.*
2. *Proxies in order to be effective must be lodged with the Company not less than forty eight hours before the commencement of the meeting. Proxy Form is enclosed.*
3. *Members /proxies should bring duly filled attendance slips sent herewith to attend the meeting.*
4. *Members who are holding shares in dematerialized form are requested to bring details of their Depository Account Number for identification.*
5. *All documents referred to in the Notice will be available for inspection of the members at the Registered Office of the Company between 10.30 a. m to 12.00 noon on all the working days up to the date of Annual General Meeting.*
6. *The Register of Members and Share Transfer Registers will remain closed from 02.11.2012 to 05.11.2012 (both days inclusive).*
7. *Members requiring information on audited accounts at the meeting are requested to send the queries in writing so as to reach the Registered Office of the Company at least 10 days before the meeting.*
8. *Members holding shares in physical form are requested to notify change in address, if any to Registrars and Transfer Agents, Karvy Computershare Pvt. Ltd., Hyderabad. Members holding shares in electronic form may intimate the changes, if any, to their respective Depository Participants (DPs).*
9. *No unclaimed dividends are outstanding with the Company u/s. 205 of the Companies Act, 1956.*
10. *Members are requested to address all correspondences, to the Registrars and Transfer Agents of the Company.*
11. *Additional information pursuant to clause 49 of the listing agreement with regard to Directors seeking appointment/re-appointment at the annual general meeting*

Name of Director	Mr. Popatlal M. Katariya	Mr K S M Rao
Date of appointment	03.11.2010	07.11.2007
Age	59 Years	65 Years
Qualification	B. Com, LL.B(Gen.), F.C.A	B. Com, LL.B
Nature of his expertise in specific functional areas	Chartered Accountancy	Banking and Finance
No. of shares held	Nil	Nil
Directorship held in other Limited Companies *	Nil	Nil
Chairman/Member of Committees of other listed companies**	Nil	Nil

**Note:**

\* Excludes private limited companies, Foreign companies and Alternate Directorships.

\*\*Chairmanships/ Memberships in Audit Committee, Share Transfer cum Investor Relation Committee and Remuneration Committee are reckoned for this purpose

**Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956.**

**Item No.5**

Mr R.V. Ravikumar aged 60 years is a Managing Director of our Company with effect from 1<sup>st</sup> October 2010. He is a Promoter and Director of the Company and his contribution to our Company has enabled the Company to reach at their respectable position in the industry. He is the secretary of Puducherry Distilleries & Breweries Association and was a member of "All India Distilleries Association". He is the recipient of one of the prestigious awards "Chevalerie Due Verre Galant" from France and "Gem of India Award" from all India Achievers Conference, New Delhi. As a Managing Director of our Company, he looks after the overall management of our Company.

The Company had passed an ordinary resolution in the last Annual General Meeting held on 06 August 2011 in this regard and had subsequently made an application to the Central Government for the payment of excess remuneration as per schedule XIII of the Companies Act, 1956.

Further, the Central Government rejected the application on the ground that payment of such excess remuneration shall be approved by the shareholders by passing a Special Resolution.

However, in the financial year 2011-12, the Company had paid the remuneration within the limits as laid down under schedule XIII and hence complied with the provisions of the Companies Act, 1956.

In this connection, the Board recommends to pass a special resolution for the payment of remuneration as mentioned in the resolution contained in item no. 5 of the notice for a period of three years with effect from 01 April 2012 to 31 March 2015.

None of the Directors other than Mr. R.V. Ravikumar and Mr Badrinath S Gandhi are interested or concerned in the above resolution.

Place : Chennai

Date : 10.10.2012

By order of the Board of Directors

**Mr R V Ravikumar**  
Chairman and Managing Director





# RAVIKUMAR DISTILLERIES LIMITED

Regd Office : "Mena Kampala", 3rd Floor, B Wing, B Block,  
No.114 & 115, Sir Theagaraya Road, T.Nagar, Chennai - 600 017.

## ATTENDANCE SLIP

Regd. Folio No./ Client ID.....

I hereby record my presence at the MEETING OF THE PREFERENCE SHAREHOLDERS of the Company at Ravi Kumar Distilleries Limited, Puducherry on Monday 5th November 2012 at Bharathiya Vidya Bhavan, 8/12, East Made Street, Mylapore, Chennai – 600 004 at 10.00 a.m or immediately after the conclusion other 19th Annual General Meeting of the Company whichever is later.

\_\_\_\_\_  
Name of the Shareholder/ Proxy/ Authorized  
Representative of Body Corporate  
(in BLOCK letters)

\_\_\_\_\_  
Signature of the Shareholders /Proxy/  
Authorized Representative of  
Body Corporate

**Note:** Please fill in this attendance slip and hand it over at the ENTRANCE OF THE MEETING HALL.

**PLEASE BRING YOUR COPY OF THE ANNUAL REPORT TO THE MEETING.**

## RAVIKUMAR DISTILLERIES LIMITED

Regd Office: 'Mena Kampala', 3dr Floor, B Wing, B Block,  
No. 114 & 115, Sri Theagaray Road, T. Nagar, Chennai – 600 017.

## PROXY FORM

I /We \_\_\_\_\_ of \_\_\_\_\_

\_\_\_\_\_ being a member / member of the above-named Company hereby appoint

\_\_\_\_\_ of \_\_\_\_\_

\_\_\_\_\_ or failing her/him \_\_\_\_\_

of \_\_\_\_\_ in the district of \_\_\_\_\_ As my / our proxy to attend

and vote for me / us and on my / our behalf at the MEETING OF THE PREFERENCE SHAREHODERS of the Company, at Bharathiya

Vidya Bhavan, 8/12, East Made Street, Mylapore, Chennai – 600 004 On .....at.....or immediately after

the Conclusion of the 19th Annual General Meeting of the Company which ever is later and any adjournment threof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012

No. of Preference share held.....Signature

Affix  
Re.1  
Revenue  
Stamp  
Shareholder

**Note:** The Proxy form must be retuned so as to reach the Registered Office of the Company at "Mena Kampala" 3rd Floor, B Wing, B-Block, No.114 & 115, Sir Theagaraya Road, Chennai – 600 017 not less than FORTY EIGHT HOURS before the time for holding the aforesaid meeting.

