Chambal

Breweries & Distilleries Limited

Annual Report 2011-2012

ANNUAL REPORT 2011-2012

BOARD OF DIRECTORS

Mr. Parasram Jhamnani
Promoter & Executive Chairman

Mr. Raj Kumar Jain
Non-Executive & Independent Director

Mr. Gajraj Singh
Non-Executive & Independent Director

Mr. Anupam Garg
Non-Executive & Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Parasram Jhamnani
Compliance Officer

AUDITORS

Bipin Zhavar & Associates
Chartered Accountants,
235/9203, Kannamwar Nagar - 2, Vikhroli (E),
Mumbai - 400 083

ADVISORS

V M & Associates
Company Secretaries,
403, Royal World,
S. C. Road, Jaipur - 302 001

REGISTERED OFFICE

Room No. 8, 102 C, Madhavwadi, Cross Road, Naigaon ,
Dadar,Mumbai
Web: www.chambalkota.in
Email: chambalbreweries@gmail.com

BANKERS

ICICI Bank

REGISTRAR & SHARE TRANSFER AGENT

Adroit Corporate Services Pvt Ltd.
19/20 Jaferbhoy Industrial Estate,
1st Floor, Makwana Road Marolnaka,
Mumbai- 400059
E-mail: adroit@vsnl.net

(Members are requested to bring their copy of the Annual Report at the Annual General Meeting)

NOTICE OF MEETING

NOTICE is hereby given that the Annual General Meeting of the Members of Chambal Breweries & Distilleries Limited will be held on Saturday, the 29th day of September, 2012 at 03:30 P.M. at Ramee Guestline Hotel,Plot no 3. Kohinoor Road , Dadar (East), Mumbai-14, to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit & Loss Account for the year ended on that date together with the reports of the Auditors and the Directors thereon.

2. To appoint a Director in place of Shri Anupam Garg, who retires by rotation and being eligible, offers himself for re-appointment.

3. To appoint the Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. Bipin Zhavar & Associates, Chartered Accountants be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

By Order of the Board
Sd/-
Parasram Jhamnani
Chairman

PLACE : **KOTA**
DATE : **14.08.2012**

NOTES (Forming part of the Notice) :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (the "Meeting") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULE TIME OF THE MEETING. A BLANK PROXY FORM IS ANNEXED TO THE ANNUAL REPORT.

2. The register of members and share transfer books of the Company will remain closed from 28th September, 2012, to 29th September, 2012 (both days inclusive).

3. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the special business is annexed hereto.

4. In terms of Article 89 of the Article of Association of the Company, read with Section 256 of the Companies Act, 1956, Shri Anupam Garg, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors commend his re-appointment.

5. Members who are holding shares in identical order of names in more than one folio are requested to write to the Company enclosing their share certificate so as to enable the Company to consolidate their holdings in one folio.

6. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company at least 7 days in advance, so as to enable the Company to keep the information ready.

7. Members are requested to bring the following with them at the Annual General Meeting:

   a) Copy of the Annual Report.
   b) Duly filled Attendance Slip for attending the meeting and the same should be deposited at the entrance of the Meeting Hall.
   c) Depository account number (Client ID), if any, for easier identification and recording of attendance at the meeting.

8. All documents referred to in accompanying Notice are open for inspection at the Registered Office of the Company between 11.00 A.M. and 1.00 P.M. on any working day excluding Sundays and holidays up to the date of Annual General Meeting.

9. The Members holding shares in physical form are requested to notify change in their address, if any, quoting their folio number to intimate to the Registrar and Transfer Agents - M/s. Adroit Corporate Services Pvt Ltd., 19/20 Jaferbhoy Industrial Estate, 1st Floor, Makwana Road Marol naka, Mumbai . If the shares are held in electronic form, the same has to be notified to your concerned Depository Participant.

10. The details pertaining to director seeking re-appointment, as required to be provided pursuant to clause 49 of the Listing Agreement are furnished in the Corporate Governance Report published elsewhere in this report.

11. As per Circular No. MRD/Dop/Cir-5/2009 dated May 20, 2009 issued by Securities and Exchange Board of India (SEBI), it is mandatory to quote PAN for transfers of shares in physical form. Therefore, the transferee(s) are required to furnish a copy of their PAN to the Registrar and Share Transfer Agents of the Company.

12. Members are informed that Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allowing paperless compliances by companies through electronic mode. Companies are now permitted to send various notices/documents to its shareholders through electronic mode to the registered e-mail addresses of shareholders. Your company has also decided to be a part of this initiative and request the shareholders to send/update their email id's in the company's record. This initiative will enable better flow of the information required to be disseminated to the members and save the environment by saving the paper. We seek your whole-hearted support for this initiative.

By Order of the Board
Sd/-
Parasram Jhamnani
Chairman

PLACE : **Kota**
DATE : **14.08.2012**

ANNEXURE TO THE AGM NOTICE

Details of Director seeking re - appointment at the Annual General Meeting as per Clause 49 of the Listing Agreement
Shri Anupam Garg is retiring by rotation at the date of ensuing Annual General Meeting and being eligible offers himself for re appointment. He is qualified as B.Com

Details of Shri Anupam Garg, Director of the Company are as follows :

Name of the Director	Shri Anupam Garg
Date of Birth	22/10/1966
Date of Appointment	30/09/2003
Qualification(s)	B.Com
Name of the Companies in which directorship held as on 31.03.2012	NIL
Member of the Committee of Board of other companies	NIL
No. of Shares held in the Company	NIL

DIRECTORS' REPORT

To the Members

Your Directors have pleasure in presenting the Annual Report of your Company along with Audited Annual Accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS

The financial performance of the Company for the year ended on 31st March, 2012 is as follows:

Particulars	31.03.2012	31.03.2011
Turnover (FOB)	4,03,34,835	22,58,560
Other Income	—	—
Less : Total Expenditure	3,95,21,596	24,93,012
Interest	—	—
Depreciation	1,39,607	2,90,772
Profit / (Loss) before Tax & extra-ordinary items	8,13,239	(2,34,452)
Add/Less: Extra Ordinary Items	—	—
Profit / (Loss) before Tax	8,13,239	(2,34,452)
Less : Provision for Current Tax	3,30,017	17,402
Provision for FBT	—	—
Provision for Deferred Tax	—	—
Add : old provision for tax written back	—	—
Deferred tax written back	—	—
Less : Income tax for earlier years	—	—
Net Profit/ (Loss) after Tax for the year	**4,83,222**	**(2,51,854)**

OPERATIONS

The company is engaged in the trading and retailing of IMFL and beer. During the year, company made a profit of four lacs, eighty three thousand, two hundred and twenty two.

LISTING OF SECURITIES

The Equity shares of the company are listed with the Bombay Stock Exchange limited and Jaipur Stock Exchange Limited.

DIVIDEND

Bearing in mind the financials and various growth prospects of the Company, the Directors do not recommend any dividend for the year.

FIXED DEPOSITS

The Company has not accepted or renewed any fixed deposits from public during the year.

DIRECTORS

Shri Anupam Garg, Director, retires by rotation in terms of provisions of Companies Act, 1956 and Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

AUDITORS

M/s. Bipin Zavar & Associates, Chartered Accountants, Statutory Auditors of the Company holds office until the conclusion of the forthcoming Annual General Meeting and is eligible for re-appointment. The Company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956. Accordingly, the said Auditors are proposed to be re-appointed as auditors of the Company for the financial year 2012-2013 at the ensuing Annual General Meeting. The notes to the accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

HUMAN RESOURCE DEVELOPMENT

Human capital continues to be a vital resource for the Company. The Company has a continuous process to monitor individual performance. The Company continued to have cordial and harmonious relations with its employees.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed discussion on the industrial structure, development, opportunities, threats, review of operational performance and risks, as required under the Listing Agreements with stock exchanges, forms part of this report and is annexed herewith.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, your Directors confirmed that:

1. in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and there are no material departures;

2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the State of Affairs of the Company for the financial year ended 31st March 2012 and of profit of the Company for that year;

3. they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate Accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

4. they have prepared the Annual Accounts on a 'going concern' basis.

PARTICULARS OF EMPLOYEES

There are no employees in the Company whose particulars are required to be disclosed under the provisions of section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended, from time to time.

CORPORATE GOVERNANCE

The Company considers Corporate Governance as an important step towards building investor confidence, improve investor's protection and maximize long term shareholder value. It has implemented all the provisions of the Corporate Governance as stipulated under Clause 49 of the listing agreements with all the stock exchanges, where the Company is listed It has always been a constant endeavor of the Company to adopt good corporate governance code through independent Board, transparent disclosures and shareholders empowerment for creating and sustaining shareholder value. A separate section on Corporate

Governance along with a certificate from the Auditors of the Company, certifying compliance of stipulations of Clause 49 of listing agreements with the stock exchanges with regards to the Corporate Governance code is present elsewhere.

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

The Company has no activities relating to conservation of energy and technology absorption.
There are no foreign exchange transactions during the year.

For and on behalf of the Board of Directors
Sd/-
Parasram Jhamnani
Chairman

PLACE : **Kota**
DATE : **14.08.2012**

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance helps to serve corporate purposes by providing a framework within which stakeholders can pursue the objectives of the organization most effectively. Corporate Governance signifies acceptance by management of the inalienable rights of shareholders as true owners of the organization and of their own role as trustees on behalf of the shareholders. At Chambal Breweries & Distilleries Limited our employees and shareholders satisfaction takes the highest place, employees satisfaction is reflected in the stability of our senior management, low attrition across various levels and substantially higher productivity. Chambal Breweries & Distilleries Limited is committed to the highest standards of Corporate Governance in all its activities and processes. It has always believed that an independent and diversified Board following best practices, transparent disclosures and empowerment of shareholders are as necessary as solid financial results for creating and sustaining shareholder's value. The Company fully recognizes the rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders. The Company strives for the fullest possible disclosure standards. It provides detailed information on various issues concerning the Company's business and financial performance to its shareholders. The Board of the Company acts with autonomy and independence in exercising strategic supervision, discharging its fiduciary responsibilities and in ensuring that the management observes high standards of ethics, transparency and disclosure.

Corporate Governance is a Journey for constantly improving sustainable value creation and is an upward moving target. The Company has always ensured that all the provisions of Corporate Governance as stipulated under Clause 49 of the Listing Agreements with all the Stock Exchanges where the Company is listed are complied with the utmost perfection.

BOARD OF DIRECTORS

Board Procedure

The members of the Board are provided with the requisite information mentioned in the Listing Agreements well before the Board meetings.

The Board considers all the matters, which are statutorily required to be considered by it in addition, following issues are also discussed at the meetings of the Board:

- Annual operating and capital expenditure budgets and periodical review thereof.
- Investment /expansion /modernization /diversification plans of the Company.
- Overall strategy and business plans.
- Approval of quarterly / half-yearly / annual results (after review by Audit Committee).
- Compliance with statutory / regulatory requirements and review of major pending legal cases.
- Major accounting practices, provisions and write-offs.
- Transactions pertaining to acquisition /disposal of fixed assets /related party transactions.
- Review of working of various committees of the Board.
- Significant labour problems, if any.

All the Directors, who are members of the various committees, are within the limits prescribed in the Listing Agreements. The Directors have intimated, from time to time, about their directorship / membership of committees in other Companies.

Details of Shareholding of Directors as on 31st March, 2012 :

SNo.	Name of Director	Number of shares
1.	Mr. Parasram Jhamnani	5,58,300
2.	Mr. Raj Kumar Jain	Nil
3.	Mr. Gajraj Singh	Nil
4.	Mr. Anupam Garg	Nil

The Company has not issued any shares / debentures during the year.

Composition

The Board of Directors presently consists of four Directors. The composition and category of Directors is as follows :

Category	Name of Directors	DIN
Promoter/ Executive Director	Mr. Parasram Jhamnani	01266196
Non-Executive Independent Directors	Mr. Raj Kumar Jain	05182042
	Mr. Gajraj Singh	01336015
	Mr. Anupam Garg	05182137

Board Meetings

As per the statutory provisions the Board is required to meet at last once every quarter and minimum 4 times in a year with the time gap between two consecutive meetings not exceeding four months. As against this, during the period under review the Board held 6 (six) meetings on 30.04.2011, 25.06.2011, 29.08.2011, 31.10.2011, 31.01.2012 and 25.03.2012 to consider amongst other business, the quarterly / annual performance of the Company and its financial results.

Attendance particulars of Board Meeting, Annual General Meeting and Committee Memberships

Name of Director	Attendance Particulars		No. of Directorship and Committee membership/ Chairmanship in other Public Cos.		
	Board Meetings	Last AGM	Total outside Directorship	Committee Membership	Committee Chairman
Mr. Parasram Jhamnani	6/6	Present	Nil	Nil	Nil
Mr. Raj Kumar Jain	6/6	Present	Nil	Nil	Nil
Mr. Gajraj Singh	6/6	Present	Nil	Nil	Nil
Mr. Anupam Garg	6/6	Present	Nil	Nil	Nil

BOARD COMMITTEES

1. AUDIT COMMITTEE

The Audit Committee has been constituted as per the Section 292A of the Companies Act, 1956 and the guidelines of the Listing Agreement with the stock Exchanges. The Terms of reference of Audit Committee include, to:

- Effectively supervise the financial reporting process.
- Review the quarterly and annual financial results before placing them before the Board.
- Hold discussions with Statutory Auditors on the nature and scope of audits.
- Ensure compliance with accounting standards and listing requirements concerning financial statements.
- Review the adequacy of internal controls in the Company including the plan.
- Recommend the appointment and removal of Statutory Auditors and their fees and approval for payment for any other services.
- Reviewing the Company's financial and risk management policies.
- Review the functioning of the Whistle Blower mechanism.
- Approving the internal Audit plan and reviewing the efficacy of the function.

Composition and Attendance

Name of the Member	Meetings Held	Meetings Attended
Mr. Raj Kumar Jain(Chairperson)	6	6
Mr. Parasram Jhamnani	6	6
Mr. Gajraj Singh	6	6
Mr. Anupam Garg	6	6

Meetings of the Audit Committee

During the period under review the Committee met 6 (six) times on 30.04.2011, 25.06.2011, 29.08.2011, 31.10.2011, 31.01.2012 and 25.03.2012

2. SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE

The Shareholders' / Investors' Grievance Committee has been constituted as per the provisions set out in the Listing Agreement. The Terms of reference include, to:

- Approve transfers, transmissions, issue of duplicate certificates, transposition, change of names, etc. and to do all such acts, deeds, matters and things as connected therein.
- Review complaints of the shareholders and the action taken by the Company.
- Take note of the Quarterly Secretarial Audit Report and half yearly Compliance Certificate under Clause 47 of the Listing Agreement.

Composition and attendance

Name	Meetings Held	Meetings Attended
Mr. Gajraj Singh (Chairperson)	1	1
Mr. Parasram Jhamnani	1	1
Mr. Raj Kumar Jain	1	1
Mr. Anupam Garg	1	1

The Company addresses all complaints, suggestions and grievances expeditiously and replies have been sent / issues resolved usually within 15 days.

During the year the Company received a total of nil complaints from the shareholders. There were no pending complaint or share transfer cases as on 31st March 2012, as per the certificate given by RTA.

Shri Parasram Jhamnani acts as the Compliance Officer of the Committee.

Meetings of the Shareholders / Investor Grievance Committee

During the period under review the Committee met 1 (one) time on 21.12.2011.

COMPLIANCES REGARDING INSIDER TRADING

Comprehensive guidelines in accordance with the SEBI regulations are in place. The code of Conduct and corporate disclosure practices framed by the company have helped in ensuring compliance with the requirements.

GENERAL BODY MEETINGS

Details of last 3 Annual General Meetings were as under

Year	Date	Day	Time	Venue	Special Resolution Passed
2009	30.09.2009	Wednesday	11.00 A.M	Registered Office	None
2010	30.09.2010	Thursday	11.00 A.M.	Registered Office	None
2011	30.09.2011	Friday	11.00 A.M.	Registered Office	None

EXTRA-ORDINARY GENERAL MEETING

No Extra-Ordinary General Meeting was held during the year.

CODE OF CONDUCT

All Directors and Senior Management Personnel of the Company have affirmed compliance with the provisions of the code of conduct for the financial year ended on March 31st, 2012.

CEO & CFO CERTIFICATE

Certificate from CEO & CFO for the financial year ended on March 31, 2012 has been annexed to the Annual Report

MEANS OF COMMUNICATION

a. The Company intimates un-audited as well as audited financial results to the stock exchanges immediately after these are taken on record by the Board. The quarterly and half-yearly un-audited financial results and the annual audited financial results are also published by the Company in one English leading national newspaper i.e. Free Press and one Marathi newspaper of repute circulated widely in the regional language of the state i.e. Nav Shakti. As such the half-yearly and quarterly results are not sent to shareholders individually. All price sensitive information is made available at the earliest through newspapers and intimated to the stock exchanges for public dissemination.

b. Management Discussion and Analysis Report forms part of the Report of Directors.

GENERAL SHAREHOLDER INFORMATION

1.	**Annual General Meeting- Day, date & time- Venue**	**Saturday, 29th Day of September,2012 at 03.30 P.M.Ramee Guestline Hotel, Plot no 3. Kohinoor Road , Dadar (East), Mumbai-14**
2.	Financial Calendar (Tentative)- Result for the qtr ending June 30, 2012 Result for the qtr ending Sept 30, 2012 Result for the qtr ending Dec 31, 2012 Result for the qtr ending Mar 31, 2013	 Within 45 days from end of quarter. Within 45 days from end of quarter. Within 45 days from end of quarter. Within 60 days from end of quarter of the financial year (Audited)..
5.	Listing of Equity Shares in Stock Exchanges	Bombay Stock Exchange Limited (BSE).Jaipur Stock Exchange(JSE)
6.	Demat ISIN exchange number in NSDL & CDSL for Equity Shares(BSE)	INE417N01011
7.	Stock Code (BSE)Stock Code (JSE)	512301786
8.	Corporate Identification Number (CIN) allotted by the Ministry of Corporate Affairs	U99999MH1985PTC035789

9. Market price data (BSE)

	BSE (CHAMBAL BREWERIES & DISTILLERIES LTD)		
Month	**High**	**Low**	**Number of Shares traded**
June' 12	85.40	70.00	5,01,600
July' 12	99.90	48.80	10,19,100

10.	**Registrars and Transfer Agents :**	**Adroit Corporate Services Pvt Ltd.** 19/20 Jaferbhoy Industrial Estate,1st Floor, Makwana Road MaroInaka,Mumbai- 400059 Ph: 91-Fax: 91-e-mail: adroit@vsnl.net
11.	**ShareTransfer System :**	The Company has appointed Adroit Corporate Services Pvt Ltd as the Registrars and Transfer Agents (RTA) in addition to the electronic connectivity already being availed through them. As on date all the work related to the shares both held in physical and electronic form is handled by the RTA. All correspondences are to be directed to the RTA at their address mentioned above. The correspondences may also be sent at the Company's address, which will be sent by the Company to the RTA.
12.	**Reconciliation of Share Capital Audit :**	Secretarial Audit for reconciliation of shares held with Depository Participants and in Physical form is being carried out in every quarter by a practicing Company Secretary and his audit report is placed before the Board for its perusal and filed regularly with the Stock Exchange within the stipulated time.
13	**Outstanding GDRs/Warrants and Convertible Instruments**	The Company has not issued GDRs / Warrants or any other instruments which is convertible into Equity Shares of the Company.

14	**Address for Correspondence** Investor correspondence Exclusive e-mail Id for redressal of investors complaints in terms of Clause 47(f) of the Listing Agreement, please use the following contents for redressal of Investors Complaints:-	**Adroit Corporate Services Pvt Ltd.** 19/20 Jaferbhoy Industrial Estate, 1st Floor, Makwana Road Marolnaka, Mumbai- 400059 Ph: 91-Fax: 91- e-mail: adroit@vsnl.net **E mail ID** : chambalbreweries@gmail.com **Compliance Officer :** Mr. Parasram Jhamnani 627, Dadabari, Kota, 324009, Rajasthan, India Ph: 91- Fax: 91- e-mail: chambalbreweries@gmail.com

For and on behalf of the Board of Directors

Place : **KOTA**	Sd/-	Sd/-
Date : **14.08.2012**	**Parasram Jhamnani**	**Raj Kumar Jain**
	Managing Director	Director

MANAGEMENT DISCUSSION AND ANALYSIS

As management of the company offer readers of financial statements this narrative overview and analysis of the financial activities of the company for the financial year ended 31st March, 2012. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the financial statements, which follow this narrative.

OUTLOOK

The Company is striving hard to improve cost efficiency, widen its reach to new consumer segments and consolidate further on its image. Barring unforeseen circumstances, the Company expects to improve its march towards improved profitability. Given the numerous initiatives that are being implemented combined with strong operational foundation of our business we remain confident about our growth prospects going forward.

RISKS & CONCERNS

The nature of our business is such that it is subject to certain risks at different points of time. Some of these include escalation in the cost of raw materials and other inputs, increasing competitive intensity from other players, changes in regulation from central and state governments, changes in supplier distributor relationship, labor shortage. Your company has a proactive approach when it comes to risk management where it periodically reviews the risks and strives to develop appropriate risk mitigation measures for the same.

INTERNAL CONTROL SYSTEMS

The system of internal control is being improved to ensure that all assets are safe and protected against loss from unauthorized use or disposition, and that all transactions are authorized, recorded and reported correctly. The Company regularly conducts internal check, using external and internal resources to monitor the effectiveness of internal control in the organization. It strictly adheres to corporate policy with respect to financial reporting and budgeting functions. The Audit Committee of the Board of Directors deals with significant control issues and instructs further areas to be covered.

FINANCIAL CONTROLS

The Company's management is committed to evolve strategy to achieve enhancement in the shareholders value through the adoption of strong fiscal discipline, improvement in operating efficiencies and resource utilization.

HUMAN RESOURCES

Human capital continues to be a vital resource for the Company. The Company has a continuous process to monitor individual performance. The Company continued to have cordial and harmonious relations with its employees.

CAUTIONARY STATEMENT

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

FINANCIAL PERFORMANCE

The summarized financial performance of the Company as compared to last year is shown as under :

HUMAN RESOURCE

Human capital continues to be a vital resource for the Company. The Company has a continuous process to monitor individual performance. The Company continued to have cordial and harmonious relations with its employees.

Particulars	2011-12	2010-11
Sales	4,03,34,835	22,58,560
Other Income	--	--
Profit/(Loss) before tax	8,13,239	(23,4,452)
Net Profit/(Loss) after tax	4,83,222	(2,51,854)
Payment of Dividend	--	--

For and on behalf of the Board of Directors

Place : **KOTA**
Date : **14.08.2012**

Sd/-
Parasram Jhamnani
Managing Director

Sd/-
Raj Kumar Jain
Director

DECLARATION FOR COMPLIANCE WITH THE CODE OF CONDUCT

To,

The Members,
Chambal Breweries & Distilleries Limited,
Mumbai

This is to confirm that the Company has adopted a code of conduct for its Board of Directors and senior management personnel.

I confirm that the Company has in respect of financial year ended on 31st March, 2012 received from the members of the Board and senior management personnel a declaration of compliance with the code of conduct as applicable to them.

For Chambal Breweries & Distilleries Limited.

Sd/-
(Parasram Jhamnani)
Managing Director
14.08.2012

CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)

To the Board of Directors of Chambal Breweries & Distilleries Limited

We, Parasram Jhamnani, Chief Executive Officer and Vinod Jhamnani, Chief Financial Officer of Chambal Breweries & Distilleries Limited, to the best of our knowledge and belief hereby certify that:

(a). We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2012 and that to the best of our knowledge and belief;

- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

- 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 void to the company's code of conduct;

(c). We accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps that we have taken or propose to take to rectify these deficiencies and

(d). We have indicated to the Auditors and the Audit Committee of:

(i) significant changes in internal control during the year;

(ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

Place : **KOTA**
Date : **14.08.2012**

For and on behalf of the Board

Sd/-
Vinod Jhamnani
Chief Financial Officer

Sd/-
Parasram Jahmnani
Managing Director

AUDITOR'S REPORT

To,
The Members of
CHAMBAL BREWERIES & DISTILLERIES LIMITED

1. We have audited the attached Balance Sheet of M/s. CHAMBAL BREWERIES & DISTILLERIES LIMITED as at 31st March, 2012 and also the Profit and Loss Account of the Company for the Year ended on that date annexed there to. 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:
2. We conducted our audit in accordance with the 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 of the financial statement. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors Report) Order 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956. We enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order in so far as they are applicable to the company.
4. Further to our comments in the Annexure referred to in paragraph in (3) & subject to paragraph (4) above, we state that
   (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
   (b) In our opinion, proper books of accounts are required by the law have been kept by the company, so far as appears from our examination of the books.
   (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
   (d) In our opinion, the Balance Sheet and Profit & Loss Account death with the report comply with the mandatory Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
   (e) On the basis of the written representation received from the Director's and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2012 from being appointed as a directors in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956.
   (f) In our opinion and to our best of our information and according to the explanation given to us, the Profit & Loss A/c. and Balance Sheet read together with other notes thereon in Schedule 16 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 case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2012.
      (ii) In the case of the Profit and Loss Account, of the Profit of the company for the year ended 31st March, 2012.
      (iii) In the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

For BIPIN ZAVAR & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN - 121523W

PLACE : **MUMBAI**
DATED : **14/08/2012**

Sd/-
BIPIN P. ZAVAR
(Proprietor)
M.NO. 110250.

Annexure to the Auditors report of the even date to the members:

i) A) The company is maintained proper records to show full particulars including quantitative details & situation of its fixed assets.

B) The fixed assets have been physically verified by the management during the year our opinion, the frequency of verification of the fixed assets by the management is reasonable having regard to the size of the company and the nature of the assets. The discrepancies noticed have been properly dealt with in the book of accounts,

C) The assets disposed off during the year are not significant and therefore do not affected the going concern assumption,

ii) A) The physical verification of inventory has been conducted at reasonable intervals by management.

B) In our opinion and according to the information and explanations given to us, the procedures of physical verifications of inventory followed by the management were found reasonable and adequate in relation to the size of the company and the nature of its business.

C) In our opinion the company has maintained proper records of inventory. The discrepancies between physical stock and the book stock were not material and have been properly dealt with in the book of accounts.

iii) A) As informed to us, during the year the company has not taken any unsecured loan from the parties covered in the Register maintained under section 301 of the Act. The company has granted unsecured loans to the six parties and one company covered under section 301 of the act.

Opening Balance	Amount Granted	Amount Recovered	Closing Balance
8,19,08,049/-	30,70,000/-	2,22,04,545/-	6,27,73,504/-

B) The rate of interest and other terms and conditions are prejudicial to the interest of the company.

C) As informed to us, during the year the company has started the process of recovering the loans granted.

iv) In our opinion according to the information and explanation given to us there are adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and for sale of goods. During the course of our audit, no major weakness has been noticed in the internal control.

v) A) Based on the audit procedures applied by us and according to the information and explanation provided by the management, we are of the opinion that the transaction that need to be entered into the register maintained under section 301 of the Act have been properly in the said register.

B) In our opinion and according to the information and explanations given to us the transactions entered in the registers maintained under section 301 and exceeding during the year by Rupees five lakh in respect of each party have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

vi) The company has not accepted any deposits from public.

vii) The company has an in house internal audit system , which in our opinion is commensurable with the size of the company and the nature of its business

viii) The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for the company.

ix) A) According to the information and explanation given to us the company is generally regular in depositing undisputed statutory dues including Income Tax, Sales Tax, Excise Duty, Service Tax and any other statutory dues. There are no outstanding statutory dues for a period of more than six month from the date they become payable.
B) According to the information and explanation given to us the company has no disputed dues of sale tax/ income tax/ excise duty/ cess and and any other statutory dues.

x) The company has accumulated losses of Rs.7,67,641/- at the end of the financial year and has neither incurred cash loss during the year nor has incurred any cash loss in the immediately year preceding.

xi) Based on our audit procedure and on the information and explanations by the management, the company has not defaulted in repayment of dues to any financial institution or bank.

xii) Based on our examination and according to the information and explanation given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debenture and other security.

xiii) The company is not a chit/nidhi/natural benefit fund/ society and clauses xii of the order is not applicable.

xiv) The company is not dealing or trading in shares, securities, debenture and other investment.

xv) On the basis of the information and explanation given to us the company has not given any guarantee for loans taken by other from bank or financial institutions.

xvi) The company has not taken any term loan during the year.

xvii) On the basis of the information and explanation given to us the company has not used funds raised on short term basis for investment in long term use and vice versa.

xviii) During the year, the company has not made any preferential allotment of share of parties and companies covered in the Register maintained under section 301 of the Act.

xix) The company did not have any outstanding debentures during the year.

xx) The company has not raised any money by public issues during the year.

xxi) Based on the audit procedures performed and information and explanation given to us by the management, we report that no fraud on or by the company had been noticed or reported during the course or our audit.

For BIPIN ZAVAR & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN - 121523W

PLACE : **MUMBAI**
DATED : **14/08/2012**

Sd/-
BIPIN P. ZAVAR
(Proprietor)
M.NO. 110250.

AUDITED BALANCE SHEET AS AT 31st MARCH , 2012

Particulars	Note No.	As at 31 March, 2012 `	As at 31 March, 2011 `
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	74,887,580	74,887,580
(b) Reserves and surplus	3	72,415,799	71,932,577
2 Non-current liabilities			
(a) Long-term borrowings	-	-	
3 Current liabilities			
(a) Short-term borrowings	-	-	
(b) Trade payables			
(c) Other current liabilities	4	48,517	185,113
(d) Short Term Provisions	5	330,017	17,402
TOTAL		147,681,913	147,022,672
B ASSETS			
1 Non-current assets			
(a) Fixed assets	6		
(i) Tangible assets		476,541	616,148
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(b) Non - Current Invesments	7	17,000,000	17,000,000
(c) Loans, Advances & Deposits	8	96,677,662	115,047,207
2 Current assets			
(a) Inventories	9	2,566,681	-
(b) Cash and cash equivalents	10	9,480,704	10,384,476
(c) Short-term loans and advances	11	21,480,324	3,974,841
TOTAL		147,681,912	147,022,672
Summary of Significant accounting policies	1		

The accompanying notes are integral part of the financial statements.
As per our report of even date

For BIPIN ZAVAR AND ASSOCIATES
Chartered Accountants
FRN - 121523W

For and on behalf of the Board of Directors
CHAMBAL BREWERIES ANDDISTILLERIES LIMITED

Sd/-
BIPIN P. ZAVAR
(Proprietor)
M.No. 110250
Place : Mumbai
Date : August 14, 2012

Sd/-
Director

Sd/-
Director

AUDITED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2012

Particular	Note No.	For the year ended 31 March, 2012	For the year ended 31 March, 2011
REVENUE		**-**	**-**
Revenue from operations (gross)			
Sale of Stock in Trade	12	40334835	2258560
Other Income		-	-
Total revenue		**40334835**	**2258560**
Expenses			
(a) Purchase of Stock in Trade	13	38643105	1783633
(b) Changes in inventories of finished goods	14	-2566681	-
(c) Employee benefits expense	15	616000	200000
(d) Finance costs	16	6308	187
(e) Depreciation and amortisation expense	7	139607	290772
(f) Other expenses	17	2683257	218420
Total expenses		39521596	2493012
Profit / (Loss) before exceptional and extraordinary items and tax		813239	-234452
Exceptional items		-	-
Profit / (Loss) before extraordinary items and tax		813239	-234452
Extraordinary items		-	-
Profit / (Loss) before tax		813239	-234452
Tax expense:			
(a) Current tax expense for current year		330017	17402
(b) Deferred tax		-	-
		330017	17402
Profit / (Loss) from continuing operations		483222	-251854
Profit / (Loss) from discontinuing operations (before tax)		-	-
Add / (Less): Tax expense of discontinuing operations		-	-
Profit / (Loss) from discontinuing operations (After Tax)		-	-
Profit / (Loss) for the year		483222	-251854
Earnings per equity share :-	18		
1) Basic		0.06	-0.03
2) Diluted		0.07	-0.03

The accompanying notes are integral part of the financial statements.

As per our report of even date

For **BIPIN ZAVAR AND ASSOCIATES**
Chartered Accountants
FRN - 121523W
Sd/-
BIPIN P. ZAVAR
(Proprietor)
M.No. 110250
Place : Mumbai
Date : August 14, 2012

For and on behalf of the Board of Directors
CHAMBAL BREWERIES ANDDISTILLERIES LIMITED

Sd/- Sd/-
Director Director

SCHEDULE FORMING PART OF AUDITED BALANCE SHEET AS AT MARCH 31, 2012 AND AUDITED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

Note 1 on financial statement - Significant Accounting Policies

1) **Accounting convention :**
The Financial statements have been prepared in accordance with the applicable accounting standards specified by the institute of chartered accountants of india. The Financial statements have also been prepared in accordance with the relevant provisions of Companies Act, 1956.

2) **Recognition of Income & Expenditure :**
All Income and expenditure items having a mateiral bearing on the financial statements are recognised on accrual basis. Dividend on shares held by the Company is accounted for as and when it is declared and interest on investment is accounted for on accrual basis. Legal and Allied expenses are provided on accrual / payment basis.

3) **Fixed Assets and Depreciation :**
Fixed assets are stated at cost of acquisition less accumulated depreciation. Direct Cost are capitalised until the asset are ready to be put to use. These cost includes fright, installation cost. Duties and taxes and other allocated expenses including finance cost relating to specific borrowing incurred during the construction period. Deprecation on fixed asset is provided on straight line method on pro-rata basis as per schedule XIV of the Companies Act, 1956.

4) **Stock**
The stock in trade if any have been valued at cost or market price whichever is lower. statutes, shall be accounted for in the year of assessment.

5) **Investment**
Investments are valued at cost.

6) **Gratuity / Retirement Benefits**
These are accounted on cash basis.

7) **Taxation**
Provision for Income Tax is made as per the provisions of the Income Tax Act, 1961. And the provision for Fringe Benefit Tax is made as per the provision of the Income Tax Act, 1961.

Note 2 to Financial Statement for the year ended 31st March,2012

Particular	As At 31-03-2012	As At 31-03-2011
	Rs.	Rs.
EQUITY AND LIABILITIES		
SHARE HOLDERS' FUNDS		
2 **SHARE CAPITAL**		
A **Authorised**		
10000000 Equity Shares of Rs.10/-each	100000000	100000000
(31st March-2011 :10000000 Equity shares of Rs.10/-each)		
B **Issued, subscribed and Paid up capital**		
74,88,758 Equity Shares of Rs.10 /-each	74887580	74887580
(31st March-2011 : 7488758 Equity shares of Rs.10/-each)	74887580	74887580

A) Terms / Right attached to equity shares

The Company has one class of issued shares referred to as equity shares having a par value Rs 10/-each holder of equity shares is entitled to one vote per share. The dividend proposed by the board of directors, If any, is subjected to the approval of shareholders in Annual General Meeting. In the event of liquidation of the Company the holder of the equity shares will be entitled to receive remaining assets of the Company after settlement of all preferential amount. The distribution will be in proportion to the number of equity shares held by the equity shareholders

B) Reconciliation of the number of Shares outstanding and the amount of Share Capital as at March 31, 2012. and March31, 2011

Equity Shares (issued Capital)	**As at 31-03-2012**		**As At 31-03-2011**	
	In Numbers	Rs.	In Numbers	Rs.
Shares outstanding at the beginning of the year	7488758	74887580	7488758	74887580
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	7488758	74887580	7488758	74887580

C) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Equity Shares	3/31/2012	3/31/2011	3/31/2010	3/31/2009	3/31/2008
Fully paid up pursuant to contract (S)	-	-	-	-	
without payment being received in cash *					

D Details of Shareholders holding more than 5% shares in the Company :

S.No.	Name of Shareholder	**Equity Shares**			
		As at 31 March 2012		**As at 31 March 2011**	
		No of Shares held	% of Holding	No of Shares held	% of Holding
1	Parasram Jhamnani	558300	7.46	558300	7.46
2	-	-	-	-	-
3	-	-	-	-	-
4	-	-	-	-	-
5	-	-	-	-	-
6	-	-	-	-	-

Note 3 to Financial Statement for the year ended 31st March,2012

3) RESERVES AND SURPLUS

Particular	**As at 31-03-2012**	**As at 31-03-2011**
A) SHARE PREMIUM :-		
Balance as per last Financial Statement	73183440	73183440
B) PROFIT AND LOSS ACCOUNT :-	-1250863	-999010
Add:- Profit /(Loss) for the year	483221.57	-251853
	72415798.57	71932577

Note 4 to Financial Statement for the year ended 31st March,2012

4) CURRENT LIABILITES

Particular	**As at 31-03-2012**	**As at 31-03-2011**
Sundry Creditors for Expenses	9191	0
Audit Fees Payable	39326	185113
Total Amount	48517	185113

Note 5 to Financial Statement for the year ended 31st March,2012

5) SHORT TERM PROVISIONS

Particular	**As at 31-03-2012**	**As at 31-03-2011**
Provision for Income Tax	330017	17402
Total Amount	330017	17402

Note 6 to Financial Statement for the year ended 31st March,2012

NON CURRENT ASSETS

6) FIXED ASSETS

Description of Assets	**GROSS BLOCK**				**DEPRECIATION**				**NET BLOCK**	
	Balance as at 01-04-2011	Addition	Deletions	Balance as at 31-03-2012	Balance as at 01-04-2011	Depreciation Charge for the year	Deduction	Balance as at 31-03-2012	Balance as at 31-03-2012	Balance as at 31-03-2011
A) Tangible Assets										
Office Equipment	1299000	-	-	1299000	992814	82227	-	1075041	223959	306186
Refrrigerator	1208000	-	-	1208000	898040	57380	-	955420	252580	309960
Computer	1303000	-	-	1303000	1302999	-	-	1302999	1	1
Furniture	1250000	-	-	1250000	1249999	-	-	1249999	1	1
Total Assets	5060000	-	-	5060000	4443852	139607	-	4583459	476541	616148
Previous Year	5060000	-	-	5060000	6861080	290772	-	7151852	616148	N.A.

Note 7 to Financial Statement for the year ended 31st March,2012

NON CURRENT ASSETS

	No.	Face value	As at 31-03-2012	As at 31-03-2012	As At 31-03-2011	As At 31-03-2011
NON CURRENT ASSETS						
7) NON CURRENT INVESTMENT(VALUED AT COST)						
Investment in equity instruments (unquoted)						
In fully paid -up Equity shares of :						
Rajasthan Telematics Ltd.	1500000	10	15000000		15000000	
K.K Distilleries Pvt.Ltd.	20000	100	2000000	17000000	2000000	17000000
TOTAL				**17000000**		**17000000**

Note 8 & 9 to Financial Statement for the year ended 31st March,2012

NON CURRENT ASSETS

	As at 31-03-2012	As at 31-03-2012	As At 31-03-2011	As At 31-03-2011
8) LONG TERM LOANS, ADVANCES & DEPOSITS				
(Unsecured, Considered Good unless otherwise stated)				
Loans & Advances to related parties	32190224		53070049	
Loans & Advances to be recovered in cash or in kind or for value to be received	33204158	65394382	32439158	85509207
Advance for Purchase of Land		30583280		28838000
Deposit with Bombay Stock Exchange		700000		700000
Total	96677662		115047207	
CURRENT ASSETS				
9) INVENTORIES				
(Valued at lower of cost and net realisable value)				
Stock in Trade		**2566681**		**-**
Total		**2566681**		**-**

Note 10 & 11 to Financial Statement for the year ended 31st March,2012

	As at 31-03-2012	As at 31-03-2012	As At 31-03-2011	As At 31-03-2011
10) CASH AND CASH EQUIVALENTS				
A) Balance with Banks	59829		10362349	
B) Cash on Hand	9420875	9480704	22127	10384476
Total		9480704		10384476
11) SHORT-TERM LOANS AND ADVANCES	-		-	
(Unsecured, Considered Good)				
Capital Advance to Vendor for Plant & Machinery	20000000		-	
Income Tax Refund Receivable	188571		3254841	
Advance to Vendor	391752.6		-	
Advance recovered in cash or in kind or for value to be received	900000	21480324	720000	3974841
Total		**21480324**		**3974841**

Note 12,13 & 14 to Financial Statement for the year ended 31st March,2012

	Year ended 31-03-2012	Year Ended 31-03-12	Year ended 31-03-2011	Year ended 31-03-2011
12) REVENUE FROM OPERATIONS:-				
Details of Gross Sales under broad heads				
Sale of IMFL & Beer	40334835		0	
Sale of Fabrics	0		2258560	
Revenue from Operations		40334835		2258560
Total		**40334835**		**2258560**

The company as obtained a license to sale/purchase of IMFL and Beer from of one of the director of the company who has been allotted a license by the state of Rajasthan. The company has entered into an agreement with the said director, whereby the company is carrying the said business in favor of the company by paying license charges to him.

	Year ended 31-03-2012	**Year Ended 31-03-12**	**Year ended 31-03-2011**	**Year ended 31-03-2011**
13) PURCHASE OF STOCK IN TRADE				
Details of Gross Sales under broad heads				
Sale of IMFL & Beer	38643105.4		0	
Sale of Fabrics	0		1783633	
Revenue from Operations		38643105.43		1783633
Total		**38643105.43**		**1783633**

14) CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

	Year ended 31-03-2012	**Year Ended 31-03-2011**	**(Increase) / Decrease**
Details of changes in inventory			
Inventory at the end of the year			
IMFL & Beer	2566681	0	-2566681
Total	**2566681**	**-**	**-2566681**

Note 15,16,17 & 18 to Financial Statement for the year ended 31st March,2012

15) EMPLOYEE BENEFITS EXPENSES

	Year ended 31-03-2012	Year Ended 31-03-2011
Employee Benefits Expense		
a) Salaries ,Wages and Bonus	616000	200000
Total Amt	616000	200000

16) FINANCE COST

	Year ended 31-03-2012	Year Ended 31-03-2011
16) FINANCE COST		
Bank Charges	6308	187
	6308	187

	Year ended 31-03-2012	Year Ended 31-03-2011
17) OTHER EXPENSES		
Auditors Remuneration	39326	20000
Conveyance & Travelling Exp.	166052	22340
License Fees Exp.	360000	-
Listing Fees	905920	-
License Charges	403000	-
Office & General Exp.	127615	12730
Office Rent	360000	-
Printing & Stationery	55060	5740
Legal & Professional fees	95656	138000
Repairs & Maintenance	35628	10870
Stock Exchange Renewal Fees	135000	-
Telephone & Electricity	-	8740
Total amount	2683257	218420
Payments to the Auditor as		
a) For Statutory Audit	22472	20000
b) For Taxation Matters	16854	-
Total Amount	**39326**	**20000**
18) EARNINGS PER SHARE		
Profit / Loss after taxation as per		
Profit & Loss Account		
Number of equity shares outstanding	7488758	7488758
Basic & Diluted Earnings per share in rupee	0.07	-0.03
(Face value of Rs 10/- Per shares)		

Note 19, 20,21,22,23 & 24 to Financial Statement for the year ended 31st March,2012

19) The Balance in parties accounts are subject to confirmation and reconciliation , If any. In the opinion of the management all current assets including stock in trade / sundry debtors and loans and advances in the normal course of business would realize the value at least to the extent stated in the Balance sheet.

20) Micro, Small and Medium Enterprises
There are no Micro, small and Medium enterprises in respect of whom the Company dues are outstanding for more than 45 days at the Balance sheet date. The above information regarding Micro, Small and medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

21) Figures have been rounded of the nearest thousands and decimals thereof.

22) As notified by Ministry of Corporate Affairs, Revises Schedule VI under the Companies Act,1956 is applicable to the Financial Statement for the financial year commencing on or after 1st April,2011. Accordingly, the Financial Statement for the year ended March 31,2012 are prepared in accordance with the Revised Schedule VI. The amounts and disclosures included in the financial statement of the previous year have been reclassified to conform to the requirements of Revised Schedule VI.

23) The Company has only one reportable business segment namely trading of IMFL and Beer.

24) CONTINGENT LIABILITIES (to the extent not provided for)

		As at 31-03-2012	As at 31-03-2011
a)	Guarantee given by Bankers and outstanding	Nil	Nil
b)	Estimated amount of contracts remaining to be executed on Capital Accounts and not Provided for (net after advance Payment)	Nil	Nil
c)	Counter guarantee given	Nil	Nil

Note 25 to Financial Statement for the year ended 31st March,2012

25) RELATED PARTY DISCLOSURES (As identified by the management and relied upon by Auditors)

a) Name of related parties and nature of relationship where contrll exists are as under:-

I) Associate Companies

1) Rajasthan Telematics Ltd.

2) K.K Distilleries Pvt. Ltd.

II) Key Management Personnel

1) Parasram Jhamnani

2) Raj Kumar Jain

3) Gajraj Singh

4) Anupam Garg

III) Relatives of Key Management Personnel

1) Bharat Jhamnani

2) Smt Jyoti Jhamnani

3) Vinod Jhamnani

Transaction during the year with related parties / Key Management Personnels are as Under :-

Nature of Transactions	Associate Companies	Relatives of Key	Key Managerial	Total Rs.	Total Rs.
		Managerial Personnel	Personnel	Rs. 2011-12	Rs. 2010-11
Managerial Remuneration					
Interest Payments					
Rent Receipt					
Rent Payment					
Purchases					
Sales					
Advance for Purchase of Land	NIL	Rs.30583280/- (Rs.28838000/-)	NIL	Rs.30583280/-	Rs.28838000/-
Amount Receivable as on Closing date	Rs. 32190224/- (Rs.32190224/-)	Rs.NIL (Rs.11409457/-)	Rs.NIL (Rs.9470368/)	Rs.32190224/-	Rs.53070049/-
License charges			Rs.403000/- (NIL)	Rs.403000/-	NIL

Note 26 & 27 to Financial Statement for the year ended 31st March,2012

	3/31/2012	3/31/2011
26) Expenditure in Foreign currency	Nil	Nil
27) Earnings on Foreign currency	Nil	Nil

Signatures to Significant Accounting Policies and Notes 1 to 27 to the Financial Statements

As per our report of even date

For BIPIN ZAVAR AND ASSOCIATES

Chartered Accountants

FRN - 121523W

Sd/-

BIPIN P. ZAVAR

(Proprietor)

M.No. 110250

Place : Mumbai

Date : August 14, 2012

For and on behalf of the Board of Directors

CHAMBAL BREWERIES AND DISTILLERIES LIMITED

Sd/-

Director

Sd/-

Director

21) CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	As At 31-03-2012 Rs.	As At 31-03-2011 Rs.
Cash Flow from Operating Activities		
'Net Profit before Tax	813238.57	-234452
Adjustment for :		
'Depreciation	139607	290772
Preliminery Expenses Writtenoff	-	-
'Loss on sales of Fixed Assets	-	-
Profit/Loss on sales of Investments	-	-
'Dividend Income	-	-
'Interest Expenses	-	-
'Operating Profit before Working Capital changes	952846	56320
Adjustment for :		
'Trade & Other receivables	864,062	138,000
'Inventories	(2,566,681)	-
'Trade Payble	(136,596)	22,060
'Cash generated from Operation	(886369)	216380
Less :		
'Taxes Paid	17,402.00	-
Net Cash from Operating Activities	(903771)	216380
Cash Flow from Investing Activities		
'Purchase of Fixed Assets / Capital Expenditure	-	
'Sale of fixed Assets	-	
'Purchase/ Sale of Investments	-	
'Profit on Sale of Investment	-	
'Dividend received	-	
'Net Cash from Investing Activities	-	
Cash Flow from Financing Activities		
'Repayment of Long Term Loan	-	
'Short Term borrowings	-	
'Dividend Paid	-	
'Interest Expenses	-	
'Net Cash from Financing Activities	-	
Net decrease in cash & cash Equivalents (A+B+C)	(903771)	216380
Opening Balance of Cash & Cash Equivalents	10384476	10,168,094
Closing Balance of Cash & Cash Equivalents	9480705	10384474

Sd/-
BIPIN ZAVAR & ASSOCIATES
FRN - 121523W
Chartered Accountants
Membership No.110250

Sd/-
Director

Sd/-

Director

Place : **Mumbai**
Dated : **August 14, 2012**

ATTENDANCE SLIP

Chambal Breweries & Distilleries Limited

Registered Office : Room No. 8, 102 C, Madhavwadi, Cross Road, Naigaon , Dadar,Mumbai

.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional slip at the venue of the meeting.

DP ID*			Master Folio No.	
Client ID*				

NAME AND ADDRESS OF THE SHAREHOLDER

No. of Share(s) held :

I hereby record my presence at the ANNUAL GENERAL MEETING of the Company held on Saturday, the 29th of September, 2012 at 03:30 P.M.. at : Ramee Guestline Hotel, Plot no 3. Kohinoor Road , Dadar (East), Mumbai-14

Signature of the shareholder or proxy

* Applicable for investors holding shares in electronic form.

. . . . **Tear Here** . . . .

Chambal Breweries & Distilleries Limited

Registered Office : Room No. 8, 102 C, Madhavwadi, Cross Road, Naigaon , Dadar,Mumbai

.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional slip at the venue of the meeting.

DP ID*			Master Folio No.	
Client ID*				

I/ We………………………..……………………of ………..………………….

being a member / members of Chambal Breweries & Distilleries Limited hereby appoint ....of

……………………………........................ or failing him ………….......................……………of ……..............…………..or failing him

…........………………..…………of...........…......……….....................…………..as my / our proxy

to vote for me/us and on my/our behalf at the Annual General Meeting to be held on Saturday, the 29th of September, 2012 at 03:30 P.M. or at any adjournment thereof.

Signed this …..................................…………Day of ……........………2012

Affix Re.1 Revenue Stamp

Signature ………………….....................

* Applicable for investors holding shares in electronic form.

NOTE: (1) The Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.

(2) Members holding shares under more than one folio may use photocopy of this Proxy Form for other folios. The Company shall provide additional form on request.

NOTES

NOTES