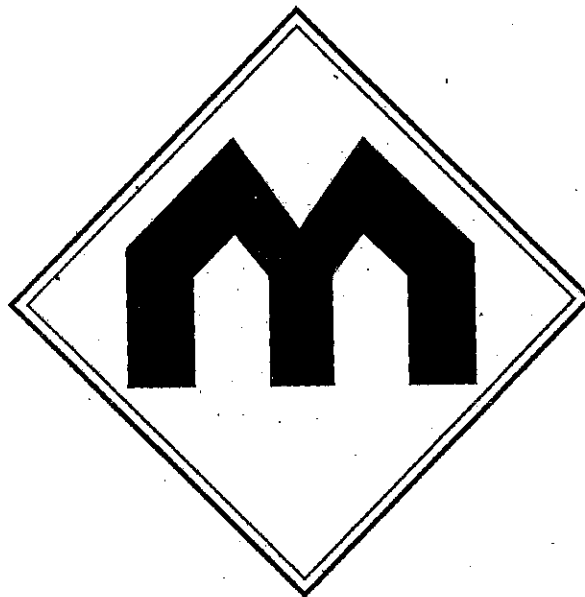


**51st Annual Report**  
**2018-19**



**MALTEX MALSTERS LIMITED**

Regd. Office :  
RAUNI, PATIALA





# ANNUAL REPORT

## Year Ended March 31, 2019

**Board of Directors :**

KANTA LABROO (Director & CEO)  
B.M. LABROO  
LOVELEENA LABROO  
ROHTASH KUMAR JINDAL  
GOVIND IYENGAR

**Auditors :**

A. SHARMA & CO.  
(CHARTERED ACCOUNTANTS)  
NEW DELHI

**Regd. Office :**

MALTEX HOUSE  
VILL. RAUNI, PATIALA

**Bankers :**

AXIS BANK, RAJBAHA ROAD, PATIALA  
STATE BANK OF INDIA, CHOTTI BARADARI, PATIALA  
SATE BANK OF INDIA, THE MALL, PATIALA



**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given of the 51st Annual General Meeting (the "AGM") of the members of **Maltex Malsters Limited** to be held at Maltex House, Village Rauni, Patiala on Monday 19 August, 2019 at 14.30 Hours to transact the following business :

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2019 including the audited Balance Sheet as at 31st March, 2019 statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the Reports of the Auditors and Directors thereon.
2. To declare Dividend on Equity shares.
3. To appoint a Director in place of Mr. B.M., Labroo (DIN : 00040433) who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. Govind Iyengar (DIN : 07789589) who retires by rotation and being eligible, offers himself for re-appointment.
5. To re appoint Statutory auditor of the company and to fix their remuneration, and to pass, with or without modification, the following resolution, which will be proposed as an Ordinary Resolution.

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 as well as Companies (Amendment) Act, 2017 and the Rules framed there under, as amended from time to time, M/s A Sharma & Co., Chartered Accountants, (FRN 002642N) be and are hereby re-appointed as Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the AGM of the Company to be held in the year 2024 at such remuneration as may be agreed upon between the Board of Directors and Statutory Auditors.

Place : New Delhi

Dated : July 24, 2019

**For & on behalf of the board of directors**

**B.M. LABROO**  
Director  
DIN : 00040433

**R.K. Jindal**  
Director  
DIN : 07571428



**NOTES :**

**1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIS/HER SELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**

**2. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**

3. M/s A Sharma & Company, Chartered Accountants (Firm Registration No. 002642N) were appointed as Statutory Auditor of the Company to hold office from the conclusion of 47th Annual General meeting (AGM) for a period of five years subject to ratification by the Members at every AGM and his term is being expired on the conclusion of ensuing 51st Annual General Meeting of the Company. As the provisions of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, a firm of auditors can be appointment for two terms of five consecutive years and being eligible, their appointment for a further period of five years is placed before the members of the Company and need to pass the resolution as Agenda item No. 5.

4. The Register of Members and Share Transfer Books of the Company shall remain closed from 14.08.2019 to 19.08.2019 (both days inclusive)

5. Integrated Registry Management Services Private Limited is Registrar and Share Transfer Agents of the Company, Members are requested to :-

(a) Send their queries, if any to reach the Company's registered office at least 10 days before the date of the said meeting so that information can be made available at the meeting; and

(b) Bring their copy of the annual report at the meeting.

(c) Convert physical holding to dematerialized from to ease portfolio management.

6. Physical copies of the all documents referred to in the accompanying notice and the explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (09.00 a.m. to 5.00 p.m.) on all working day except Saturdays, Sunday and Public Holidays up to and including the date of AGM.

**DETAILS OF DIRECTORS PROPOSED TO BE APPOINTED / RE-APPOINTED AT THE ANNUAL GENERAL MEETING :**

Name	Mr. Brij Mohan Labroo	Mr. Govind Iyengar
DIN	00040433	07789589
Date of Birth	12-02-1931	12-04-1967
Date of Appointment	09-03-1999	27-03-2017
Address	"Ashiana", Khasra No. 61/18/22 Kangan Heri-Chhawala Marg, Village Chhawla, New Delhi-110071	E-Block, Flat No. 501 Fifth Floor Raheja Park Magadi Main Road Agrahara Dassarahalli, Bangalore 560079
Qualification	Master of Arts Degree in Political Science from Punjab University.	B.Com, L.LB and A.C.S.
Expertise	Having more than 40 years experience in Top Management.	Corporate Law, Company Secretarial matters, Taxation matters and General administration
Directorships in other Companies	1. Asahi India Glass Ltd. 2. Samir Paging System Ltd. 3. North West Distilleries Pvt. Ltd. 4. Shield Auto glass Ltd. 5. Allied Fincap Services Pvt. Ltd.	Nil
Committee Membership of Company	NA	Nil
Committee Membership of other Companies	Nil	Nil
Shareholding in the Company	728 Equity Shares & 3678 Shares in the Capacity of HUF.	Nil

Place : New Delhi

Dated : July 24, 2019

For &amp; on behalf of the board of directors

**B.M. LABROO**Director  
DIN : 00040433**R.K. Jindal**Director  
DIN : 07571428

**Maltex Malsters Limited****51st Annual Report****2018-2019****PROXY FORM**

Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014

Name of the Member (s) :		Registered Address:	
DP ID* :		Folio No.	
Client ID* :		No. of Shares(s) held	

I/We, being the member/members of MALTEX MALSTERS LIMITED, hereby appoint :

Name \_\_\_\_\_

Address \_\_\_\_\_

E-Mail \_\_\_\_\_ Signature \_\_\_\_\_

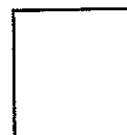
as my/our proxy to attend and vote for me/us on my / our behalf at the 51st Annual General Meeting of the Company, to be held on Monday, August 19, 2018 at 02.30 p.m. at Maltex House, Vill. Rauni, Distt. Patiala - 147001 and at any adjournment thereof in respect of such resolution as is indicated below :

Resolution No.	Matter of Resolution	For	Against
	<b>Ordinary Business :</b>		
1.	Adoption of Audited Financial Statements, Directors' Report & Auditors Reports for the year ended 31st March, 2019		
2.	To Declare Dividend on Equity Shares of the Company		
3.	Re-appointment of Mr. Brij Mohan Labroo (DIN00040433) as Director, who is liable to retire by rotation.		
4.	Re-appointment of Mr. Govind Iyengar (DIN07789589) as Director, who is liable to retire by rotation.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019 Affix Revenue Stamp of Rs. 1/-

Signature of Shareholder (S) :

Signature of Proxy Holder (S) :





**Applicable for investors holding shares in electronic form 00000.**

**Note :** (i) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on poll instead of himself / herself. The Proxy Form duly signed across the revenue stamp of Rs. 1/- should reach at the Registered Office of the Company at least 48 hours before the scheduled time of the meeting.

.....TEAR HERE.....

**Attendance Slip**

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company. I hereby record my attendance at the 51st ANNUAL GENERAL MEETING of the Company convened on Monday, August 19, 2019 at 02.30 pm at Maltex House, Village Rauni, Distt. Patiala - 147001 and my adjournment thereof.

Member's Name \_\_\_\_\_

Proxy, Name \_\_\_\_\_

Member's Proxy's Signature

Ledger Folio / Client ID No. \_\_\_\_\_ DP ID No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_

**Note :**

1. Please complete this and hand it over at the entrance of the hall.
2. Members / Proxy Holders / Authorized representatives are requested to show their Photo ID for attending the meeting.
3. Authorized representative of Corporate members shall produce proper authorization issued in their favour.





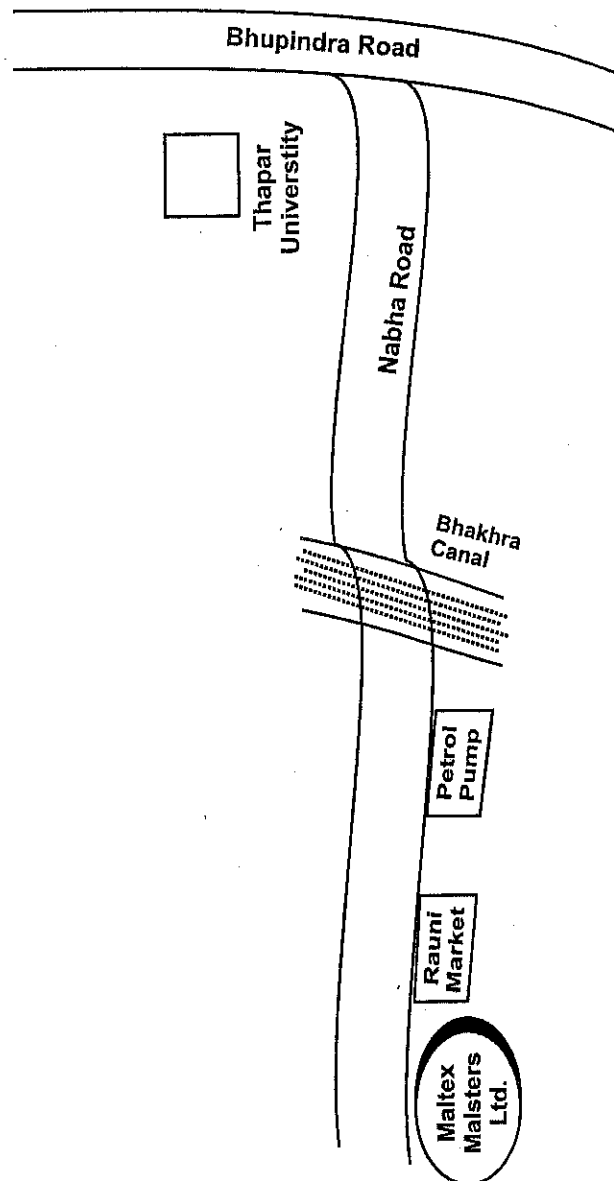
**Maltex Malsters Limited**

**51st Annual Report**

**2018-2019**

### **ROUTE MAP**

Venue: Maltex House, Village Rauni, Patiala, Punjab PIN-147001



### **MALTEX MALSTERS LIMITED**

Registered Office: Maltex House, Village Rauni, Patiala, Punjab PIN -147001

Phone: 0175-2215792 Email ID: jaspalanand@yahoo.co.in

Corporate Identity Number: U15137PB1968PLC002895

**DIRECTORS REPORT****Dear Members,**

Your directors have pleasure in presenting this 51st Annual Report on the business and operations of the Company and the audited accounts of Maltex Malsters Limited ('MML') for the financial year ended March 31, 2019.

**1. HIGHLIGHTS OF PERFORMANCE**

- Net revenue from operations for the current year is Rs. 1331.67 Lacs against Rs. 1300.08 Lacs previous year.
- The Net profit for the current year is Rs. 75.53 Lacs as compared to Rs. 86.73 Lacs for the previous year.

**2. FINANCIAL RESULTS**

(Rs. in lacs)

Particulars	Year Ended	
	31.3.2019	31.03.2018
Income from Business operation	<b>1331.67</b>	1300.08
Other Income	<b>52.97</b>	37.67
Total Income	<b>1384.64</b>	1337.75
Profit Before Depreciation & Interest	<b>113.37</b>	127.36
Depreciation & interest	<b>7.67</b>	5.73
Profit before tax	<b>105.70</b>	121.63
Less : Provision for tax (including current, deferred and other taxes)	<b>30.17</b>	34.90
Net profit after tax	<b>75.53</b>	86.73
Surplus as per last P & L	<b>31.02</b>	48.45
Total	<b>106.55</b>	135.18
Less : Transfer to General Reserve	<b>25.00</b>	50.00
Balance available for appropriation	<b>81.55</b>	85.18
Less : Dividend	<b>45.00</b>	45.00
Less : Dividend Tax	<b>9.25</b>	9.16
Balance carried Over as surplus to the P & L	<b>27.30</b>	31.02
Earnings per share	<b>167.85</b>	192.74

**3. FINANCIAL / OPERATIONAL PERFORMANCE**

During the year under review, total revenue from operations Increased by 2.37 % i.e. Rs. 1331.67 lacs against revenue of Rs. 1300.08 lacs in the previous financial year.



Beside this, other income of the Company which constitute interest on securities increased by 41% as compared to previous financial year. The net profit (After Tax) decreased by 14.8% i.e. Rs. 75.53 lacs against Rs. 86.73 lacs in the previous Financial year. The decrease in net profit is on account of interruptions in operations due to breakdown in the Thermopack and the repair work undertaken in the financial year 2018-19 which is now completed and the plant is functioning uninterruptedly.

#### **4. TRANSFER TO GENERAL RESERVE**

The Company proposes to transfer Rs.25.00 lacs to General Reserve.

#### **5. DIVIDEND**

Your Directors are pleased to recommend a dividend of Rs. 100/- per equity share (i.e. 100%). The Dividend, if approved and declared in the forthcoming Annual General Meeting would result a dividend outflow of Rs. 45 Lacs and dividend distribution tax of Rs. 9.25 Lacs aggregating a total outflow of Rs. 54.25 Lacs. No unpaid/unclaimed dividend is due for remittance to the Investor Education and Protection Fund established by central Government.

#### **6. SHARE CAPITAL**

The Authorized Share Capital of the Company stands at Rs. 100 lacs. The Issued, Subscribed and Paid-up Share Capital of the Company as on March 31, 2019 remains unchanged at Rs. 45 lacs comprising 45,000 Equity Shares of Rs. 100/- each.

#### **7. HOLDING COMPANY**

United Breweries Limited is the holding company which holds 51% of equity capital of the company.

#### **8. CASH FLOW STATEMENT**

A Cash Flow Statement for the year ended March 31, 2019 is appended.

#### **9. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS**

The Company has not made any investment, given guarantee and securities during the year under review. There for no need to comply provisions of section 186 of Companies Act, 2013.

#### **10. DEPOSITS**

The Company has not invited / accepted any deposits during the financial year and further there were no outstanding deposits at the end of the financial year.

#### **11. INTERNAL CONTROL SYSTEM**

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the adequacy and efficiency of the Company's internal controls, including its systems and processes and compliance with regulations and procedures.



**12. PARTICULARS OF EMPLOYEES & MANAGERIAL REMUNERATION**

No information is required to be given under Section 197 read with Rule 5(2) of the Companies (Appointment and remuneration of Managerial personnel) Rule 2014 since there is no employee who received remuneration in excess of prescribed limit.

**13. EMPLOYEES STOCK OPTION SCHEME AND SWEAT EQUITY SHARE**

The Company has not offered any shares to its employees or Key Managerial Personnel under a scheme of Employees' Stock Option and has also not issued any Sweat Equity Shares at any time.

**14. RELATED PARTY TRANSACTIONS:**

All transactions entered by the Company during Financial Year 2019 with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any transaction with related parties which could be considered material transactions. Details of transactions with related parties are reported in the Notes to financial statements.

The Company undertakes processing of Barley for conversion into Malt. As per the arrangement with the holding Company, the basic raw material i.e. Barley is supplied by the holding company and the Company returns it after conversion into malt. Conversion of barley into malt is the ordinary course of business of the Company and malt conversion charges as agreed with the holding company are comparable to market rates and therefore the transaction is considered to be ordinary course of business and arm's length basis. The contract/transaction has been approved by the Board of Directors of the Company and the same is also approved by the Audit Committee and the Board of Directors of the holding company.

The particulars of contracts and arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Act including certain arm's length transaction under third proviso thereto are disclosed in Form No.AOC-2 in **ANNEXURE- A** and form part of this Report.

**15. CONSERVATION OF ENERGY**

The information pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo, as stipulated under clause (m) of sub-section 134 of the Act read with rule 8(3) of the Companies (Accounts) Rules, 2014 is set out herewith as **ANNEXURE-B and form part of this report.**

**16. BOARD OF DIRECTORS**

The Board of Directors of the Company comprises of one Executive Director and four non-Executive Directors. Mr. B M Labroo and Mr. Govind Iyengar, Directors retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment. Mr. Steven Bosch, Director of the Company resigned from the Company's Board w.e.f. 6.5.2019. The Board place on record Steven Bosch's contribution during his tenure.

**17. MEETINGS OF THE BOARD OF DIRECTORS**

During the period under review, five (5) Board Meetings were held. The Intervening gap between the meetings was within the period prescribed under the Act the detail of Board meeting convened and attended by the directors are given below.



<b>Name of Director</b>	<b>Number of Meetings attended</b>
1. Smt. Kanta Labroo	5
2. Sh. B M Labroo	5
3. Ms. Loveleena Labroo	1
4. Sh. Rohtash Kumar Jindal	5
5. Sh. Govind Iyengar	1

**18. ANNUAL RETURN**

As required under sub-section (3) of Section 92 of the Act and Rule 12(1) of Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in Form MGT-9 is annexed as **ANNEXURE-C and form part of this report.**

**19. AUDITORS AND THE AUDITORS' REPORT**

Pursuant to the provisions contained in the Companies Act 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. A Sharma & Co. (FRN: 002642N) Chartered Accountants were appointed Statutory Auditors of the company at the 47th Annual General Meeting for a period of 5 years i.e. from the conclusion of 47th Annual General Meeting till the conclusion of 51st Annual General Meeting and being eligible can be reappointed for a further period of five years without ratification at each AGM. Accordingly, the Notice convening the ensuing AGM will carry Resolution for re appointment of Statutory Auditors. The Auditors have confirmed that they continue to fulfil the criteria for appointment as Auditor of the Company as prescribed under the Act and the Rules framed thereunder.

There are no qualifications or adverse remarks in the Auditor's Report.

**20. MATERIAL CHANGES AND COMMITMENT, IF ANY**

No material changes and commitments affecting the financial position of the Company have occurred from the close of the financial year 2018-19 to which this financial statements relate and till the date of this report.

**21. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS**

No order has been passed or stringent action taken by any Regulator or Court or Tribunal impacting the going concern status of the Company. The Company has complied with the requirements of the regulators on matters related to stakeholders, as applicable.

**22. SEGMENT REPORTING**

The Company operates in a single segment. Therefore, the disclosure requirements of accounting standards (AS)-17 on "Segment Reporting" issued by the Companies (Accounting Standards) Rules, 2006 is not applicable to the Company.

**23. HUMAN RESOURCES**

The Company recognizes its employees as its most valuable assets and it has built an open, transparent and meritocratic culture to nurture this asset. Talent management is a key people planning tool that provides an integrated means of identifying, selecting, developing and retaining top talent within our organization. The Company has kept a sharp focus on employee engagement.



#### **24. VIGIL MECHANISM**

The provisions of Section 177 of the Act read with Rule 6 and 7 of the Companies (Meetings of the Board and its powers) Rules, 2014 are not applicable to the Company.

#### **25. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

During the year under review, there were no complaints filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **26. DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to clause(c) of sub-section (2) of Section 134 of the Act, the Board of Directors report that:

- a) in the preparation of the Annual Accounts , the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that 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 period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and ensured that such internal financials controls are adequate and were operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and ensured that such systems were adequate and operating effectively.

#### **27. RISK MANAGEMENT POLICY**

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximise the realization of opportunities. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. The major risks have been identified by the Company and its mitigation process/measures have been formulated in the areas such as business, project execution, event, financial, human environment and statutory compliance.

#### **28. CORPORATE SOCIAL RESPONSIBILITY**

The provision of Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the company. Therefore Company has not constituted a Corporate Social Responsibility Committee. The provisions of a Corporate Social Responsibility shall be complied by the Company as and when applicable.



**Maltex Malsters Limited**

**51st Annual Report**

**2018-2019**

## **29. ACKNOWLEDGMENTS AND APPRECIATION**

Your Directors take this opportunity to express gratitude for valuable assistance and co-operation extended to the Company by financial institutions, banks, business associates, employees and other government authorities. Finally, your Directors would like to convey sincere appreciation to all the employees of the Company for their hard work and commitment.

By Authority of the Board

For & on behalf of the board of directors

Place : New Delhi  
Dated : July 24, 2019

**B.M. LABROO**  
Director  
DIN : 00040433

**R.K. Jindal**  
Director  
DIN : 07571428

**ANNEXURE - A****Form No. AOC-2**

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

**Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

1. Details of contracts or arrangements or transactions not at arm's length basis : N.A.
  - (a) Name (s) of the related party and nature of relationship.
  - (b) Nature of contracts / arrangements / transactions.
  - (c) Duration of the contracts / arrangements / transactions.
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
  - (e) Justification for entering into such contracts or arrangements or transactions
  - (f) Date (s) of approval by the Board
  - (g) Amount paid as advances, if any :
  - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
2. Details of material contracts or arrangement or transactions at arm's length basis -

S. No.	Name of Related Party	Nature of Relationship	Nature of Contract/ Arrangement/ Transactions	Amount
1.	United Breweries Limited	Holding Company	Job Work	0.00
Duration of Contract/ Arrangement		Terms of Contract/ Arrangement	Date of Approval by the Board, if any	Amount Paid Advance
Upto 31.03.2021		As per the agreement MML to convert Barley into malt on job work basis for which the raw material i.e. Barley being supplied by United Breweries Limited. Basanter Breweries Pvt. Limited / Blossom Industries Ltd. and Wave Distilleries & Breweries Limited The Job work charges are payable on PMT basis as per the terms of agreement. The value of transactions are well explained in the significant accounting policies.	17.02.2011	---





## ANNEXURE - B

**INFORMATION RELATING TO ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO FORMING PART OF DIRECTORS REPORT IN TERMS OF SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014****(a) Conservation of Energy**

(i)	the steps taken or impact on conservation of energy	Adequate steps has been taken to reduce and control the consumption of fuel & electricity.
(ii)	the steps taken by the company for utilizing alternate sources of energy	N.A.
(iii)	the capital investment on energy conservation equipments	N.A.

**(b) Technology absorption**

(i)	the efforts made towards technology absorption	The Company has not absorbed any technology from any source.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	N.A.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -	N.A.
	(a) the details of technology imported	N.A.
	(b) the year of import;	N.A.
	(c) whether the technology been fully absorbed	N.A.
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A.
(iv)	the expenditure incurred on Research and Development	N.A.

**(c) Foreign exchange earnings and Outgo**

The Foreign Exchange earned in terms of actual inflows during the year : NA

The Foreign Exchange outgo during the year in terms of actual outflows : NA

**Maltex Malsters Limited**

CIN : U15137PB1968PLC002895  
 Regd. Office : Maltex House, Village Rauni, Patiala  
 E-mail : jaspalanand@yahoo.co.in, Ph.: 0175-2215792

**51st Annual Report****2018-2019****ANNEXURE "C" TO THE DIRECTORS REPORT****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2019

Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12 (1) of the Company (Management & Administration) Rules, 2014.

**I REGISTRATION & OTHER DETAILS :**

- i CIN U15137PB1968PLC002895
- ii Registration Date 9.12.1968
- iii Name of the Company Maltex Malsters Limited
- iv) Category/Sub-category of the Company Public Limited Company
- v Address of the Registered Office & Contact details  
**MALTEX HOUSE, Village Rauni, Nabha Road, Patiala Tel: 0175-2215792**
- vi Whether listed company **NO**
- vii Name, Address & Contact details of the Registrar & Transfer Agent, if any.  
 1) Maltex Malsters Limited, Maltex House, Rauni, Patiala 147001 for Shares in Physical Form Tel: 0175-2215792  
 2) M/s Integrated Enterprises India Limited, 30 Ramana Residency, 4" Cross Sampige Road, Maileswaram, Bangalore 56003 For Demat for Shares

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main Products/Services	NIC Code of the Product/Service	% to total turnover of the company
1	Manufacturing of Barley Malt	15533	100%

**III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

SI No	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section
1	United Breweries Limited, Bangalore	L36999KA1999PLC025195	Holding Company	51%	2(46)

**IV SHARE HOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

- (i) Category - wise Share Holdings



## Maltex Malsters Limited

CIN : U15137PB1968PLC002895  
Regd. Office : Maltex House, Village Rauni, Patiala  
E-mail : jaspalanand@yahoo.co.in, Ph.: 0175-2215792

## 51st Annual Report

2018-2019

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
<b>A. Promoters</b>										
(1) Indian										
a) Individual/HUF	0	14022	14022	31.16	0	14022	14022	31.16	0	0
b) Central Govt. or State Govt.	0	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	22950	0	22950	51.00	22950	0	22950	51.00	0	0
d) Bank/FI	0	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL : (A) (1)</b>	<b>22950</b>	<b>14022</b>	<b>36972</b>	<b>82.16</b>	<b>22950</b>	<b>14022</b>	<b>36972</b>	<b>82.16</b>	<b>0</b>	<b>0</b>
(2) Foreign										
a) NRI-Individuals	0	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0	0
e) Any Other...	0	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (2)</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>
<b>Total Shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>22950</b>	<b>14022</b>	<b>36972</b>	<b>82.16</b>	<b>22950</b>	<b>14022</b>	<b>36972</b>	<b>82.16</b>	<b>0</b>	<b>0</b>

### B. PUBLIC SHAREHOLDING

<b>(1) Institutions</b>										
a) Mutual Funds	0	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B) (1) :</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>
<b>(2) Non Institutions</b>										
a) Bodies Corporates	0	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0	0
i) Individuals Shareholders holding nominal share capital upto Rs. 1 Lakhs	0	6948	6948	15.44	0	6948	6948	15.44	0	0
ii) Individuals Shareholders holding nominal share capital in excess of Rs. 1 Lakhs	0	1080	1080	2.40	0	1080	1080	2.40	0	0
c) Others (Specify)	0	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B) (2) :</b>	<b>0</b>	<b>8028</b>	<b>8028</b>	<b>17.84</b>	<b>0</b>	<b>8028</b>	<b>8028</b>	<b>17.84</b>	<b>0</b>	<b>0</b>
<b>Total Public Shareholding (B) = (B) (1) + (B) (2)</b>	<b>0</b>	<b>8028</b>	<b>8028</b>	<b>17.84</b>	<b>0</b>	<b>8028</b>	<b>8028</b>	<b>17.84</b>	<b>0</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</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>
<b>Grand Total (A+B+C)</b>	<b>22950</b>	<b>22050</b>	<b>45000</b>	<b>100</b>	<b>22950</b>	<b>22050</b>	<b>45000</b>	<b>100</b>	<b>0</b>	<b>0</b>



# Maltex Malsters Limited

CIN : U15137PB1968PLC002895  
 Regd. Office : Maltex House, Village Rauni, Patiala  
 E-mail : jaspalanand@yahoo.co.in, Ph.: 0175-2215792

**51st Annual Report**

**2018-2019**

## ii) Share holding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Share holding during the year
		No. of Shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1.	Mr. B M Labroo & Sons (HUF)	3678	8.17	0	3678	8.17	0	0
2.	Mrs. Kanta Labroo	3370	7.49	0	3370	7.49	0	0
3.	Mr. B M Labroo	728	1.62	0	728	1.62	0	0
4.	Mr. Sanjay Labroo	1260	2.80	0	1260	2.80	0	0
5.	Ms. Loveleena Labroo	1260	2.80	0	1260	2.80	0	0
6.	Mr. Ajay Labroo	1260	2.80	0	1260	2.80	0	0
7.	Mrs. Makhni Labroo	1044	2.32	0	1044	2.32	0	0
8.	Mr. J M Labroo & Sons	810	1.80	0	810	1.80	0	0
9.	Mrs. Sushma Labroo	252	0.56	0	252	0.56	0	0
10.	Mr. Jawahar Malla	360	0.80	0	360	0.80	0	0
11.	United Breweries Ltd.	22950	51.00	0	22950	51.00	0	0
	Total	36972	82.16	0	36972	82.16	0	0

## iii) Change in Promoters' Shareholding (specify if There is No Change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	No	No	No	No
	Promoters Share holding during the year specifying the reasons	No	No	No	No

## iv) Shareholding Pattern of top ten Shareholders

(other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	Mr. Jawahar Malla	360	0.80	360	0.80
2.	Mrs. RK Kutty	1080	2.40	1080	2.40
3.	Mrs. Dhanwanti Aggarwal	900	2.00	900	2.00
4.	Mr. S M Aggarwal & Sons, (HUF)	666	1.48	666	1.48
5.	Mrs. Sandhana Kachru	540	1.20	540	1.20
6.	Mrs. Mehru N Irani	360	0.80	360	0.80
7.	Mr. Dinesh Kumar Aggarwal	720	1.60	720	1.60
8.	Dr. Sushma Muttu W/o Lalit Muttu	630	1.40	630	1.40
9.	Mr. Siddhartha Shanker Tiwari	360	0.80	360	0.80
10.	Mrs. Zarin Kaiki Alpaiwala	360	0.80	360	0.80
	At the beginning of the year	5976	13.28	5976	13.28
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons	NA	NA	NA	NA
	At the end of the year (or on the date of separation, if separated during the year)	5976	13.28	5976	13.28



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### v) Shareholding of Directors & KMP

Sl. No.	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	At the beginning of the year (i) Mr. B. M. Labroo (ii) Mrs. Kanta Labroo (iii) Ms. Loveleena Labroo	728 3370 1260 <u>5358</u>	1.62 7.49 2.80 <u>11.91</u>	728 3370 1260 <u>5358</u>	1.62 7.49 2.80 <u>11.91</u>
2.	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	Nil	Nil	Nil	Nil
3.	At the end of the year	5358	11.91	5358	11.91

### V INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial Year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>0</b>
Change in Indebtedness during the financial year				
Additions	0	0	0	0
Reduction	0	-	-	0
<b>Net Change Indebtedness</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>0</b>
Indebtedness at the end of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but no paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>0</b>

### VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole time director and/or Manager :

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager				Total Amount
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the income tax, 1961	0				0
	(b) Value of Perquisites u/s 17(2) of the income tax act, 1961	0				0
	(c) Profits in lieu of salary under section 17(3) of the Income tax act, 1961	0				0
2	Stock option	0				0
3	Sweat Equity	0				0
4	Commission as % of Profit others (specify)	0				0
5	Others, Please specify	0				0
	<b>Total (A)</b>	<b>0</b>				<b>0</b>
	<b>Ceiling as per the Act</b>					


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**B. Remuneration to other directors :**

Sl. No.	Particulars of Remuneration	Name of the Directors					Total Amount
1	Independent Directors	NA	NA	NA	NA	NA	-
	(a) Fee for attending board committee meetings	0	0	0	0	0	0
	(b) Commission	0	0	0	0	0	0
	(c) Others, please specify	0	0	0	0	0	0
	<b>Total (1)</b>	0	0	0	0	0	0
2	Other Non Executive Directors	Mr. B.M. Labroo	Mr. Rohitash Kumar Jindal	Ms. Loveleena Labroo			
	(a) Fee for attending board committee meetings	25000	25000	5000			55000
	(b) Commission	0	0	0			0
	(c) Others, please specify	0	0	0			0
	<b>Total (2)</b>	25000	25000	5000			55000
	<b>Total (B)=(1+2)</b>	25000	25000	5000			55000
	<b>Total Managerial Remuneration</b>	25000	25000	5000			55000
	<b>Overall Ceiling as per the Act.</b>						

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total
1	Gross Salary	CEO	Company Secretary	CFO	Total	-
	(a) Salary as per provisions contained in section 17(1) of the income tax Act, 1961	2177067	Nil	Nil	2177067	2177067
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	Nil	Nil	Nil	Nil	0
	(c) Profits in lieu of salary under section 17(3) of the income tax Act, 1961	Nil	Nil	Nil	Nil	0
2	Stock Option	Nil	Nil	Nil	Nil	0
3	Sweat Equity	Nil	Nil	Nil	Nil	0
4	Commission as % of profit others, specify	Nil	Nil	Nil	Nil	0
5	Others, Please specify	Nil	Nil	Nil	Nil	0
	<b>Total</b>	2177067	Nil	Nil	2177067	2177067

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	NA	NA	Nil	NA	NA
Punishment	NA	NA	Nil	NA	NA
Compounding	NA	NA	Nil	NA	NA
<b>B. DIRECTORS</b>					
Penalty	NA	NA	Nil	NA	NA
Punishment	NA	NA	Nil	NA	NA
Compounding	NA	NA	Nil	NA	NA
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NA	NA	Nil	NA	NA
Punishment	NA	NA	Nil	NA	NA
Compounding	NA	NA	Nil	NA	NA



## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Maltex Malsters Limited

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying standalone Financial Statements of M/s Maltex Malsters Limited ("the company"), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss including Other Comprehensive Income, Statement of changes in Equity and Statement of Cash Flows for the year then ended on that date, notes to the standalone Financial Statements including a summary of significant accounting policies and other explanatory information ("the Standalone Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics issued by ICAI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The following key audit matters have been determined by us for including in our report :



<b>S.No.</b>	<b>Key Audit Matters</b>	<b>Auditor's Response</b>
1	<p>Revenue from job work services to holding company is recognized with reference to the terms of agreement for such service.</p> <p>For the year ended 31st March, 2019, revenue amounting to Rs. 9.83 crores (excluding GST) is recognized based on the rate agreed with the holding company.</p> <p>This is a key audit matter due to its nature and extent since the revenue recognized from holding company amounts to 87% of the total revenue from operations.</p>	<p>We have performed the following procedures in relation to the accuracy of revenue recognised :</p> <ul style="list-style-type: none"><li>• We have evaluated and tested the company's process for recognising contract revenues.</li><li>• We have read the contracts with both related party and unrelated parties analysed and identified the performance obligations and determine the rates charged for job work services.</li><li>• We have tested the revenue recognised from related party whether the rates are charged as per the agreed terms of the contracts and also compared the rates charged to unrelated parties.</li><li>• We have also communicated to those charge with governance considering the significance of the matter and the reliability of the rates agreed, whether the rates charged are at Arm's Length basis.</li><li>• We have also considered the adequacy of financial report disclosures included in the summary of significant accounting policies in Note 1 to the standalone financial statements.</li></ul>

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Board report but does not include the financial statements and our auditor's report thereon which we obtained prior to the date of this auditor's report, and the Director's report, which is expected to be made available to us after that date.

Our opinion on the standalone financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable under the applicable laws and regulations.





## **Responsibilities of Management for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India. including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities : selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also :

- ♦ Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ♦ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143 (3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- ♦ Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ♦ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work, and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that :
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



(c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our Opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations gives to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of sections 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014. In our opinion and to the best of our information and according to the explanations given to us :

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 1.4 to financial statements ;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to transferred to the Investor Education and Protection Fund by the Company.

**For A. Sharma & Co.**  
Chartered Accountants  
FRN : 002642N

Place : New Delhi  
Date : 16-05-2019

Signature  
(CA Anil Sharma)  
Partner  
M.No. 81658



**Annexure A to the Independent Auditors' Report**

**Statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act**

1. In respect of the fixed assets :-
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - (b) As per information and explanations given to us, the fixed assets have been physically verified by the management at reasonable intervals, which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies between the book records and the physical inventory were noticed.
  - (c) As per explanation and documents produced to us, the title deeds of immovable properties are held in the name of the Company.
2. In respect of its inventories, as per information and explanations given to us :
  - (a) The inventories have been physically verified by the management at reasonable intervals during the year.
  - (b) There was no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 189 of the Act.
4. As per information & explanations given to us, the Company has not given any loan, made any investment, given any security and guarantee during the year in terms of sections 185 and 186 of the Act. Hence, Para 3 (iv) of the Order was not applicable to the company.
5. As per information and explanations given to us, the Company has not accepted any deposits from the public in terms of sections 73 to 76 & other relevant provisions of the Act. Hence, Para 3(v) of the Order was not applicable.
6. As per the information and explanations given to us, provisions for maintenance of cost records in terms of section 148 (1) of the Act and Companies (Cost records and audit) Rules, 2014 were not applicable to the Company. Hence Para 3 (vi) of the Order was not applicable.
- 7.a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues with the appropriate authorities.
- b) According to the information and explanations given to us and records of the company examined by us in relation to income tax, sales tax, wealth tax, service tax, custom duty, excise duty, VAT and cess, the particulars of dues of income tax and Central Excise as at 31st March 2019 which have not been deposited on account of a dispute, are as follows :



<b>Name of the Statute</b>	<b>Nature of Dues</b>	<b>Amount (Rs.)</b>	<b>Period to which the amount relates</b>	<b>Forum where the dispute is pending</b>
Chapter V of the Finance Act, 1994	Service Tax	81,20,856 + Penalty of equal amount	1.10.2003 to 30.6.2009	Case has been remanded back by CESTAT, New Delhi to Commissioner Central Excise for re-consideration who has kept the matter in Call book Category in view of the department filing the SLP before the Apex Court
Chapter V of the Finance Act, 1994	Service Tax	7,36,116 + Penalty U/s 75,76 & 77	1.7.2009 to 31.3.2010	Case has been remanded back by CESTAT, New Delhi to Commissioner Central Excise, Chandigarh
Chapter V of the Finance Act, 1994	Service Tax	10,03,805+ Penalty U/s 75, 76 & 77	1.4.2010 to 31.3.2011	

8. According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institute, government, or bank or dues to debenture holders.
9. According to the information and explanations given to us, the Company has not raised any money by IPO and FPO. Further, the Company has no term loans during the year. Hence Para 3 (ix) of the Order was not applicable.
10. According to the information and explanations given to us, during the year, no fraud by the Company or on the Company by its officer or employees has been noticed or reported.
11. As per the explanation and documents provided to us by the Company, the managerial remuneration has been paid by the Company in accordance with the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
12. The Company is not a Nidhi Company hence reporting under this clause is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private



placement of shares or fully or partly convertible debentures during the year.

15. As per information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934.

**For A. Sharma & Co.**  
Chartered Accountants  
FRN : 002642N

Place : New Delhi  
Date : 16-05-2019

Signature  
(CA Anil Sharma)  
Partner  
M.No. 81658



**Annexure B to the Independent Auditors' Report**

**Report on the Internal Financial Controls under Section 143(3) (i) of the Act**

We have audited the internal financial controls over financial reporting of Maltex Malsters Limited ("the Company"), as of 31st March, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for the Internal Financial Controls with reference to standalone Financial Statements.**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial



statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluations of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has in all respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For A. Sharma & Co.**  
Chartered Accountants  
FRN : 002642N

Place : New Delhi  
Date : 16-05-2019

Signature  
(CA Anil Sharma)  
Partner  
M.No. 81658





**Maltex Malsters Limited**

**51st Annual Report**

**2018-2019**

**MALTEX MALSTERS LIMITED**

Balance Sheet as at 31st March 2019

(All amounts in Indian Rupees, except as otherwise stated)

Particulars	Notes	As at 31st March 2019	As at 31st March 2018
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	2	<b>73,88,775</b>	55,00,765
(b) Capital work-in-progress			40,285
(c) Financial Assets			
(i) Loans	3	<b>29,77,308</b>	29,77,308
(d) Deferred tax assets (net)	4	<b>2,83,767</b>	6,33,420
(e) Other non-current assets	5	<b>38,14,007</b>	32,58,920
<b>Current Assets</b>			
(a) Inventories	6	<b>175,29,725</b>	160,71,937
(b) Financial Assets			
(i) Trade receivables	7	<b>97,12,442</b>	25,31,051
(ii) Cash and Cash equivalents	8	<b>478,25,232</b>	407,46,580
(c) Other Current Assets	9	<b>51,94,813</b>	33,31,929
<b>Total Assets</b>		<b>947,26,068</b>	750,92,195
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	10	<b>45,00,000</b>	45,00,000
(b) Other Equity	11	<b>575,99,508</b>	554,71,365
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
(a) Provisions	12	<b>3,77,969</b>	4,41,887
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Trade payables	13	<b>27,69,451</b>	60,09,153
(ii) Other financial liabilities	14	<b>290,37,228</b>	81,07,243
(b) Other Current Liabilities	15	<b>4,41,912</b>	5,62,547
(c) Provisions	16		
<b>Total Equity and Liabilities</b>		<b>947,26,068</b>	750,92,195

**Significant Accounting Policies  
and Other Explanatory Notes**

For & on behalf of the board of directors

**B M LABROO**  
Director  
DIN : 00040433

**R.K. JINDAL**  
Director  
DIN : 07571428

AS PER OUR SEPARATE REPORT OF EVEN DATE ANNEXED

**For A. Sharma & Co.**  
Chartered Accountants  
FRN : 002642N

Place : New Delhi  
Date : 16-05-2019

(Anil Sharma)  
Partner  
M.No. 081658

**MALTEX MALSTERS LIMITED**

## Statement of Profit and Loss for the year ended 31st March, 2019

(All amounts in Indian Rupees, except as otherwise stated)

	Particulars	Notes	Year Ended 31.03.2019	Year Ended 31.03.2018
I	Revenue From Operations (net of Excise Duty)	17	1282,54,666	1098,04,798
	Add : GST / Excise Duty		49,13,248	202,03,328
	Revenue From Operations (gross of Excise Duty)		1331,67,914	1300,08,126
II	Other Income	18	52,97,894	37,67,194
III	<b>Total Income (I+II)</b>		<b>1384,65,808</b>	<b>1337,75,320</b>
IV	<b>EXPENSES</b>			
	Processing Expenses	19	905,06,688	781,88,576
	Changes in Inventories	20	(3,43,010)	(95,15,043)
	GST / Excise Duty		49,13,248	202,03,328
	Employee benefits expense	21	264,28,614	270,37,645
	Finance Costs	22	18,917	25,699
	Depreciation and amortization Expense	2	7,67,641	5,46,985
	Other Expenses	23	56,03,418	51,24,709
	<b>Total Expenses (IV)</b>		<b>1278,95,516</b>	<b>1216,11,899</b>
V	Profit (loss) before exceptional items and tax (III-IV)		105,70,292	121,63,421
VI	Exceptional Items		-	-
VII	<b>Profit/(loss) before tax (V-VI)</b>		<b>105,70,292</b>	<b>121,63,421</b>
VIII	Tax Expense :			
	(1) Current Tax	26,67,296		32,15,887
	(2) Deferred Tax	3,49,653		2,74,216
IX	<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>30,16,949</b>	<b>34,90,103</b>
X	Profit(loss) from discontinued operations		75,53,343	86,73,318
XI	Tax expense of discontinued operations			
XII	Profit(loss) from Discontinued operation (after tax) (X-XI)			
XIII	Profit(loss) for the period (IX-XII)		75,53,343	86,73,318
XIV	Other Comprehensive Income			
	A(i) Items that will not be reclassified to profit or loss			
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	B (i) Items that will be reclassified to profit or loss			
	(ii) Income tax relating to items that will be reclassified to profit or loss			
XV	<b>Total Comprehensive Income for the period (XIII+XIV)</b>		<b>75,53,343</b>	<b>86,73,318</b>
	(Comprising Profit (Loss) and Other Comprehensive Income for the period)			
XVI	Earnings per equity share (for continuing operation)			
	(1) Basic		167.85	192.74
	(2) Diluted		167.85	192.74
XVII	Earnings per equity share (for discontinued operation) :			
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII	Earnings per equity share (for discontinued & continuing operations)			
	(1) Basic		167.85	192.74
	(2) Diluted		167.85	192.74

Significant Accounting Policies  
and Other Explanatory Notes

1

For &amp; on behalf of the board of directors.

B.M. LABROO  
Director  
DIN : 00040433R.K. Jindal  
Director  
DIN : 07571428AS PER OUR SEPARATE REPORT OF EVEN DATE ANNEXED  
For A SHARMA & Co.  
Chartered Accounting  
FRN 002642NANIL SHARMA  
PARTNER  
M. No. 081658PLACE : NEW DELHI  
DATED : 16-05-2019



**Maltex Malsters Limited**

**51st Annual Report**

**2018-2019**

**MALTEX MALSTERS LIMITED**

**Statement of changes in equity for the ended 31st March, 2019**

(All amounts in Indian Rupees, except as otherwise stated)

**a) Equity Share Capital (Note 10)**

**Equity Shares of Rs. 100 each issued, subscribed and fully paid**

Particulars	As at March 31, 2019		As at March 31, 2018	
	Numbers	Amount	Numbers	Amount
Balance at the beginning of the year	45,000	45,00,000	45,000	45,00,000
Changes during the year	-	-	-	-
<b>Balance at the end of the year</b>	<b>45,000</b>	<b>45,00,000</b>	<b>45,000</b>	<b>45,00,000</b>

**b) Other equity (Note 11)**

**For the year ended March 31, 2019**

Particulars	Reserves and Surplus			Total
	Capital Reserve	General Reserve	Retained Earning	
Balance as at April 1, 2017	1,31,776	472,37,296	48,45,175	522,14,247
Profit for the year	-	-	86,73,318	86,73,318
Other comprehensive income	-	-	-	-
Transfer from retained earnings	-	50,00,000	(50,00,000)	-
Dividends	-	-	(45,00,000)	(45,00,000)
Dividend distribution tax	-	-	(9,16,200)	(9,16,200)
<b>Balance as at March 31, 2018</b>	<b>1,31,776</b>	<b>522,37,296</b>	<b>31,02,293</b>	<b>554,71,365</b>
Balance as at April 1, 2017	1,31,776	522,37,296	31,02,293	554,71,365
Profit for the year	-	-	75,53,343	75,53,343
Other comprehensive income	-	-	-	-
Transfer from retained earnings	-	25,00,000	(25,00,000)	-
Dividends	-	-	(45,00,000)	(45,00,000)
Dividend distribution tax	-	-	(9,25,200)	(9,25,200)
<b>Balance as at March 31, 2019</b>	<b>1,31,776</b>	<b>547,37,296</b>	<b>27,30,436</b>	<b>575,99,508</b>

For & on behalf of the board of directors

**B.M. LABROO**  
Director  
DIN : 00040433

**R.K. Jindal**  
Director  
DIN : 07571428

**AS PER OUR SEPARATE REPORT OF EVEN DATE ANNEXED**

For A SHARMA & Co.  
Chartered Accounting  
FRN 002642N

**ANIL SHARMA**  
PARTNER  
M. No. 081658

PLACE : NEW DELHI  
DATED : 16-05-2019

**MALTEX MALSTERS LIMITED****Cash Flow Statement for the year ended 31st March 2019**

(All amounts in Indian Rupees, except as otherwise stated)

	Particulars	Y.E. 31.03.2019	Y.E. 31.03.2018
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit / (Loss) after Extra Ordinary Items before Tax per Statement of Profit and Loss :	105,70,292	121,63,421
	<b>Adjustments for :</b>		
	Depreciation	7,67,641	5,46,985
	Interest accrued on receivable	(44,59,952)	(36,98,673)
	Income Tax paid / adjusted	37,54,476 62,165	(31,17,772) (62,69,460)
	<b>Operating Profit before Working Capital Changes</b>	106,32,457	58,93,961
	<b>Adjustments for Changes in Working Capital :</b>		
	Increase / (Decrease) in liabilities	59,05,026	218,10,272
	(Increase) / Decrease in Inventories	(14,57,788)	(90,76,405)
	(Increase) / Decrease in Trade Receivables	(71,81,392)	(120,54,995)
	(Increase) / Decrease in Loans & Advances	27,60,961 26,808	86,28,828 93,07,700
	<b>Net Cash from Operating Activities (A)</b>	106,59,265	152,01,661
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of fixed assets	(26,55,651)	(43,750)
	Sale of Fixed Assets	-	-
	Capital WIP	40,285	(40,285)
	Interest income from receivable	44,59,952	36,98,673
	<b>Net Cash from Investing Activities (B)</b>	18,44,586	36,14,638
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Dividend and Dividend distribution tax paid	(54,25,200)	(54,16,200)
	(Decrease) / Increase in Loan amount	-	-
	<b>Net Cash used in Financing Activities (C)</b>	(54,25,200)	(54,16,200)
	Net Increase [+] / Decrease (-) in Cash & Cash Equivalents (A+B+C)	70,78,651	134,00,100
	Cash & Cash Equivalents as at beginning (Opening Balance)	407,46,581	273,46,481
	Cash & Cash Equivalents as at end (Closing Balance)	478,25,232	407,46,581

For &amp; on behalf of the board of directors

**B.M. LABROO**  
Director  
DIN : 00040433

**R.K. Jindal**  
Director  
DIN : 07571428

**AS PER OUR SEPARATE REPORT OF EVEN DATE ANNEXED**

For A SHARMA & Co.  
Chartered Accounting  
FRN 002642N

PLACE : NEW DELHI  
DATED : 16-05-2019

ANIL SHARMA  
PARTNER  
M. No. 081658



**MALTEX MALSTERS LIMITED**

Note No. 1 : Significant accounting policies and other explanatory notes to financial statements for the year ended 31st March, 2019

**1.1 Corporate information**

Maltex Malsters Limited ("MML" or "the Company") is a public limited company domiciled in India and incorporated under the provisions of the Indian Companies Act. The registered office of the Company is located at MALTEX HOUSE, Rauni, Patiala, Punjab, 147001. The Company is primarily engaged in the manufacturing of malt on contract basis. The Company has manufacturing facilities in India.

**1.2 Basis of preparation of financial statements**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a historical cost basis, except for assets and liabilities which have been measured at fair value. The financial statements are presented in Indian Rupees ("INR").

**1.3 Summary of significant accounting policies**

**(a) Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is :

- expected to be realized or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when :

- expected to be settled in normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**(b) Fair value measurement**

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

**MALTEX MALSTERS LIMITED**

Note No. 1 : Significant accounting policies and other explanatory notes to financial statements for the year ended 31st March, 2019

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole :

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. External valuers are involved, wherever considered necessary.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the assets or liability and the level of the fair value hierarchy, as explained above. This note summarizes accounting policy for fair value and the other fair value related disclosures are given in the relevant notes.

**(c) Revenue Recognition****(i) Revenue from Contracts**

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers," which was notified under the Companies (Indian Accounting Standards) Rule, 2015 (as Amended) and made applicable from 01.04.2018. The revenue has been recognized in accordance with the following five step model :

- i. Identify contract with customer
- ii. Identify performance obligation in contract
- iii. Determine transaction price
- iv. Allocate the transaction price to the performance obligations in the contract
- v. Recognize revenue when the company satisfies performance obligation



**MALTEX MALSTERS LIMITED**

Note No. 1 : Significant accounting policies and other explanatory notes to financial statements for the year ended 31st March, 2019

**Sale of services**

Service income is recognized, on the basis of performance obligations, at agreed rates in accordance with the terms of the agreement.

In case of fixed price contracts, the customer pays the amount based on agreed prices. If the services rendered by the company exceed the payment, a contract asset is recognized. If the payment exceeds the services rendered, a contract liability is recognized.

**Sale of products**

Revenue from the sale of products is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and there is no unfulfilled obligation that could affect the buyers acceptance of products. Revenue from the sale of products is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discount and volume rebates.

**(ii) Interest Income**

Interest income is recognized using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. Interest income is included under the head "other income" in the statement of profit and loss.

**(d) Taxes**

**Current Income Tax**

Current Income Tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current Income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity in correlation to the underlying transaction). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate.

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities and assets are recognised for all taxable temporary differences, except :

- When the deferred tax liability or asset arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiary and associate when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

**MALTEX MALSTERS LIMITED**

Note No. 1 : Significant accounting policies and other explanatory notes to financial statements for the year ended 31st March, 2019

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity in correlation to the underlying transaction).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**Sales/value added taxes paid on acquisition of assets or on incurring expenses**

When the tax incurred on purchase of assets or services is not recoverable from the taxation authority, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable. Otherwise, expenses and assets are recognised net of the amount of sales/value added taxes paid. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**(e) Property, plant and equipment**

Tangible assets are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalized until the assets are ready for use and include inward freight, duties, taxes and expenses incidental to acquisition and installation. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standard of performance.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Depreciation on tangible assets is provided on the written down value (WDV) Method over the estimated useful lives prescribed under Schedule II to the Companies Act, 2013

For the purpose of depreciation calculation, residual value is determined as 5% of the original cost for all the assets, as prescribed under Schedule II to the Companies Act, 2013

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or





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loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

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

**(f) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**(g) Leases**

Lease arrangements, where the risks and rewards incidental to ownership of an asset substantially vest with lessor, are recognized as operating lease.

Lease payments under operating lease are recognized as expense in statement of profit and loss.

**(h) Inventories**

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows :

Raw materials, Packing materials and bottles, Stores and spares : Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods and Work-in-progress : Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

Stock-in-trade : Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Cost is determined on a weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**(i) Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be

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impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual assets, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reverse only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

**(j) Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement.



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If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**(k) Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

The contributions to provident fund are charged to the statement of profit and loss on an accrual basis.

Retirement benefit in the form of superannuation fund is a defined Group Gratuity contribution scheme with Life Insurance Corporation of India. The Company has established a Superannuation Fund Trust to which contributions are made monthly. The Company recognizes contribution payable to the superannuation fund scheme as expenditure, when an employee renders the related service. The Company has no other obligations beyond its monthly contributions.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.

**(l) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial Assets**

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset. After initial measurement, such financial assets are subsequently measured at amortized cost using

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the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

**De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the balance sheet) when :

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The twelve-month ECL is a portion of the lifetime ECL which results from default events that are possible within twelve months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the profit or loss.



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For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increase in credit risk to be identified on a timely basis.

**Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

**Subsequent measurement**

The measurement of financial liabilities depends on their classification. Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Financial liabilities are classified **Registrar & Transfer Agent, if any,** as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition, at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to profit or loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Borrowings is the category most relevant to the Company. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

**De-recognition**

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

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**Reclassification of financial assets and liabilities**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a re-classification is made only if there is a change in the business model for managing those assets. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the re-classification prospectively from the re-classification date, which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**(m) Cash and Cash equivalents**

Cash and Cash equivalents in the balance sheet and cash flow statement comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**(n) Cash dividend to equity holders**

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**(o) Earnings per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**(p) Significant accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and

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the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The judgements, estimates and assumptions management has made which have the most significant effect on the amounts recognised in the financial statements are explained in relevant notes in the financial statements.

**1.4 Contingent liabilities and Commitments****a) Contingent Liabilities**

i) For the period 01.10.2003 to 30.06.2009 demand of Rs. 81,20,856/- with penalty of equal amount had confirmed by the Commissioner, Central Excise, Chandigarh for which the Company has filed Appeals before Excise Tribunal, New Delhi and the same have been remanded back to Commissioner Central Excise, Chandigarh for re-consideration who has kept the matter in Call Book Category in view of the department filing the SLP before the Apex Court. The Company had paid Rs. 5,00,000/- against the same.

ii) For the period 01.07.2009 to 31.03.2010 & for the period 01.04.2010 to 31.03.2011, service tax demands of Rs. 7,36,136/- & Rs. 10,03,805/- respectively, exclusive of penalty, have also been confirmed by the Commissioner, Central Excise, Chandigarh for which the Company has filed Appeals before, Excise Tribunal, New Delhi and the same have been remanded back to Commissioner Central Excise, Chandigarh.

iii) There is no other claim against the company not acknowledged as debts.

**b) Commitments**

i) Estimated amount of contracts remaining to be executed on capital account and not provided for - Rs. 10.40 Lakhs (Excluding GST) (previous year Rs. 12.60 Lakhs)

ii) The board of Directors of the company has proposed a dividend of Rs. 100.00 per equity share of Rs. 100 each on 45,000 equity shares amounting to Rs. 45,00,000.00. The proposal is subject to approval of the members of the company in the forthcoming annual general meeting.

**1.5 Other Explanatory Notes****i) Revenue from Operations :**

The company derives following types of revenue (Refer Note 17) :

Particulars	2018-19 ₹	2017-18 ₹
- Revenue from Contracts with Customers :	12,40,01,147	10,69,78,525
- Other Revenues	42,53,519	28,26,273
Total	<u>12,82,54,666</u>	<u>10,98,04,798</u>

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The company has also recognized following contract balances :

Particulars	2018-19 ₹	2017-18 ₹
- <b>Contract Liabilities</b>		
Advance received from Customers	2,34,35,433	24,08,061
- <b>Contract Assets</b>		
Trade Receivables	89,90,036	11,65,298
Work in Progress	66,66,765	72,16,296

The present production capacity of the company is 21700 metric ton. The actual production during the year was 21,728.13 metric tons. The production capacity has been utilized as given below :

Holding Company (United Breweries Limited)	86.41	%
Other Companies	13.59	%

As per the contract, raw material is supplied by the Companies with whom job work contracts has been entered. Any variance in the production due to quality of raw material is in the account of the contractee companies. Any realization from sale of by-production (production waste) such as thin barley and malt clums generated during the process is income of the contractor company.

Goods manufactured for and on behalf of the customer are stored in the contractor Company's premises. However, risk of any damage or loss is to borne by the contractee company. Revenue being processing charges as per the agreed rate is accounted for in the books of account when the goods are moved from the premises of the contractor as per the instruction of the contractee. Actual cost of processing on the goods lying in the godown for and on behalf of the customer are reflected as "**Work-in-progress**" in the books of accounts of the company. At the close of the year 1,352.68 metric ton was lying in the godown of the company and the "Work in progress" has been determined at the rate of Rs. 4,928.56 per metric ton.

The company has recognized revenue of 78,43,800 (exclusive of taxes) from the stocks in WIP as on 31.3.2018.

Contract Liabilities include advance received from customers to render job work services as per the terms of agreement with the customers. The significant increase in contract liabilities in 2018-19 was mainly due to advance given by the holding company against job charges.

**ii) Segment Reporting**

The company is a single segment company and therefore, there is nothing to report under Segment Reporting.

**iii) Details of foreign exchange transactions :**

a)	Value of Imports calculated on CIF basis :	
	Components and spare parts :	Nil (Previous year Nil)
	Capital goods	Nil (Previous year Nil)
b)	Earnings in Foreign Exchange on FOB basis :	
	Export of goods/services	Nil (Previous year Nil)





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Other Income

Nil (Previous year Nil)

**iv) Related parties transactions**

**a) List of Related Parties :**

Key Management personnel :

Mr. B.M. Labroo, Director  
Ms. Loveleena Labroo, Director  
Mr. Rohtash Kumar Jindal, Director  
Mr. Steven Bosch, Director  
Mr. Govind Iyengar, Director  
Mrs. Kanta Labroo, Director & CEO

Holding company :

United Breweries Limited

Enterprise in which Key  
Management personnel is  
Interested :

North West Distilleries Private Limited

**b) Details of transactions with Related Parties :**

S.No.	Particulars	With Holding Co.		With company in which KMPs are interested		With Managing & other directors		With Other KMP	
		Y.E. 31.03.2019	Y.E. 31.03.2018	Y.E. 31.03.2019	Y.E. 31.03.2018	Y.E. 31.03.2019	Y.E. 31.03.2018	Y.E. 31.03.2019	Y.E. 31.03.2018
1	Processing Charges Received	9,82,64,961	8,98,23,956	--	--	--	--	--	--
2	GST/Excise Duty Recovered	49,13,248	2,02,03,326	--	--	--	--	--	--
3	Managing Director Remuneration	--	--	--	--	--	--	--	--
4	Remuneration	--	--	--	--	--	--	21,77,067	19,85,067
5	Contribution for Provident fund for Managing Directors	--	--	--	--	--	--	1,63,280	1,48,880
6	Meeting Fee to Directors	--	--	--	--	50,000	40,000	--	--
7	Rent Paid	--	--	36,000	36,000	--	--	--	--
8	Truck Freight Charged	--	--	--	--	--	--	--	--
9	Expenses incurred on their behalf during the year and further recovered	1,81,508	2,14,018	--	--	--	--	--	--
10	Interest on trade receivable	--	--	--	--	--	--	--	--
11	Dividend Paid	22,95,000	22,95,000	--	--	4,40,600	4,40,600	3,37,000	3,37,000
12	Advance Received	2,34,35,433	21,40,567	--	--	--	--	--	--

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**1.6 Leases - Operating leases****Lease Payments****2018-19      2017-18**

- (a) Future minimum lease payments under non-cancellable operating leases (in respect of properties) :
- |  |                  |           |
|--|------------------|-----------|
| Due within one year                              | <b>7,47,420</b>  | 6,91,320  |
| Due later than 1 year but not later than 3 years | <b>16,74,000</b> | 15,85,780 |
| Total minimum lease payments                     | <b>24,21,420</b> | 22,77,100 |
- (b) Operating lease rentals recognised in the Statement of Profit and Loss Rs. **6,89,160/-**  
(Previous year Rs. 6,32,400/-)



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**NOTE - 2 PROPERTY, PLANT AND EQUIPMENT (Amount in Rs.)**

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01-04-2018	Additions during the year	Sale/ Discarded during the year	As at 31-03-19	As at 01-04-2018	For the year Discarded during the year	As at 31-03-19	As at 31-03-18
Land (Free Hold)	1,08,854	-	-	1,08,854	-	-	1,08,854	1,08,854
Buildings	141,04,241	-	-	141,04,241	117,93,217	2,05,219	21,05,805	23,11,024
Plant & Equipments	592,50,386	24,73,346	-	617,23,732	565,02,087	4,29,214	47,92,431	27,48,299
Motor Vehicles	37,32,226	-	-	37,32,226	34,58,915	62,885	2,10,426	2,73,311
Furniture & Fittings	4,53,154	-	-	4,53,154	4,39,519	621	13,014	13,635
Office Equipments	1,80,440	1,82,305	-	3,62,745	1,34,798	69,702	1,58,245	45,642
<b>Total (Rs.)</b>	<b>778,29,301</b>	<b>26,55,651</b>	<b>-</b>	<b>804,84,952</b>	<b>723,28,536</b>	<b>7,67,641</b>	<b>73,88,775</b>	<b>55,00,765</b>
Previous Year	777,85,551	43,750	-	778,29,301	717,81,551	5,46,985	723,28,535	-



## MALTEX MALSTERS LIMITED

PARTICULARS	As at 31.03.2019		As at 31.03.2018	
	Rs.	Rs.	Rs.	Rs.
<b>Note-3 : NON CURRENT LOANS</b> (Unsecured, considered good)				
Security Deposit		29,77,308		29,77,308
		<u>29,77,308</u>		<u>29,77,308</u>
<b>Note-4 : DEFERRED TAX ASSETS</b>				
Opening Balance		6,33,420		9,07,636
Add/(Less) : Provision for Deferred Tax Assets/(Liability) during the year		(3,49,653)		(2,74,216)
		<u>2,83,767</u>		<u>6,33,420</u>
The components of deferred tax (liability) / assets (net) :				
	Particulars	Opening as at 01.04.2018	Relating to current year	Deferred tax (Liabilities)/ Asset as at 31.03.2019
Timing differences on account of :		Rs.	Rs.	Rs.
Difference between value of Fixed Assets as per books and as per Income Tax Rules		2,73,107	(93,480)	1,79,627
On account of disallowance under section 43B of the Income Tax Act		3,60,313	(2,56,173)	1,04,140
Net Deferred Tax Asset		<u>6,33,420</u>	<u>(3,49,653)</u>	<u>2,83,767</u>
<b>NOTE : 5 OTHER NON-CURRENT ASSETS</b> (Unsecured, considered good)				
Balance with govt. authorities		38,14,007		32,58,920
		<u>38,14,007</u>		<u>32,58,920</u>
<b>NOTE : 6 INVENTORIES</b>				
Stores & Spares		58,51,205		47,36,427
Production Waste		50,11,755		41,19,214
Work-in-Progress		66,66,765		72,16,296
		<u>175,29,725</u>		<u>160,71,937</u>
<b>NOTE : 7 TRADE RECEIVABLES</b> (Unsecured considered good)				
Outstanding for a period exceeding six months		25,60,940		--
Others		71,51,502		25,31,051
		<u>97,12,442</u>		<u>25,31,051</u>
<b>NOTE : 8 CASH &amp; CASH EQUIVALENTS</b>				
Balance with Banks				
- In Current Accounts		22,24,585	13,75,307	
- FDR with Bank (including interest accrued thereon)		455,83,625	393,20,895	
Cash in Hand (as certified)		17,022	50,378	407,46,580
		<u>478,25,232</u>		
<b>NOTE : 9 OTHER CURRENT ASSETS</b>				
Advances recoverable in cash or in kind or value to be received and or adjusted		1,61,535	2,08,560	
Advance to supplier		20,53,473	50,727	
Prepaid Expenses		6,53,156	3,70,919	
Advance Tax and Tax deducted at source		119,59,440	212,67,922	
Less : Provision for Income Tax		(96,32,791)	(185,66,199)	33,31,929
		<u>51,94,813</u>		



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PARTICULARS	As at 31.03.2019		As at 31.03.2018	
	Rs.	Rs.	Rs.	Rs.
<b>Note-10 : SHARE CAPITAL</b>				
<b>Authorised</b>				
1,00,000 (1,00,000) Equity Shares of Rs. 100/- each		<b>100,00,000</b>		<b>100,00,000</b>
<b>Issued, Subscribed and Paid up</b>				
45,000 (45,000) Equity Shares of Rs. 100/- each fully paid up (including 32,500 Equity Shares allotted as fully paid up Bonus Shares by capitalisation of General Reserve of Rs. 32,50,000/-)		<b>45,00,000</b>		<b>45,00,000</b>
<b>Reconciliation of shares outstanding (Equity Shares of Rs. 100/- each)</b>				
Opening Balance		<b>45,000</b>		<b>45,000</b>
Add : Issued during the year		--		--
Less : Buy back during the year		--		--
Closing Balance		<b>45,000</b>		<b>45,000</b>
<b>Detail of Shareholders holding more than 5% Shares</b>				
	<b>As at 31.03.2019</b>		<b>As at 31.03.2018</b>	
<b>Name</b>	<b>No. of Shares held</b>	<b>% of Shareholding</b>	<b>No. of Shares held</b>	<b>% of Shareholding</b>
1. United Breweries Ltd. holding company	22,950	51.00%	22,950	51.00%
2. Mr. B.M. Labroo (individual) & B.M. Labroo & Sons (HUF) in the capacity of Karta	4,406	9.79%	4,406	9.79%
3. Mrs. Kanta Labroo	3,370	7.50%	3,370	7.50%
<b>Note-11 : RESERVES &amp; SURPLUS</b>				
<b>a) Capital Reserve</b>				
As per last Balance Sheet		<b>1,31,776</b>		<b>1,31,776</b>
<b>b) General Reserve</b>				
As per last Balance Sheet	<b>522,37,296</b>		<b>472,37,296</b>	
Add : Transferred from Surplus	<b>25,00,000</b>	<b>547,37,296</b>	<b>50,00,000</b>	<b>522,37,296</b>
<b>c) Surplus</b>				
As per last Balance Sheet	<b>31,02,293</b>		<b>48,45,175</b>	
Add : Profit during the year	<b>75,53,343</b>		<b>86,73,318</b>	
Less : Transfer to General Reserve	<b>25,00,000</b>		<b>50,00,000</b>	
Less : Appropriation				
Dividend Paid *	<b>45,00,000</b>		<b>45,00,000</b>	
Tax on Dividend **	<b>9,25,200</b>	<b>27,30,436</b>	<b>9,16,200</b>	<b>31,02,293</b>
		<b>575,99,508</b>		<b>554,71,365</b>
* Dividend has been paid @ Rs. 100 per share (Previous Year Rs. 100 per share)				
** Dividend distribution tax has been paid @ 20.56% of Dividend amount				



## MALTEX MALSTERS LIMITED

PARTICULARS	As at 31.03.2019		As at 31.03.2018	
	Rs.	Rs.	Rs.	Rs.
<b>Note-12 : NON CURRENT PROVISION</b>				
Provision for Employee benefits				
Leave Encashment		<u>3,77,969</u>		<u>4,41,887</u>
		<u>3,77,969</u>		<u>4,41,887</u>
<b>Note-13 : TRADE PAYABLES</b>				
Payables to MSME		--		--
Other Trade Payables		<u>27,69,451</u>		<u>60,09,153</u>
<b>Note-14 : OTHER FINANCIAL LIABILITIES</b>				
Advance Received from Customers *		236,12,973		24,08,061
Security deposit		6,00,000		5,50,000
Payable to Directors		29,000		44,140
Expenses Payable				
For Employee Benefits		24,43,184		30,01,151
For Others		<u>23,52,071</u>		<u>21,03,891</u>
		<u>290,37,228</u>		<u>81,07,243</u>
* Net advance received from holding company Rs. 2, 34, 35, 433 (P.Y. Rs. 24,08,061)				
<b>Note-15 : OTHER CURRENT LIABILITIES</b>				
Statutory dues payable		<u>4,41,912</u>		<u>5,62,547</u>
		<u>4,41,912</u>		<u>5,62,547</u>
<b>Note-16 : CURRENT PROVISIONS</b>				
		--		--
		--		--



**MALTEX MALSTERS LIMITED**

PARTICULARS	As at 31.03.2019		As at 31.03.2018	
	Rs.	Rs.	Rs.	Rs.
<b>Note-17 : REVENUE FROM OPERATIONS</b>				
(i) Revenue from contact with customer				
Processing Charges*	1131,61,115		962,35,156	
Sale of Thin Barley	25,41,801		17,24,440	
Sale of Malt Clums	82,98,231	1240,01,147	90,18,929	1069,78,525
(ii) Other Operating revenues				
Sale of Old Gunny Bags	29,29,490		22,23,185	
Scrap Sale	1,07,679		--	
Waste Sale	9,32,560		6,03,088	
Other Operating Revenue	2,83,790	42,53,519	--	28,26,273
		<u>1282,54,666</u>		<u>1098,04,798</u>
* Includes Rs. 9,82,64,961/- (Previous Year Rs. 8,98,01,956/-) from United Breweries Ltd., the holding Company				
<b>Note-18 : OTHER INCOME</b>				
Interest Income		44,59,952		36,98,673
Liabilities written back		7,77,942		8,521
Miscellaneous Income		60,000		60,000
		<u>52,97,894</u>		<u>37,67,194</u>
<b>Note-19 : PROCESSING EXPENSES</b>				
Purchase of Barley		2,67,690		--
Labour and Consumable Charges		137,29,249		153,71,171
Power, Fuel & Water Charges		619,52,811		517,33,679
Repair & Maintenance - Plant & Machinery		92,78,317		75,65,867
Packing Expenses		52,78,621		35,17,859
		<u>905,06,688</u>		<u>781,88,576</u>
<b>Note-20 : CHANGES IN INVENTORIES</b>				
Opening Stock				
Production Waste	41,19,214		18,20,467	
Work-in Progress	72,16,296		--	
Closing Stock				
Production Waste	50,11,755		41,19,214	
Work-in Progress	66,66,765	(3,43,010)	72,16,296	(95,15,043)
<b>Note-21 : EMPLOYEES BENEFIT EXPENSES</b>				
Salaries, Wages & Bonus		243,20,693		245,72,230
Leave Encashment		(63,918)		54,257
Employees Welfare Expenses		5,67,176		6,90,757
Contribution to PF, ESI & LWF		16,04,663		17,20,401
		<u>264,28,614</u>		<u>270,37,645</u>



**Maltex Malsters Limited**

**51st Annual Report**

**2018-2019**

**MALTEX MALSTERS LIMITED**

PARTICULARS	As at 31.03.2019		As at 31.03.2018	
	Rs.	Rs.	Rs.	Rs.
<b>Note-22 : FINANCE COSTS</b>				
Bank Charges		<b>18,917</b>		25,699
		<b>18,917</b>		<b>25,699</b>
<b>Note-23 : OTHER EXPENSES</b>				
Traveling & Conveyance (Including Rs. 1,46,449/- previous year Rs. 96,700/- by Managing & Other Director)		<b>4,43,098</b>		3,15,146
Printing & Stationary		<b>85,063</b>		80,253
Postage, Telegram & Telephone		<b>66,744</b>		61,083
Rent		<b>6,89,160</b>		6,32,400
Rate & Taxes		<b>2,07,807</b>		3,83,993
Electricity Expenses		<b>10,631</b>		9,721
Repair & Maintenance		<b>10,938</b>		5,503
Insurance Expenses		<b>1,85,745</b>		1,75,096
Vehicle Repair & Maintenance		<b>4,38,995</b>		3,29,175
Legal & Professional Charges		<b>99,000</b>		1,51,000
<b>Auditors Remuneration</b>				
As Auditor	<b>1,67,339</b>		1,67,339	
For Taxation matters	<b>25,000</b>		25,000	
For Other Services	-		-	
For Reimbursement of Expenses	<b>38,938</b>	<b>2,31,277</b>	<b>28,348</b>	2,20,687
Remuneration to Managing Director and Other KMP		<b>21,77,067</b>		19,85,067
Directors' Meeting Fee		<b>50,000</b>		40,000
Business Promotion, Selling Expenses		<b>2,49,916</b>		2,10,215
Diwall Expenses		<b>4,32,854</b>		3,65,866
Interest on Income Tax and TDS		<b>1,555</b>		3,241
Balance written off		-		-
Prior period Expenses		-		5,600
Miscellaneous Expenses		<b>2,23,569</b>		1,50,663
		<b>56,03,418</b>		<b>51,24,709</b>

**For & on behalf of the board of directors**

**B.M. LABROO**  
Director  
DIN : 00040433

**R.K. Jindal**  
Director  
DIN : 07571428

**AS PER OUR SEPARATE REPORT OF EVEN DATE ANNEXED**

For A SHARMA & Co.  
Chartered Accounting  
FRN 002642N

**ANIL SHARMA**  
PARTNER  
M. No. 081658

PLACE : NEW DELHI  
DATED : 16-05-2019