

# Asian Lakto Industries Limited

Regd Office: VPO Jandiali, Near Kohara, Chandigarh Road, Ludhiana , Punjab  
CIN: L15209PB1994PLC014386, Email: accounts@asianlak.com

## Annual Report 2017-18

### **BOARD OF DIRECTORS**

- |                                  |                              |
|----------------------------------|------------------------------|
| (1) Mr. Gopal Poddar-            | Chairman & Managing Director |
| (2) Mr. Harinder Kumar Sachdeva- | Non-Executive Director       |
| (3) Mrs. Mandira Poddar -        | Director                     |
| (4) Mr. Rajesh Kumar Sharma -    | Independent Director         |
| (5) Mr. Shatrohan Lal-           | Independent Director         |

### **COMPANY SECRETARY**

CS. Perna Talwar

### **CHIEF FINANCIAL OFFICER**

Mr. Abhinav Poddar

### **STATUTORY AUDITORS**

M/s R.K. Deepak & Co.,  
Chartered Accountants

### **SECRETARIAL AUDITOR**

M/s Khanna Ashwani & Associates,  
Practicing Company Secretaries

### **REGISTERED OFFICE**

**VPO Jandiali, Near Kohara,  
Ludhiana-141001, Punjab.**  
E-mail Id: - accounts@asianlak.com  
CIN: - L15209PB1994PLC014386  
PAN: - AABCA4451H

### **REGISTRAR AND TRANSFER AGENT**

#### **SKYLINE FINANCIAL SERVICES PRIVATE LIMITED**

D-153 A, 1<sup>ST</sup> Floor, Okhla Industrial Area, Phase – I  
City: New Delhi      PIN: 110 020



**ASIAN LAKTO INDUSTRIES LIMITED**  
**Regd. Office: - VPO Jandiali, Near Kohara,**  
**Ludhiana-141112, Punjab.**  
**CIN: - L15209PB1994PLC014386**  
**Email Id: accounts@asianlak.com**  
**Telephone No: 0161-2424602**

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**NOTICE**

**NOTICE** is hereby given that the 24<sup>TH</sup> Annual General Meeting of the Members of **Asian Lakto Industries Limited** will be held on **Sunday** the 30<sup>th</sup> day of **September, 2018** at registered office of the Company situated at **11:00 A.M. at VPO Jandiali, Near Kohara, Ludhiana-141001, Punjab** to transact the following business:

**ORDINARY BUSINESS:**

**ITEM NO.1: TO RECEIVE & ADOPT AUDITED ANNUAL FINANCIAL STATEMENTS AND OTHER REPORTS**

To receive, consider and adopt the Audited Balance Sheet as at **31st March, 2018**, Statement of Profit and Loss for the year ended on that date, together with Report of the Auditor's and Director's thereon.

**ITEM NO.2: RE-APPOINTMENT OF SMT. MANDIRA PODDAR**

To re-appoint Director **Smt. Mandira Poddar (Holding DIN: 02114374)**, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible offer herself for re-appointment in place of Sh. Harinder Kumar Sachdeva.

**ITEM NO.3: RATIFICATION FOR THE APPOINTMENT OF STATUTORY AUDITORS OF THE COMPANY**

*To consider and ratify the appointment of Statutory Auditors of the company for the Financial Year 2018-19 and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:*

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the appointment of the **M/s R.K Deepak & Co., Chartered Accountants, Ludhiana** as the Statutory Auditors



of the Company for a term of consecutive five years starting from Conclusion of **23<sup>rd</sup>** Annual General Meeting till the conclusion of **28<sup>th</sup>** Annual General Meeting of the company be and is hereby ratified at the **24<sup>th</sup>** Annual General Meeting of the Company at such remuneration as may be finalized by the Director in consultation with auditor plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.”

## **SPECIAL BUSINESS**

### **ITEM NO: 4. BLANKET APPROVAL FOR RELATED PARTY TRANSACTIONS:**

*To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:*

“**RESOLVED THAT** pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of Listing Agreement executed with the Stock Exchanges (including any amendment, modification or re-enactment thereof), and also pursuant to the consent of the Audit Committee and the Board of Directors vide resolutions passed in their respective meetings, the approval of the Company be and is hereby for entering into the following proposed Related Party Transactions at Arm Length Price with respect to sale and purchase of goods and raw material by and from Asian Lakto Industries Limited for the financial year 2018-19 upto the maximum per annum amounts as appended in table below:

<b>Sr. No</b>	<b>Name of the Related Party</b>	<b>Relationship</b>	<b>Maximum Value of Transaction per Annum</b>
1	Nandan Traders	Directors having Significant Interest	5 Crores
2	Asianlak Health Foods Ltd	Directors having Significant Interest	5 Crores
3	Sri Varadharaja Fruit Products (P) Ltd	Directors having Significant Interest	10 Crores

### **ITEM NO. – 5 TO INCREASE REMUNERATION OF MR. GOPAL PODDAR, MANAGING DIRECTOR FROM RS. 230,000 PER MONTH TO RS. 3,00,000 W.E.F 01<sup>ST</sup> OF APRIL 2018.**

*To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:*



Chairman informed the board that the company is likely to enhanced remuneration of Mr. Gopal Poddar, Managing Director from Rs. 2,30,000/- PM to Rs. 3,00,000/- PM with effect from **01<sup>st</sup> April, 2018**, plus all perquisites within the limits as ascertained under the provisions of Schedule V of the Act and board discussed the matter and passed the following resolution;

**RESOLVED THAT** Pursuant To Provisions of **Section 196, 197 and 203** and all other applicable provisions if any, of the **Companies Act , 2013**, (“the Act”) read with schedule V to the said act and the companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for time being in force) and as per the Articles of Association of the Company and such other approval(s) or sanction(s) as may be prescribed, consent of company be and is hereby accord to increase in the remuneration of **Sh. Gopal Poddar, Managing Director of the company from Rs. 2,30,000 (Rupees Two Lakh Thirty Thousand Only) per month to Rs. 3,00,000 (Rupees Three Lakhs Only)** plus all perquisites or such other limit as may be ascertained under the provision of Schedule V of the Act, payable as per rules and policies of the company.

**RESOLVED FURTHER THAT** Sh. Gopal Poddar shall also be eligible to the following benefits which shall not be included in the computation of the ceiling on remuneration:

Sr No	Remuneration	Details
I	Basic Salary	Rs. 3,00,000/- Per Month
II	Perquisites	Perquisites will be allowed in addition to salary, as mentioned below:
a)	Medical Reimbursement	Reimbursement of actual Medical expenses incurred in India and/or abroad and including hospitalization, nursing home and surgical charges and will also pay health insurance premium for himself and his family subject to the Income Tax Act, 1961.
b)	Leave Travel Concession	Reimbursement of actual travelling expenses for proceeding on leave once in a year in respect of himself and his family in accordance with the rules of the Company.
c)	Club Fees	Reimbursement of membership fee of any club in India and/or abroad including admission and life membership fee subject a maximum of two (2) clubs.
d)	Personal Accident	Premium not to exceed Rs. 15,000/- Per Annum.
e)	Car & Telephone	Free Use of Company’s car for official work as well as for personal purposes and telephone at company’s cost.
f)	Gratuity	Company will pay gratuity at the rate of half month's salary for each completed year of service.
g)	Contribution to Provident Fund	Company will contribute to provident fund, superannuation fund and Annuity fund as per company’s policy but subject to Income Tax Act, 1961.

*\*Perquisites shall be evaluated as per Income-Tax Rules, wherever applicable and in absence of any such rules, perquisites shall be evaluated at actual cost.*



**RESOLVED FURTHER THAT** Board of Directors of the company be and are hereby authorized to approve the remuneration and do all such acts, deeds and things which are necessary and incidental to give effect this resolution.

By Order of the Board  
For **Asian Lakto Industries Limited**

**Place: Ludhiana**

**Date: 05.09.2018**

Sd/-  
**(Gopal Poddar)**  
**Managing Director**  
**(DIN: - 01859022)**  
**Add: 509-B, Aggar Nagar,**  
**Ludhiana 141001, PB (IN).**



*Notes:*

*1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/ herself and such proxy need not be a member of the Company. The proxy, in order to be effective must be received by the Company not less than 48 hours before the Meeting. The Blank Proxy form is enclosed.*

*2. In Compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules 2015, and Regulation 44 of the SEBI (Listed Obligations And Disclosures Requirements) Regulations 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Central Depository Services (India) Limited. The facility for voting through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.*

*3. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote in their behalf at the Meeting.*

*4. 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 single person as proxy and such person shall not act as a proxy for any other person or shareholder.*

*5. A statement giving the relevant details of the Directors seeking re-appointment under Item No. 2, 5 of the accompanying Notice is annexed herewith in explanatory statement.*

*6. Members are requested to intimate their queries, if any, related to accounts at least seven days in advance of meeting so that information can be made available and furnished at meeting.*

*7. All documents referred to in the notice, unless otherwise specifically stated will be available for members for inspection at the registered office of the Company between 10.30 am to 12.30 pm from the date hereof upto the date of Annual General Meeting.*

*8. The register of members and share transfer books shall remain closed from Thursday the 20<sup>th</sup> September, 2018 to Sunday 30<sup>th</sup> September, 2018 (Both Days inclusive).*

*9. Mr. Ashwani Khanna proprietor of Khanna Ashwani & Associates has been appointed as scrutinizer for providing the report on results of poll/vote for the resolution passed during the AGM.*



*10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities Market. Members holding shares in physical form are, therefore, requested to submit their PAN to the Company Skyline Financial Services Private Limited.*

*11. The Result of the resolutions passed at the AGM of the Company will be declared within 48 working hours of Conclusion of AGM. The results declared along with the Scrutinizer Report shall be placed on Company's website and on the website of CDSL and will be communicated to the stock exchanges.*

*12. M/s Khanna Ashwani & Associates, Company Secretaries, have been appointed as the scrutinizer to scrutinize the e-voting process in fair and transparent manner (including the ballot forms received from members who do not have access to the e-voting process). The scrutinizer shall within a period of three working days from the conclusion of e-voting period, unblock the votes in presence of at least two witnesses not in employment of the company and make a report of the votes cast in favour or against, if any, forthwith to the chairman of the company.*

*The instructions for shareholders voting electronically are as under:*

- (i) The voting period begins on 27<sup>th</sup> Sep, 2018 (9:00 am) and ends on 29<sup>th</sup> Sep, 2018 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.*
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.*
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).*
- (iv) Click on "Shareholders" tab.*
- (v) Now Enter your User ID*
  - a. For CDSL: 16 digits beneficiary ID,*
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,*
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.*
- (vi) Next enter the Image Verification as displayed and Click on Login.*



(vii) *If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.*

(viii) *If you are a first time user follow the steps given below:*

<i>For Members holding shares in Demat Form and Physical Form</i>	
<i>PAN</i>	<i>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</i> <ul style="list-style-type: none"><li>• <i>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</i></li><li>• <i>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is 3 Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field</i></li></ul>
<i>Dividend Bank Details OR Date of Birth (DOB)</i>	<i>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</i> <ul style="list-style-type: none"><li>• <i>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</i></li></ul>

(ix) *After entering these details appropriately, click on “SUBMIT” tab.*

(x) *Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.*

(xi) *For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.*



- (xii) Click on the EVSN 180904106. <ASIAN LAKTO INDUSTRIES LIMITED> for the relevant on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the vote cast  
by clicking on “Click here to print”  
option on the Voting page.
- (xviii) If a demat account holder has forgotten  
the login password then Enter the User  
ID and the image verification code and click on Forgot Password & enter the details as prompted  
by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google play store. Apple and windows phone user can download the app from the App store and windows Phone store respectively on or after 30<sup>th</sup> June, 2016. Please follow the instructions as prompted by the mobiles app while voting on your mobile.
- (xx) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian• are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



- *After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.*
  - *The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on*
  - *approval of the accounts they would be able to cast their vote.*
  - *A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.*
- (xxi) *In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).*



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**Telephone No: 0161-2424602**

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**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**

**ITEM NO. 2 OF THE ORDINARY BUSINESS**

**INFORMATION AND DETAILS REGARDING DIRECTOR SEEKING RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING:**

<b>Name of the Director</b>	<b>MANDIRA PODDAR</b>
<b>Director Identification Number (DIN)</b>	02114374
<b>Date of Birth</b>	20/05/1966
<b>Nationality</b>	Indian
<b>Date of Appointment on Board</b>	27/03/2015
<b>Qualification</b>	B.A.
<b>No. of Shares Held</b>	3,27,200
<b>List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)</b>	NIL
<b>Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies</b>	NIL
<b>Relationship with other Directors</b>	Gopal Poddar (Wife), Abhishek Poddar (Mother), Neeraj Poddar (Sister-in-law), Radhe Shyam Poddar (Daughter-in-law)

None of the other Directors/ Key Managerial Personnel (KMP) of the company/their relatives are concerned or interested, financial or otherwise, in the resolution set out at item No. 2.

**ITEM NO. 5 OF THE SPECIAL BUSINESS**

The members may note that based on the recommendations of the board of directors of the company at their meeting held on 31.03.2018, approve the Revision/Increase of remuneration of **Mr. Gopal Poddar, Managing Director** of the company under the provisions of Companies Act, 2013 to **Rs. 3, 00,000 (Rupees Three Lakhs Only) per month** each w.e.f **01<sup>st</sup> April, 2018** plus all perquisites.

Statement Required pursuant to provisions of Schedule V of the Companies Act, 2013 is given below,

**I. GENERAL INFORMATION:**



### **1. Nature of Industry:**

The company carries the business of manufacturing, distribution, Wholesale of fruit juices & aerated beverages all around India from its plant situated in VPO Jandiali, Near Kohara, Ludhiana

### **2. Date and Expected date of commencement of Commercial Production:**

The Commercial Production of the company's product is started in the year of 1994.

### **3. In Case of New Companies, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus:**

Not Applicable.

### **4. Financial Performance Based on the given indicators:**

Company earned the total revenue before tax during the financial year 2017-18 of Rs. 14,754,305.34 as compared to Rs. 20,852,466.26 during the financial year 2016-17. However due to increase in the expenses of Human Capital and adjustments of carrying cost related to fixed assets, the company's gross profit margin is slightly squeezed in financial year 2017-18 as compared to profit of 2016-17 but still company is able to maintain the profits.

### **5. Foreign Investment and Collaboration:**

Not Applicable

## **II. INFORMATION ABOUT THE MR. GOPAL PODDAR:**

### **1. Background Details:**

Mr. Gopal Poddar; is the Managing Director of the company. During this Period he has served the company with best of his capabilities. He is the person of immense enthusiasm and dynamism possessing sharp ability for business decision making. He carries with himself a vast business experience. His association with the Company supported by strong determination, vast knowledge and experience in the field of Operations is expected to be highly beneficial for identifying potential growth plans and projects for business expansion.

### **2. Past Remuneration:**

Past Remuneration is Rs. 230,000/- Per Month plus other Incentive and Perquisites as per the company policies.

### **3. Recognition or Awards:**

Not applicable



#### **4. Job Profile and Suitability of the Appointee:**

Mr. Gopal Poddar has been in managerial position since last couple of years and has been contributing in his role towards achievement of the common objectives of the organization. Hence, on the basis of the recommendation of the Board along with Nomination & Remuneration Committee, Mr. Gopal Poddar is a suitable candidate for his re-appointment as Managing Director of the Company.

#### **5. Remuneration Proposed:**

The appointee will be paid remuneration not exceeding Rs 3,00,000/- (Rupees Three Lakhs Only) p.m., such other limit as may be ascertained under the provisions of Schedule V of the Act , Plus other Perquisites & Incentives as per company policies, payable as per rules and policies of the company, for the remaining term of Five years tenure w.e.f 01.04.2018.

#### **6. Comparative Remuneration profile with respect to the Industry, size of the company, profile of the position of the company.**

Taking into account the size of the company, industry benchmark in general, profile, position, responsibilities, capabilities and the involvement of Mr. Gopal Poddar in the company and the proposed Remuneration is reasonable and in line with the Remuneration levels in the industry, across the industry and befits his position.

#### **7. Pecuniary relationship directly with the company or relationship with the managerial personnel if ,any:**

Except for the proposed Remuneration Mr. Gopal Poddar does not have any pecuniary relationship with the company or with any managerial personnel.

### **1V Other Information**

#### **1. Reason Of Loss Or Inadequate Profits:**

There is lot of new competition in the market, though the size of market is increasing but due to severe competition and the global economic slowdown leads the current financial results into inadequate profits for payment of managerial remuneration within the capped limits.

#### **2. Steps taken or proposed to be taken for improvement :**

The company has taken stringent cost actions and continues to curtail both employee and non employee costs. Also, the management continues to explore avenues to increase the revenue.

#### **3. Expected increase in Productivity and Profits :**

The company is committed to build the business operations within budget and considering that the business operates on a going concern basis, it is believed that financial position of the company will improve in near future.



By Order of the Board  
For Asian Lakto Industries Limited

**Place: Ludhiana**  
**Date: 05.09.2018**

Sd/-  
(Gopal Poddar)  
Managing Director  
(DIN: - 01859022)  
Add: 509-B, Aggar Nagar,  
Ludhiana 141001, PB (IN).



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**DIRECTORS' REPORT**

To,

The Members,

The Directors of your Company have pleasure in presenting their **24<sup>th</sup> Annual Report** on the affairs of the Company together with the Audited Accounts of the Company for the year ended **March 31, 2018**.

**1. FINANCIAL RESULTS**

The Company's financial performance, for the year ended March 31, 2018 is summarized below:

(Amt. in Lakhs)		
<b><u>PARTICULARS</u></b>	<b><u>2017-18</u></b>	<b><u>2016-17</u></b>
<b>Revenue from operations(Gross)</b>	6608.37	8352.63
<b>Profit before Depreciation, Interest &amp; Tax (PBDIT)</b>	<b>372.77</b>	<b>422.28</b>
Less: Interest & Financial Expenses	178.02	167.63
<b>Profit Before Depreciation &amp; Tax (PBDT)</b>	<b>194.76</b>	<b>254.64</b>
Less: Depreciation	47.11	46.12
<b>Profit Before Tax (PBT)</b>	<b>147.64</b>	<b>208.52</b>
Less: Current Tax	44.29	62.56
Deferred Tax	--	--
Earlier Year Tax Adjustments	--	--
<b>Profit For The Period and After Tax (PAT)</b>	<b>103.35</b>	<b>145.96</b>
<b>Earnings Per Share (Rs.)</b>		
-Basic	0.02	0.02
-Diluted	0.02	0.02
<b>Balance Available for Appropriation</b>	<b>103.35</b>	<b>145.96</b>
Less: Proposed Dividend on Equity Shares	--	--
<b>Tax on Proposed Dividend</b>	<b>--</b>	<b>--</b>



Transfer to General Reserve	--	--
Balance Brought Forward	398.91	252.94
Surplus Carried to Balance Sheet	502.26	398.91

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Companies (Indian Accounting Standards) Rules, 2015. For all periods upto and including the year ending 31 March 2017, the company prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013 in terms of Rule 7 of The Companies (Accounts) Rules, 2014) and the relevant provisions of the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an ongoing basis.

## **2. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

### **A. FINANCIAL ANALYSIS AND STATE OF COMPANY AFFAIRS:**

#### **PRODUCTION & SALES REVIEW:**

During the year, the Revenue from operations was **Rs. 65,97,38,348/-** as against **Rs. 83,43,96,121/-** in the previous year. The Company earned other income of **Rs. 1098788/-** during the year as against **Rs. 8,66,871/-** in the previous year.

#### **PROFITABILITY:**

The Company earned profit before depreciation, interest and tax of **Rs. 37,27,71,36.78** as against **Rs. 4,22,28,003.80** in the previous year. After providing for depreciation of **Rs. 47,11,837.00** (Previous Year **Rs. 46,12,196.98**), the profit after tax was **Rs. 1,03,34,940.94** as against **Rs. 14,59,67,26.38** last year.

### **B. RESOURCE UTILISATION:**

#### **FIXED ASSETS:**

The net fixed assets as at 31<sup>st</sup> March, 2018 were **Rs. 5,22,31,767.43** as against previous year's fixed assets of **Rs. 5,65,27,453.04**. During the year, there was reduction in fixed assets of **Rs. 42,95,685.61**.

#### **CURRENT ASSETS:**

The net current assets as on 31<sup>st</sup> March, 2018 were **Rs. 27,51,24,433.28** as against **Rs. 29,52,03,917.17** in the previous year.

### **C. FINANCIAL CONDITIONS AND LIQUIDITY:**

Management believes that the Company's liquidity and capital resources are sufficient to meet its expected working capital needs and other anticipated cash requirements. The position of liquidity and capital resources of the Company is given below: -



### **CASH AND CASH EQUIVALENTS:**

The cash flow statement depicting the opening cash, closing cash balances and receipt of cash and spending thereof from operating activities is annexed to the balance sheet and stated as follows:

<b>(Amt in Rs.)</b>		
<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Beginning of the Year	2,059,321.82	34,60,507.24
End of the Year	2,127,622.39	2,059,321.82
<b>Net Cash provided/(used) by:</b>		
- Operating Activities	24432929.41	19212441.86
- Investing Activities	(416151.40)	(6235971.00)
- Financing Activities	(23948477.44)	(14377656.28)

### **3. DIVIDEND**

To keep and conserve the profits and reserves for future expansion of the company the Board of Directors of the company has not recommended any dividend for the year **2017-2018**.

### **4. EXTRACT OF ANNUAL RETURN**

As required pursuant to **Section 92(3)** of the Companies Act, 2013 and **Rule 12(1)** of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT-9** as a part of this Annual Report as **ANNEXURE 'A'** .

### **5. NUMBER OF MEETINGS OF THE BOARD**

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The notice of Board meeting is given well in advance to all the Directors. Usually, meetings of the Board are held in Ludhiana to discuss the complex business strategies. The Agenda of the Board / Committee meetings is normally circulated at least a week prior to the date of the meeting but in certain cases is being held at a shorter notice. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The Board met **11 (Eleven)** times in financial year 2017-18 viz., on

Sr. No.	DATE OF BOARD MEETING	DIRECTOR IN ATTENDANCE	VENUE OF BOARD MEETING
1.	20.05.2017	6	VPO Jandiali, Near Kohara, Ludhiana-141112, Punjab.
2.	20.06.2017	4	VPO Jandiali, Near Kohara, Ludhiana-141112, Punjab.



3.	26.06.2017	6	VPO Jandiali, Near Kohara, Ludhiana-141112, Punjab.
4.	10.08.2017	5	VPO Jandiali, Near Kohara, Ludhiana-141112, Punjab.
5.	23.08.2017	5	VPO Jandiali, Near Kohara, Ludhiana-141112, Punjab.
6.	04.09.2017	5	VPO Jandiali, Near Kohara, Ludhiana-141112, Punjab.
7.	21.10.2017	5	VPO Jandiali, Near Kohara, Ludhiana-141112, Punjab.
8.	09.11.2017	5	VPO Jandiali, Near Kohara, Ludhiana-141112, Punjab.
9.	08.02.2018	4	VPO Jandiali, Near Kohara, Ludhiana-141112, Punjab.
10.	09.02.2018	5	VPO Jandiali, Near Kohara, Ludhiana-141112, Punjab.
11.	09.03.2018	5	VPO Jandiali, Near Kohara, Ludhiana-141112, Punjab.

*The maximum interval between any two meetings did not exceed 120 days.*

## **5. DIRECTOR'S RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) I of the Companies Act, 2013:

- a). that in the preparation of the annual financial statements for the year ended 31<sup>st</sup> March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b). that the directors had 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 and loss of the company for that period;
- c). that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- d). that Directors' have prepared the annual accounts on a going concern basis;
- e). the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f). the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



## **6. COMMENTS ON AUDITORS REPORT**

- (i) There are no qualifications, reservation or adverse remark or disclaimer made by statutory auditors during this financial year.
- (ii) There are no qualifications, reservation or adverse remark or disclaimer made in secretarial audit report given by a company secretary in practice during this financial year.

## **7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013:

- The company has not granted any loan to any person during the year under review. During the previous year company has given corporate guarantee in respect of Asianlak health Foods Ltd and Sri Vardharaja Fruits Products Pvt Ltd by passing special resolution through postal ballots pursuant to the provisions of Section 186 of the Companies Act, 2013.

## **8. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. The details of material contracts/ arrangements/ transactions at arm's length basis for the year ended 31<sup>st</sup> March, 2018 is annexed hereto in **Form AOC-2** and forms part of this report as **ANNEXURE 'B'**.

## **9. TRANSFER TO RESERVES**

NIL amount is transferred to the General Reserve.

## **10. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

In accordance with the provisions of Section 125(2) of the Companies Act, 2013 company has not having any unpaid dividend or excess share application amount in the book of accounts. As company has not declared any dividend in the previous year, hence no amount is transferred to Investor Education and Protection Fund.

## **11. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which these financial statements relate on the date of this report.

## **12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**



Energy conservation continues to be an area of major emphasis in our Company. Efforts are made to optimize the energy cost while carrying out the manufacturing operations. Particulars with respect to conservation of energy and other areas as per Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, are annexed hereto and form part of this report as **ANNEXURE ‘C’** and is attached to this report.

### **13. CORPORATE SOCIAL RESPONSIBILITY**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions as per section 135 of Companies Act, 2013 are not applicable.

### **14. BOARD EVALUATION**

Pursuant to the provisions of the **Section 134** of the Companies Act, 2013 read with **Rule 8(4)** of the **Companies (Accounts) Rules, 2014**, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The performance evaluations of all the independent Directors have been done by the entire board excluding the director being evaluated. On the basis of the performance evaluation done by the board it shall be determined whether to extend or continue their term of appointment, whenever their respective term expires.

### **15. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company.

### **16. FINANCIAL HIGHLIGHTS**

(Amt. in Lakhs)

<b>PARTICULARS</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>	<b>2014-15</b>	<b>2013-14</b>
<b>Revenue from operations(Gross)</b>	6597.38	8343.96	7672.54	7488.60	7138.62
<b>TOTAL INCOME</b>	6608.37	8352.62	7675.33	7493.26	7143.19
<b>Earnings before Depreciation, Finance Cost &amp; Tax expenses (EBDIT)</b>	372.77	422.27	374.59	359.34	329.25
<b>Less: Depreciation &amp; Amortization</b>	47.11	46.12	26.01	17.71	72.62
<b>Finance Cost</b>	178.02	167.63	156.43	155.24	133.49
<b>PROFIT FOR THE YEAR</b>	147.64	208.52	192.15	152.83	100.97



<b>Equity Dividend %</b>	-	-	-	-	-
<b>Dividend payout</b>	-	-	-	-	-
<b>Equity Share Capital</b>	580.33	580.33	580.33	580.33	580.33
<b>Equity Share Suspense Account</b>	-	-	-	-	-
<b>Equity Share warrants</b>	-	-	-	-	-
<b>Reserves &amp; Surplus</b>	502.26	398.91	252.94	118.43	114.33
<b>Net Worth</b>	1082.59	979.24	833.27	698.76	694.66
<b>Borrowings (Long term &amp; Short term)</b>	2009.14	2360.93	1769.29	1693.14	1807.28
<b>Gross Fixed Assets</b>	1885.36	1881.08	1818.72	1502.97	1502.97
<b>Less: Depreciation</b>	1363.05	1315.80	1269.68	1243.67	1077.23
<b>Net Fixed Assets</b>	522.31	565.28	549.03	259.30	425.74
<b>Investments</b>	--	--	--	--	--
<b>Face Value Per Share</b>	10	10	10	10	10
<b>EPS</b>	<b>Basic</b>	--	--	--	--
	<b>Diluted</b>	--	--	--	--

## **17. DEPOSITS**

The Company has not accepted and does not intend to accept any deposits from the public. As at 31<sup>st</sup> March, 2018 there are no outstanding/unclaimed deposits from the public.

## **18. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

## **19. NUMBER OF CASES FILED, IF ANY, AND THEIR DISPOSAL UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company has Zero tolerance towards any action on the part of any one which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every women working with the Company. The Policy framed by the Company in this regard provides for



protection against sexual harassment of women at workplace and for prevention and redressal of such complaints.

## **20. PARTICULARS NO. OF COMPLAINTS TO PREVENTION OF SEXUAL HARASSEMENT I**

Number of Complaints pending as on beginning of the financial year NIL

Number of Complaints filed during the financial year NIL

Number of Complaints pending as on the end of the financial year NIL

## **21. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has well defined internal control system. The Company takes abundant care to design, review and monitor the working of internal control system. Internal audit in the organization is an independent appraisal activity and all significant issues are brought to the attention of the Audit Committee of the Board.

## **22. INTERNAL FINANCIAL CONTROL:**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

## **23. A). DIRECTORS**

### **i). APPOINTMENTS**

#### **INDEPENDENT DIRECTORS**

No Independent Directors have been appointed during the year.

### **DECLARATION UNDER SECTION 149(6):**

All the Independent Directors have submitted their disclosures to the board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors.

### **ii). RETIREMENT BY ROTATION**

Pursuant to the provisions of Section 152 of the Companies Act, 2013 **Smt. Mandira Poddar (Holding DIN: 02114374)**, Director of the Company retires by rotation and being eligible offer himself for re-appointment.

### **iii). RESIGNATION**

Mr. Abhishek Poddar has resigned from the position of Whole Time Director of the company on 12.08.2017 and resignation was being confirmed by the board of director in the meeting of board of directors held on 23.08.2017.

## **B). KEY MANAGERIAL PERSONNEL**

Pursuant to the provisions of **Section 203** of the Companies Act, 2013 the below mentioned KMP have been appointed in the Company:



<b>WHOLE TIME KEY MANAGERIAL PERSONNEL OF THE COMPNY</b>	<b>DESIGNATION</b>	<b>DATE OF APPOINTMENT</b>
Ms. Prerna	Company Secretary(CS)	01.05.2017
Abhishek Poddar	Chief Financial Officer(CFO)	01.03.2018

Mr. Ravinder Singh Katoch has resigned from the post of Chief financial Officer w.e.f 10.10.2017 and resignation has been accepted by the board on 09.11.2017.

Mr. Abhishek Poddar being appointed as the Chief Financial officer of the company w.e.f 01.03.2018 in the board meeting held on 09.02.2018.

## **24. AUDITORS AND AUDITORS REPORT**

### **A). STATUTORY AUDITORS**

“**RESOLVED THAT** pursuant to the provisions of section 139 and 142 of the Companies Act, 2013 and other applicable provisions, if any, M/s R.K Deepak & Co., Chartered Accountants, Ludhiana be and are hereby appointed as the statutory auditors of the company for the period of 5 years subject to the ratification by the members at every Annual General Meeting, commencing from the conclusion of this **23<sup>rd</sup>** Annual General Meeting till the conclusion of **28<sup>th</sup> AGM** at such remuneration as may be determined by the Board of Directors of the Company.”

### **B). SECRETARIAL AUDITOR**

M/s **Khanna Ashwani & Associates**, Company Secretary in Practice, were appointed as Secretarial Auditor of the Company by the Board of Directors in their meeting held on **21.05.2018** for the financial year 2017-18.

The Secretarial Auditors of the Company have submitted their Report in Form No. MR-3 as required under Section 204, of the Companies Act, 2013 for the financial year ended 31<sup>st</sup> March, 2018. The Report forms part of this report as **Annexure ‘D’**.

### **C). INTERNAL AUDITOR:**

**Sh. Naresh Kumar Baweja** was appointed as Internal Auditor of the Company pursuant to provisions of **Section 138** of the Companies Act, 2013 by the Board of Directors in their meeting held on **21.05.2018** to conduct internal audit of the functions and activities of the Company and maintain internal control systems of the Company.

## **25. BOARD COMMITTEES**

### **A. AUDIT & RISK MANAGEMENT COMMITTEE**

The Audit and Risk Management committee of the Board of Directors comprises of two Independent directors i.e. **Sh. Rajesh Kumar Sharma**, **Sh. Shatrohan Lal** and one executive director i.e. **Sh. Gopal Poddar**. Sh. Rajesh Kumar Sharma is the Chairperson of the said committee. CS Prerna is Secretary of the Committee. The Committee met Four times, during the year under review.

### **B. STAKEHOLDER RELATIONSHIP COMMITTEE**



The Stakeholder Relationship and Risk Management Committee consist of three directors i.e. **Sh. Rajesh Kumar Sharma, Sh. Shatrohan Lal** and **Sh. Gopal Poddar**. Sh. Rajesh Kumar Sharma is the Chairperson of the said committee.

The Committee met once, during the year under review. The Committee has formulated Risk Management policy which was subsequently approved by board of Directors.

### **C. NOMINATION AND REMUNERATION COMMITTEE**

The Nomination & Remuneration Committee consists of three non-executive directors i.e. **Sh. Rajesh Kumar Sharma, Sh. Shatrohan Lal** and **Sh. Harinder Kumar Sachdeva**. Sh. Shatrohan Lal is the Chairperson of the said committee. The Committee met once, during the year under review. The Committee has formulated policy relating to appointment of Directors, Payment of Managerial remuneration, Director's qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) & (4) of Companies Act, 2013 which was subsequently approved by board of Directors.

## **26. POLICIES**

### **A). VIGIL MECHANISM AND WHISTLE BLOWER POLICY**

Pursuant to provisions of **Section 177 (9)** of the Companies Act, 2013, the Company has established a "Vigil Mechanism" incorporating Whistle Blower Policy in terms of the Listing Agreement for employees and directors of the Company, for expressing the genuine concerns of unethical behavior, frauds or violation of the codes of conduct by way of direct access to the Chairman/Chairman of the Audit Committee exceptional cases. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns.

### **B). REMUNERATION POLICY**

The Nomination & Remuneration Committee of the Company has formulated the Nomination & Remuneration policy on Director's appointment and remuneration includes the criteria for determining qualifications, positive attributes, independence of a director and other matters as provided under **Section 178(3)** of the Companies Act, 2013. The Nomination & Remuneration Policy is annexed thereto and form part of this Report as **Annexure 'E'**.

### **C). RISK MANAGEMENT POLICY**

The Stakeholder Relationship and Risk Management Committee has formulated Risk Management Policy of the Company which has been subsequently approved by the Board of Directors of the Company. The aim of risk management policy is to maximize opportunities in all activities and to minimize adversity.

The policy includes identifying types of risks and its assessment, risk handling and monitoring and reporting, which in the opinion of the Board may threaten the existence of the Company.

### **D). RELATED PARTY TRANSACTION POLICY**

Related Party Transaction Policy, as formulated by the Company defines the materiality of related party transactions and lays down the procedures of dealing with Related Party Transactions that may have potential conflict with the interest of the Company at large. Transactions entered with related parties as defined under the Companies Act, 2013 during the Financial Year 2017-18 were mainly in the Ordinary Course of business and on an arm's length basis. Prior approval of the Audit and Risk Management



Committee is obtained by the Company before entering into any Related Party Transaction as per the applicable provisions of the Companies Act 2013.

## **27. SHARES**

### **A). BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.

### **B). SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review.

### **C). BONUS SHARES**

No Bonus Shares were issued during the year under review.

### **D).EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option Scheme.

## **28.HUMAN RESOURCES /INDUSTRIAL RELATIONS:**

The Company continues to lay emphasis on building and sustaining an excellent organization climate based on human performance. Performance management is the key word for the company. During the year the Company employed around 106 employees.

Pursuit of proactive policies for industrial relations has resulted in a peaceful and harmonious situation on the shop floors of the various plants.

## **29. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:**

The disclosures in respect of managerial remuneration as required under section 197(12) read with **Rule 5(1)** of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto and form part of this report as **Annexure 'F'**

None of the employee of the Company receives salary of **Rs. 60 Lacs** per annum or **Rs. 5 Lacs** per month or more during the Financial Year 2017-2018 as per Rule **5(2)** and **5(3)** Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

In terms of section **197(14)** of the Companies Act, 2013, the Company does not have any Holding or Subsidiary Company.

## **30. LISTING WITH STOCK EXCHANGE**

Your company is listed on Metropolitan Stock Exchange of India (formerly known as MCX Stock Exchange Ltd.) thereby having its Shares Listed on Recognized Stock Exchange with nation wide terminals.



### **31. CORPORATE GOVERNANCE REPORT**

Regulation 27 of listing agreement which outlines the corporate governance report is not applicable to our company, as our company's paid up capital is less than 10 crores and net worth is less than 25 crores for F.Y 2017-18.

### **32. STATUTORY DISCLOSURES**

None of the Directors of the Company are disqualified under the provisions of section 164 of the Companies Act 2013. The Directors have made the requisite disclosures, as required under the Companies Act 2013.

### **33. ACKNOWLEDGEMENT**

The Board of Directors places on record its sincere appreciation for the dedicated services rendered by the employees of the Company at all levels and the constructive co-operation extended by them. Your Directors would like to express their grateful appreciation for the assistance and support by all Government Authorities, Auditors, financial institutions, banks, suppliers, other business associates and last but not the least the Shareholders.

**Place: Ludhiana**

**Date: 29.05.2018**

For And on Behalf of the Board  
**For Asian Lakto Industries Limited**

**Sd/-**  
**(Gopal Poddar)**  
**Managing Director**  
**(DIN: - 01859022)**  
**Add: 509-B, Aggar Nagar,**  
**Ludhiana 141001, PB (IN).**



## ANNEXURE A- EXTRACT OF ANNUAL RETURN

(Referred to Paragraph 17 under “Annual Return” section of our Report of even date)

### FORM NO. MGT 9

### AS ON FINANCIAL YEAR ENDED ON 31.03.2017

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

#### **C. REGISTRATION & OTHER DETAILS:**

1	CIN	L15209PB1994PLC014386
2	Registration Date	29/03/1994
3	Name of the Company	ASIAN LAKTO INDUSTRIES LIMITED
4	Category/Sub-category of the Company	Company Limited By Shares Indian Non-Government Company
5	Address of the Registered office & contact details	VPO Jandiali, Near Kohara, Ludhiana-141112, Punjab
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	<b>Skyline Financial Services Private Limited</b> Add: D-153 A, 1 <sup>ST</sup> Floor, Okhla Industrial Area, Phase – I, New Delhi . STD Code: 011 Tel.: 26812682, 26812683

## **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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Fruit Juices	282	100



### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
NIL					

### IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

#### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	-	3690800	3690800	58.68%	-	3690800	3690800	58.68%	
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub Total</b>	-	<b>3690800</b>	<b>3690800</b>	<b>58.68%</b>	-	<b>3690800</b>	<b>3690800</b>	<b>58.68%</b>	



(A) (1)									
(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
TOTAL (A)	-	3690800	3690800	58.68%	-	3690800	3690800	58.68%	-

### B. Public Shareholding

[illegible]



<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	-	156300	156300	2.48%	-	156300	156300	2.48%	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs 1 lakh	-	1560300	1560300	24.80%	-	1560300	1560300	24.80%	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	869100	869100	13.81%	-	869100	869100	13.81%	-
c) Others (HUF)	-	5000	5000	0.08	-	5000	5000	0.08	-
Non Resident Indians	-	8500	8500	0.14	-	8500	8500	0.14	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies – D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	-	<b>2599200</b>	<b>2599200</b>	<b>41.32%</b>	-	<b>2599200</b>	<b>2599200</b>	<b>41.32%</b>	-
<b>Total Public (B)</b>	-	<b>2599200</b>	<b>2599200</b>	<b>41.32%</b>	-	<b>2599200</b>	<b>2599200</b>	<b>41.32%</b>	-



C. Shares held by Custodian for GDRs & ADRs

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Total (A+B+C)</b>	<b>-</b>	<b>6290000</b>	<b>6290000</b>	<b>100 %</b>	<b>-</b>	<b>6290000</b>	<b>6290000</b>	<b>100 %</b>	<b>0.00 %</b>

**PAID UP SHARE CAPITAL BREAKUP:**

Total Paid Up Capital	Rs.6,29,00,000
Calls in Arrears (Less)	Rs. 48,67,000
<b>Total Paid Capital</b>	<b>Rs. 5,80,33,000</b>

C. Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change 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	RADHE SHYAM PODDAR	725300	11.53%	-	725300	11.53%	-	-
2	GOPAL PODDAR	262600	4.17%	-	262600	4.17%	-	-
3	NEERAJ PODDAR	412700	6.56%	-	412700	6.56%	-	-
4	NIRMAL PODDAR	589800	9.38%	-	589800	9.38%	-	-



5	MANDIRA PODDAR	327200	5.2%	-	327200	5.2%	-	-
6	PRAGYA PODDAR	23500	0.37%	-	23500	0.37%	-	-
7	ABHISHEK PODDAR	100000	1.59%	-	100000	1.59%	-	-
8	RADHE SHYAM PODDAR & SONS HUF	210000	3.34%	-	210000	3.34%	-	-
9	GOPAL PODDAR & SONS HUF	367200	5.84%	-	367200	5.84%	-	-
10	NEERAJ PODDAR & SONS HUF	672500	10.69%	-	672500	10.69%	-	-
	<b>TOTAL</b>	<b>3690800</b>	<b>58.68%</b>		<b>3690800</b>	<b>58.68%</b>		-

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

S. No.	For Each of the Top 10 Shareholders	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
	<b>At the beginning of the year</b>	<b>3690800</b>	<b>58.68%</b>	<b>3690800</b>	<b>58.68%</b>
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
		No Change			
	<b>At the end of the year</b>	<b>3690800</b>	<b>58.68%</b>	<b>3690800</b>	<b>58.68%</b>



**(iv) Shareholding Pattern of top ten Shareholders**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Ramsons Financial Services Limited						
	At the beginning of the year			49500	0.79%	49500	0.79%
	Changes During the year			No Change	0.00%	No Change	0.00%
	At the end of the year			49500	0.79%	49500	0.79%
2	Raj Kumar						
	At the beginning of the year			66200	1.05%	66200	1.05%
	Changes During the year			No Change	0.00%	No Change	0.00%
	At the end of the year			66200	1.05%	66200	1.05%
3	Rakesh Kumar Kharbanda						
	At the beginning of the year			66200	1.05%	66200	1.05%
	Changes During the year			No Change	0.00%	No Change	0.00%
	At the end of the year			66200	1.05%	66200	1.05%
4	Chanchal Khanna						
	At the beginning of the year			66200	1.05%	66200	1.05%



	Changes During the year			No Change	0.00%	No Change	0.00%
	At the end of the year			66200	1.05%	66200	1.05%
5	Mukesh K Nahar						
	At the beginning of the year			66200	1.05%	66200	1.05%
	Changes During the year			No Change	0.00%	No Change	0.00%
	At the end of the year			66200	1.05%	66200	1.05%
6	Aparna Capital Services						
	At the beginning of the year			52900	0.84%	52900	0.84%
	Changes During the year			No Change	0.00%	No Change	0.00%
	At the end of the year			52900	0.84%	52900	0.84%
7	Pawan Kumar Agarwal						
	At the beginning of the year			51300	0.82%	51300	0.82%
	Changes During the year			No Change	0.00%	No Change	0.00%
	At the end of the year			51300	0.82%	51300	0.82%
8	Gurditta Mal						
	At the beginning of the year			39700	0.63%	39700	0.63%
	Changes During the year			No Change	0.00%	No Change	0.00%
	At the end of the year			39700	0.63%	39700	0.63%
9	Shama Mehta						
	At the beginning of the year			39700	0.63%	39700	0.63%
	Changes During the year			No Change	0.00%	No Change	0.00%



	At the end of the year			39700	0.63%	39700	0.63%
10	Priya Aggarwal						
	At the beginning of the year			33100	0.53%	33100	0.53%
	Changes During the year			No Change	0.00%	No Change	0.00%
	At the end of the year			33100	0.53%	33100	0.53%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	<b>GOPAL PODDAR</b>						
	At the beginning of the year	-	-	262600	4.17%	262600	4.17%
	Changes during the year	-	-	No change	No change	No change	No change
	At the end of the year	-	-	262600	4.17%	262600	4.17%
2	<b>MANDIRA PODDAR</b>						
	At the beginning of the year			3,27,200	5.2%	3,27,200	5.2%
	Changes during the year			No change	No change	No change	No change
	At the end of the year			3,27,200	5.2%	3,27,200	5.2%
3	<b>HARINDER KUMAR SACHDEVA</b>						
	At the beginning of the year			Nil	Nil	Nil	Nil
	Changes during the year			No change	No change	No change	No change
	At the end of the year			Nil	Nil	Nil	Nil
4	<b>ABHISHEK PODDAR</b>						
	At the beginning of the year			1,00,000	1.58%	1,00,000	1.58%
	Changes during the year			No change	No change	No change	No change



	At the end of the year			1,00,000	1.58%	1,00,000	1.58%
5	<b>PRERNA</b>						
	At the beginning of the year			Nil	Nil	Nil	Nil
	Changes during the year			No change	No change	No change	No change
	At the end of the year			Nil	Nil	Nil	Nil
6	<b>RAJESH KUMAR SHARMA</b>						
	At the beginning of the year			Nil	Nil	Nil	Nil
	Changes during the year			No change	No change	No change	No change
	At the end of the year			Nil	Nil	Nil	Nil
7	<b>SHATROHAN LAL</b>						
	At the beginning of the year			Nil	Nil	Nil	Nil
	Changes during the year			No change	No change	No change	No change
	At the end of the year			Nil	Nil	Nil	Nil

## V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Particulars</b>				
<b>INDEBTEDNESS AT THE BEGINNING OF THE FINANCIAL YEAR</b>				
i) Principal Amount	199,739,847.40	3,63,53,644.98	-	236,093,492.38
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due				
<b>Total (I +ii+iii)</b>	199,739,847.40	3,63,53,644.98	-	236,093,492.38
<b>CHANGE IN INDEBTEDNESS DURING THE FINANCIAL YEAR</b>				



<b>Addition</b>				
Loan Taken				
Interest On Loan				
<b>Reduction</b>				
Loan Repaid	35,179,022.96	-	-	35,179,022.96
<b>Net Change</b>	35,179,022.96	-	-	35,179,022.96
<b>INDEBTEDNESS AT THE END OF THE FINANCIAL YEAR</b>				
i) Principal Amount	164,560,824.44	36,353,644.98		200,914,469.42
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### C. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Sh. Gopal Poddar	Sh. Abhishek Poddar	
1.	Gross salary  C. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961  © Profits in lieu of salary under section 17(3) Income- tax Act, 1961	2,760,000	7,60,000	3,520,000
2.	Stock Option	-	-	-



3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify	-	-	-
6.	Total (A)	2,760,000	7,60,000	3,520,000
	Ceiling as per the Act	-	-	-

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify	N/A	N/A	N/A	N/A	-
	Total (1)					
	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify	N/A	N/A	N/A	N/A	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

**C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD**

Sl. No.	Particulars of Remuneration		Key Managerial Personnel			
		CEO	Company Secretary (Ms. Prerna)	CFO (Ravinder Katoch)	CFO (Abhishek Poddar)	Total
1.	Gross salary C. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s	N/A	1,21,000	2,59,000	280,000	6,60,000



	17(2) Income-tax Act, 1961  © Profits in lieu of salary under section 17(3) Income-tax Act, 1961					
2.	Stock Option	N/A	N/A	N/A		-
3.	Sweat Equity	N/A	N/A	N/A		-
4.	Commission - as % of profit - Others, specify...	N/A	N/A	N/A		-
5.	Others, please specify					
6.	Total	-	1,21,000	2,59,000	2,80,000	6,60,000

**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	Nil				
Punishment	Nil				
Compounding	Nil				
<b>B. Directors</b>					
Penalty	Nil				
Punishment	Nil				
Compounding	Nil				
<b>C. Other Officers In Default</b>					
Penalty	Nil				
Punishment	Nil				
Compounding	Nil				

By Order of the Board  
For Asian Lakto Industries Limited

Place: Ludhiana  
Date: 29.05.2018

Sd/-  
(Gopal Poddar)  
Managing Director  
(DIN: - 01859022)  
Add: 509-B, Aggar Nagar,  
Ludhiana 141001, PB (IN).







**ANNEXURE 'B'**  
**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 transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	Name (s) of the related party	N.A.
	Nature of Relationship	N.A.
2.	Nature of contracts/arrangements/transaction	N.A.
3.	Duration of the contracts/ arrangements/ transaction	N.A.
4.	Amount (In Lakhs)	N.A.
5.	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
6.	Date of approval by the Board	N.A.

2. Details of contracts or arrangements or transactions at Arm's length basis.

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	Name (s) of the related party	<b>Asianlak Health Foods Limited</b>
	Nature of Relationship	Sister Concern
2.	Nature of contracts/arrangements/transaction	Purchasing
3.	Duration of the contracts/ arrangements/ transaction	On going
4.	Amount	Open Ended Contract
5.	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
6.	Date of approval by the Board	20.05.2017

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	Name (s) of the related party	<b>Sri Varadharaja Fruits Products Private Limited</b>
	Nature of Relationship	Sister Concern
2.	Nature of contracts/arrangements/transaction	Purchase



3.	Duration of the contracts/ arrangements/ transaction	On going
4.	Amount	Open Ended Contract
5.	Salient terms of the contracts or arrangements or transaction including the value, if any	
6.	Date of approval by the Board	20.05.2017

SL. No.	Particulars	Details
1.	Name (s) of the related party	<b>Nandan traders</b>
	Nature of Relationship	Sister Concern
2.	Nature of contracts/arrangements/transaction	Sale
3.	Duration of the contracts/ arrangements/ transaction	On going
4.	Amount	Open Ended Contract
5.	Salient terms of the contracts or arrangements or transaction including the value, if any	
6.	Date of approval by the Board	20.05.2017

SL. No.	Particulars	Details
1.	Name (s) of the related party	<b>Revanta Marketing Services private Limited</b>
	Nature of Relationship	Sister Concern
2.	Nature of contracts/arrangements/transaction	Sale
3.	Duration of the contracts/ arrangements/ transaction	On going
4.	Amount	Open Ended Contract
5.	Salient terms of the contracts or arrangements or transaction including the value, if any	
6.	Date of approval by the Board	20.05.2017

SL. No.	Particulars	Details
1.	Name (s) of the related party	<b>Asianlak Health Foods Limited</b>
	Nature of Relationship	Sister Concern
2.	Nature of contracts/arrangements/transaction	Sale
3.	Duration of the contracts/ arrangements/ transaction	On going
4.	Amount	Open Ended Contract
5.	Salient terms of the contracts or arrangements or transaction including the value, if any	
6.	Date of approval by the Board	20.05.2017



<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	Name (s) of the related party	<b>Suksha Marketing Private Limited</b>
	Nature of Relationship	Sister Concern
2.	Nature of contracts/arrangements/transaction	Sale
3.	Duration of the contracts/ arrangements/ transaction	On going
4.	Amount	Open Ended Contract
5.	Salient terms of the contracts or arrangements or transaction including the value, if any	
6.	Date of approval by the Board	20.05.2017

By Order of the Board  
For **Asian Lakto Industries Limited**

**Place: Ludhiana**  
**Date: 29.05.2018**

Sd/-  
(**Gopal Poddar**)  
**Managing Director**  
(**DIN: - 01859022**)  
**Add: 509-B, Aggar Nagar,**  
**Ludhiana 141001, PB (IN).**



## ANNEXURE 'C'

### DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

#### **A. CONSERVATION OF ENERGY**

##### **1. The steps taken or impact on conservation of energy;**

Asian Lakto Industries Limited continued to emphasize on the conservation and optimal Utilization of energy in manufacturing unit of the Company. The energy conservation measures implemented during FY 2015 are listed below:

- Maintenance of the machines as per schedule.
- Lights in the Factory area are switched off whenever not required.
- Energy audit is conducted and recommendations are implemented.

##### **2. Additional Investments & Proposals, if any, being implemented for Reduction of Consumption of Energy:**

The company continued its efforts towards effective utilization of energy for reduction in power consumption. The Company is constantly exploring the use of alternate sources of energy that are commensurate with the scale of present operations and the type of products being manufactured.

##### **3. The capital investment on energy conservation equipments;**

During the year under review, there was no capital investment on Energy Conservation Equipments.

##### **Disclosure of particulars with respect to conservation of energy:**

Particulars	2017-18	2016-17	2015-16
<b>POWER CONSUMPTION</b>			
Units Purchased (KWH)	3009885	3688677.58	3705651.5
Amount (Rs.)	2,48,01,457	2,99,52,062	2,96,45,212
Average Rate Per Unit (Rs.)	8.24	8.12	8.00

#### **B. TECHNOLOGY ABSORPTION**

##### **(1) Efforts, in brief, made towards technology absorption, adaptation and innovation:**

- Imparting training to personnel in various manufacturing techniques by experts.

##### **(2) Benefits derived like Product Improvement, Cost Reduction, Product Development or**

##### **Import Substitution as a result of above efforts:**

- Increase productivity.
- Power saving.
- Manpower cost reduced.



- Raw materials cost reduction.
- Production wastage reduced.
- (3) **Information regarding technology imported during the last 3 years**
  - The Details of Technology Imported - NIL
  - The Year of Import - Not Applicable
- Whether Technology Has been Fully Absorbed - Not Applicable
- If Not Fully Absorbed, Areas Where Absorption - Not Applicable

has not taken place and the reasons thereof.

#### **(4)Expenditure on Research and Development**

During the year under review the company did not incurred any expenses on Research andDevelopment.

#### **C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

During the year under review the company did not enter into any Foreign exchange transaction.

By Order of the Board  
For **Asian Lakto Industries Limited**

**Place: Ludhiana**

**Date: 29.05.2018**

Sd/-  
**(Gopal Poddar)**  
**Managing Director**  
**(DIN: - 01859022)**  
**Add: 509-B, Aggar Nagar,**  
**Ludhiana 141001, PB (IN).**



**FORM NO MR-3**

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31.03.2018.**

[Pursuant to **Section 204(1)** of the **Companies Act, 2013** and **Rule No.9** of the Companies (**Appointment and Remuneration of Managerial Personnel**) Rules, 2014]

To,

The Members,

**Asian Lakto Industries Limited**

**VPO Jandial, Near Kohara, Phase VI,**

**LUDHIANA-141112**

**Punjab (India).**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices made by **Asian Lakto Industries Limited** (hereinafter called the company). Secretarial Audit for year ended 31.03.2018 was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minutes books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31.03.2018** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute book, forms and returns filed and other records maintained by the company for the financial year ended on **31.03.2018** according to the provisions of:

- i) the **Companies Act, 2013** (the Act) and the rules made thereunder;
- ii) The **Securities Contracts (Regulation Act, 1956 ('SCRA'))** and the rules made thereunder:
- iii) The **Depositories Act, 1996** and the Regulations and Bye-laws framed thereunder
- iv) **Foreign Exchange Management Act, 1999** and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – Not applicable during the audit period.
- (v) The following Regulations and Guidelines prescribed under the **Securities and Exchange Board of India Act, 1992 ('SEBI Act')**
  - a)The Securities and Exchange Board of India (**Substantial Acquisition of Shares and Takeovers**) **Regulations, 2011**;
  - (b) The Securities and Exchange Board of India (**Prohibition of Insider Trading**) Regulations, 1992;



c) The Securities and Exchange Board of India (**Issue of Capital and Disclosure Requirements**) Regulations, 2009 and amendments from time to time;-

(d) The Securities and Exchange Board of India (**Employee Stock Option Scheme and Employee Stock Purchase Scheme**) Guidelines, 1999; – Not applicable during the audit period.

e) The Securities and Exchange Board of India (**Issue and Listing of Debt Securities**) Regulations, 2008; – Not applicable during the audit period.

(f) The Securities and Exchange Board of India (**Registrar to an Issue and Share Transfer Agents**) **Regulations, 1993** regarding the Companies Act and dealing with client;.

(g) The Securities and Exchange Board of India (**Delisting of Equity Shares**) Regulations, 2009; – Not applicable during the audit period.

(h) The Securities and Exchange Board of India (**Buyback of Securities**) Regulations, 1998; – Not applicable during the audit period.

(i) The Securities Exchange Board of India (**Listing Obligations and Disclosure Requirements**) Regulations 2015 (“**Listing Regulation**”)

(vi) **Other Applicable laws.**

We have relied on the representation made by the Company & its Officers for system and mechanism formed by the Company for compliances under other applicable Acts as Environmental Laws & Labour Laws.

We have also examined compliance with applicable clauses of the following:-

A) The Listing Agreements entered into by the Company with Stock Exchange(s).

B) The Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. to the extent mentioned above.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of **Executive Directors, Non-Executive Directors and independent Directors**. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013.

**Adequate notice** given to all the directors to schedule the **Board Meetings, Agenda** and detailed **notes** on agenda not sent at least seven days in advance.

**Adequate notice** not given to all the members/shareholders to schedule the **General Meetings, Agenda** and detailed **notes** on agenda not sent at least twenty one days in advance.

Majority decision is carried through while the dissenting members’ views (If any) are captured and recorded as part of the minutes.



We further report that there are minimal adequate systems and processes in the company, commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**Place:** Ludhiana

**Date:** 29.05.2018

**Signature:**

Sd/-

Ashwani Khanna

**FCS No. 3254**

**CP No. 2220**

❖ **Note:** This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.



**LIST OF LABOUR LAWS AND ENVIRONMENTAL LAWS WHICH HAVE BEEN VERIFIED DURING AUDIT PERIOD**

**❖ List of Labour Laws**

- Factories Act, 1948
- Industrial Disputes Act, 1947
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- Employee's State Insurance Act, 1948
- The Payment of Bonus Act, 1972
- The Apprentices Act, 1961
- Employee's Provident Fund and Miscellaneous Provisions Act, 1952

**❖ List of Environmental Laws**

- Environment (Protection) Act, 1986
- Water (Prevention and Control of Pollution) Act, 1974
- Air (Prevention and Control of Pollution) Act, 1981



29.05.2018

The Members,  
**Asian Lakto Industries Limited**  
**VPO Jandial, Near Kohara, Phase VI,**  
**LUDHIANA-141112**  
**Punjab (India).**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc and we have relied on such representation for giving our report.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with the management has conducted the affairs of the Company.

**Place:** Ludhiana  
**Date:** 29.05.2018

**Signature:** Sd/-  
**(Ashwani Kumar Khanna)**

**FCS No.** 3254

**CP No.** 2220



## ANNEXURE 'E'

### NOMINATION & REMUNERATION POLICY OF THE COMPANY:

#### **1. PREFACE:**

Pursuant to the **Section 178** of the Companies Act, 2013 read with the **Rule 6** of the Companies (Meeting of the Board and its powers) Rules, 2014, the Nomination and Remuneration committee of the Board of the Company has formulated a policy to decide the criteria for the appointment and for the remuneration to the Directors, key managerial personnel and other employees. The Policy also aims to attract, motivate and retain manpower in a competitive and global markets scenario which is formulated by the Committee and approved by the Board of Directors in their meeting held on **30.06.2015**

Produced here below is the “**Nomination & Remuneration Policy**” of the Company in compliance with **Section 178** of the Companies Act, 2013 for the object as mentioned herein.

#### **2. ROLE OF THE COMMITTEE:**

- a) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to Board their appointment and removal.
- b) To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- c) To recommend to the Board remuneration policy related to remuneration of Directors (Whole Time Directors, Executive Directors etc), Key Managerial Personnel and other employees while ensuring the following:-
  - That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully.
  - That relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
  - That remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate of the working of the company and its goals.

-To formulate criteria for evaluation of Directors and the Board.

-To devise a policy on Board diversity.

#### **3. MEMBERSHIP:**

- a). The Committee shall consist of a minimum 3 non-executive directors, majority of them being Independent.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.



#### **4. CHAIRMAN:**

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

#### **5. FREQUENCY OF MEETINGS:**

The meeting of the Committee shall be held at such regular intervals as may be required.

#### **6. COMMITTEE MEMBERS' INTERESTS:**

- C) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- D) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

#### **7. SECRETARY:**

The Company Secretary of the Company shall act as Secretary of the Committee.

#### **8. VOTING:**

- a) Decisions of the Committee shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

#### **9. MINUTES OF COMMITTEE MEETING:**

The minutes of all the proceedings of all meetings must be signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board meetings.

#### **10. EFFECTIVE DATE & AMENDMENTS:**

This policy will be effective from **30.06.2015** and may be amended subject to the approval of Board of Directors.



By Order of the Board  
For Asian Lakto Industries Limited

Place: Ludhiana  
Date: 29.05.2018

Sd/-  
(Gopal Poddar)  
Managing Director  
(DIN: - 01859022)  
Add: 509-B, Aggar Nagar,  
Ludhiana 141001, PB (IN).



**ANNEXURE 'F'**

**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.**

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2017-18 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director / KMP for the Financial Year 2017-18	% Increase in Remuneration in the Financial Year 2017-18	Ratio of Remuneration of each Director / to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Gopal Poddar, Executive Director	2,760,000	228 %	24:1	Profit before interest, depreciation and tax decreased by 11.72% and profit after tax decreased by 29.19% in financial year 2017-18.
2.	Abhishek Poddar, Executive Director	760,000	400%	27:1	
3.	Harinder Kumar Sachdeva, Non-Executive Director	NIL	NIL	NIL	
4.	Mandira, Non-Executive Woman Director	-	-	-	Not Applicable
5.	Rajesh Kumar Sharma, Non-Executive Independent Director	-	-	-	Not Applicable
6.	Shatrohan Lal, Non-Executive	-	-	-	Not Applicable



	Independent Director				
8.	Prerna, Company Secretary	1,21,000	NIL	1.14:1	Profit before interest, depreciation and tax decreased by 11.72% and profit after tax decreased by 29.19% in financial year 2017-18.
9.	Ravinder Singh Katoch, CFO	259,000	NIL	2.64:1	
10	Abhishek Poddar, CFO	280,000	100%	26:1	

By Order of the Board  
For Asian Lakto Industries Limited

Place: Ludhiana  
Date: 29.05.2018

Sd/-  
(Gopal Poddar)  
Managing Director  
(DIN: - 01859022)  
Add: 509-B, Aggar Nagar,  
Ludhiana 141001, PB (IN).





**R.K. DEEPAK & CO.**

Ph. 91 99155 00802

Email id: [khuranaca@gmail.com](mailto:khuranaca@gmail.com)

**CHARTERED ACCOUNTANTS**

FLAT NO.4, FIRST FLOOR,

KHURANA COMPLEX,

KOCHAR MARKET CHOWK,

LUDHIANA-141001

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF ASIAN LAKTO INDUSTRIES LIMITED**

**REPORT ON THE FINANCIAL STATEMENTS:**

We have audited the accompanying financial statements of ASIAN LAKTO INDUSTRIES LIMITED, ("the Company"), which comprise the Balance Sheet as at 31 March 2018, & the Statement of Profit and Loss and the for the year then ended, and a summary of significant accounting policies and other explanatory information.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS:**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of The Companies Act, 2013("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position & financial performance and of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 internal financial controls, that were operating effectively for ensuring their 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.

**AUDITOR'S RESPONSIBILITY:**

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under provisions of the Act and Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.







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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and a fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

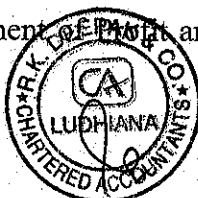
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **OPINION :**

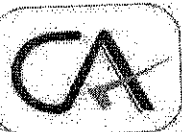
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018 and its profit and it's for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2018("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143) of the Act, we give in the "Annexure – A" a statement on matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. **As required by section 143(3) of the Act, we report that:**
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss and the dealt with by this Report are in agreement with the books of account;







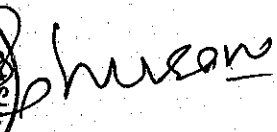
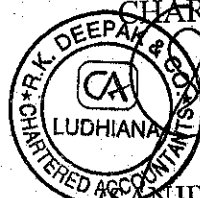
# R.K. DEEPAK & CO.

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KOCHAR MARKET CHOWK,  
LUDHIANA-141001

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- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018, from being appointed as a director in terms of Section 164(2) of the Act, and
- 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 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 does not have any pending litigations which would impact its financial position.
  - (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 be transferred to the investor Education and Protection Fund by the Company.

DATE : 29.05.2018  
PLACE: LUDHIANA

FOR R.K. DEEPAK & CO.  
CHARTERED ACCOUNTANTS  
  
  
(SANJIV KHURANA), PARTNER  
F.R.N. : 003145N





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**R.K. DEEPAK & CO.**

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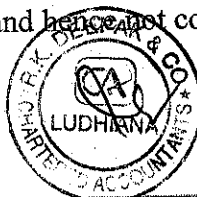
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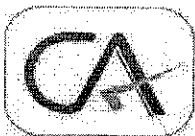
**"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ASIAN LAKTO INDUSTRIES LIMITED**

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2018:

1.
  - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The fixed assets of the company are physically verified by the Management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and the nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
2.
  - a) The management has conducted the physical verification of inventory at reasonable intervals.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the inventory records, the Company has maintained proper records of its inventories. The discrepancies noticed on physical verification, as compared to the book records, were not material and have been properly dealt with in the books of account.
3. Based on the audit procedures applied by us and according to the information and explanations given to us and on the basis of our examination of the records, the company has not granted any loans, secured or unsecured to companies, firms Limited Liability partnerships or other parties covered in the register maintained under section 189 of the act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, the company has not granted any loans to Directors etc. and not made any inter-corporate loans and investments covered under the provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of clause 4 of the Order are not applicable to the Company and hence not commented upon.







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CHARTERED ACCOUNTANTS

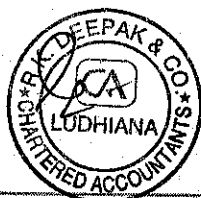
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5. The Company has not accepted any deposits from the public during the year under the provisions of Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6.
  - a) According to the information and explanations given to us and on the basis of our examination of the books of account, the company, has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues, as applicable, with the appropriate authorities. There are no undisputed statutory dues, as at March 31, 2018, which were in arrears for a period of more than six months from the date they became payable.
  - b) According to the information and explanation give to us and records of the Company examined by us that there are no dues of Sales Tax or Service Tax or Duty of Customs or Duty of Excise or Value Added Tax which have not been deposited on account of any dispute with the relevant authorities.
7. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to a financial institution, bank or Government.
8.
  - a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the financial year.
9. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
10. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
11. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.







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## R.K. DEEPAK & CO.

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12. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
13. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
15. In our opinion, the company is not required to be registered under section 45- IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

FOR R.K. DEEPAK & CO.  
CHARTERED ACCOUNTANTS



(S. KHURANA), PARTNER  
F.R.N. : 003145N

DATE : 29.05.2018  
PLACE: LUDHIANA





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**R.K. DEEPAK & CO.**

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**"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ASIAN LAKTO INDUSTRIES LIMITED**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of ASIAN LAKTO INDUSTRIES LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS:**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**AUDITORS' RESPONSIBILITY:**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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







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controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

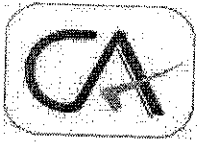
### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING:

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

### OPINION:







**R.K. DEEPAK & CO.**

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CHARTERED ACCOUNTANTS

FLAT NO.4, FIRST FLOOR,

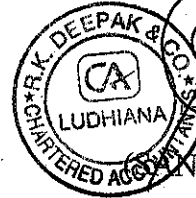
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LUDHIANA-141001

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').

FOR R.K. DEEPAK & CO.  
CHARTERED ACCOUNTANTS



(S. JIV KHURANA), PARTNER

F.R.N. : 003145N

DATE : 29.05.2018

PLACE: LUDHIANA



**ASIAN LAKTO INDUSTRIES LIMITED**  
**BALANCE SHEET AS AT 31st MARCH, 2018**

(Rs in Lacs)

		NOTE	AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016
<b>I</b>	<b>ASSETS</b>				
<b>(1)</b>	<b>Non Current Assets</b>				
	(a) Property, Plant and Equipment	3	52,231,767.43	56,527,453.04	54,903,679.00
	(b) Capital Work in Progress		0.00	0.00	0.00
	(c) Intangible Assets		0.00	0.00	0.00
	(d) Financial Assets				
	(i) Investments		0.00	0.00	0.00
	(ii) Loans		0.00	0.00	0.00
	(iii) Other Financial Assets	4	3,105,590.00	3,105,590.00	3,105,590.00
	(e) Deferred Tax Assets (Net)		0.00	0.00	0.00
	(f) Other Non Current Assets		0.00	0.00	0.00
			<b>55,337,357.43</b>	<b>59,633,043.04</b>	<b>58,009,269.00</b>
<b>(2)</b>	<b>Current Assets</b>				
	(a) Inventories	5	163,319,673.00	175,317,899.00	146,119,702.20
	(b) Financial Assets				
	(i) Investments		0.00	0.00	0.00
	(ii) Trade Receivable	6	108,508,193.78	116,725,812.01	76,984,481.37
	(iii) Cash and Cash equivalents	7	2,127,622.39	2,059,321.82	3,460,507.24
	(iv) Other Bank Balances		0.00	0.00	0.00
	(v) Other Financial Assets		0.00	0.00	0.00
	(c) Current Tax Assets (Net)	8	0.00	0.00	0.00
	(d) Non Current Assets Held For Sale		0.00	0.00	0.00
	(e) Other Current Assets	9	1,168,944.12	1,101,084.34	1,097,990.00
			<b>275,124,433.28</b>	<b>295,203,917.17</b>	<b>227,642,680.81</b>
	<b>TOTAL</b>		<b>330,461,790.71</b>	<b>354,836,960.20</b>	<b>285,651,949.81</b>
<b>II</b>	<b>EQUITY &amp; LIABILITIES</b>				
<b>(1)</b>	<b>Equity</b>				
	(a) Equity Share Capital	10	58,033,000.00	58,033,000.00	58,033,000.00
	(b) Other Equity	11	50,226,065.56	39,891,124.62	25,294,398.24
			<b>108,259,065.56</b>	<b>97,924,124.62</b>	<b>83,327,398.24</b>
<b>(2)</b>	<b>Liabilities</b>				
	<b>Non Current Liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	12	40,876,838.47	47,024,217.48	44,638,533.19
	(ii) Trade Payables		-	-	-
	(b) Provisions	13	0.00	0.00	0.00
	(c) Deferred Tax Liabilities (Net)	14	0.00	0.00	0.00
	(c) Other Non Current Liabilities		-	-	-
			<b>40,876,838.47</b>	<b>47,024,217.48</b>	<b>44,638,533.19</b>
	<b>Current Liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	15	160,037,630.95	189,069,274.90	132,291,114.70
	(ii) Trade Payables	16	4,427,764.21	3,545,987.00	10,912,721.36
	(iii) Other Financial Liabilities	17	11,318,048.12	12,075,337.52	6,031,833.78
	(b) Provisions		-	-	-
	(c) Other Current Liabilities	18	5,542,443.40	5,198,018.67	8,450,348.54
			<b>181,325,886.69</b>	<b>209,888,618.09</b>	<b>157,686,018.38</b>
	<b>TOTAL</b>		<b>330,461,790.71</b>	<b>354,836,960.18</b>	<b>285,651,949.81</b>
	<b>Significant Accounting Policies</b>				
	<b>Notes forming part of Accounts</b>	26			

As per our report of even date attached

**FOR R.K. DEEPAK & CO**

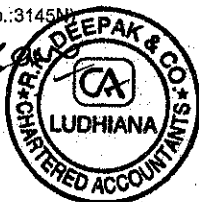
Chartered Accountants

(Firm Registration No.: 3145N)

**SANJIV KHURANA**  
Partner

PLACE: Ludhiana

DATE : 29th May, 2018



For and on behalf of Board of Directors

**GOPAL PODDAR**  
DIRECTOR  
DIN - 01859022

**ABHISHEK PODDAR**  
CHIEF FINANCIAL OFFICER

**H.K. SACHDEVA**  
DIRECTOR  
DIN- 02381580

**PRERNA SUNDA**  
COMPANY SECRETARY



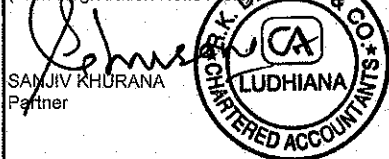
**ASIAN LAKTO INDUSTRIES LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

	NOTE	FOR THE YEAR ENDED 31.03.2018	(Rs in lacs) FOR THE YEAR ENDED 31.03.2017	(Rs in lacs) FOR THE YEAR ENDED 31.03.2016
<b>I INCOME</b>				
Revenue From Operations	19	659,738,348.00	834,396,121.00	767,254,268.00
Other Income	20	1,098,788.00	866,871.00	279,575.00
<b>TOTAL REVENUE (I + II)</b>		<b>660,837,136.00</b>	<b>835,262,992.01</b>	<b>767,533,843.01</b>
<b>II EXPENSES</b>				
Cost of Materials Consumed	21	542,635,728.00	704,475,908.26	660,409,673.80
Change in Inventories of Finished Goods, Work-in-Progress, Stock-in-Trade	22	-2,604,828.00	-2,325,905.00	-5,388,035.00
Excise Duty on sale of goods	23	3,379,486.00	5,495,000.00	5,686,000.00
Employee Benefits Expenses	23	29,091,325.00	21,862,308.00	11,874,070.99
Finance Costs	24	17,801,098.44	16,763,340.56	15,643,800.62
Depreciation and Amortization Expense	3	4,711,837.00	4,612,196.98	2,601,393.02
Other Expenses	25	51,058,286.22	63,527,676.51	57,491,693.66
<b>TOTAL EXPENSES (IV)</b>		<b>646,072,934.66</b>	<b>814,410,525.32</b>	<b>748,318,797.10</b>
<b>III Profit/(loss) before exceptional items and tax from continuing operations (III-IV)</b>		<b>14,764,201.34</b>	<b>20,852,466.69</b>	<b>19,215,045.91</b>
Exceptional Items		-	-	-
<b>IV Profit/ (loss) before tax from continuing operations (V-VI)</b>		<b>14,764,201.34</b>	<b>20,852,466.69</b>	<b>19,215,045.91</b>
<b>V TAX EXPENSE :</b>				
Current Tax	44,29,260.40	6,255,739.88	5,764,513.77	
Earlier Year	4,429,260.40	6,255,739.88	5,764,513.77	
Deferred Tax		4,429,260.40	6,255,739.88	5,764,513.78
<b>VI Profit/ (Loss) for the Year from continuing operations (VII-VIII)</b>		<b>10,334,940.94</b>	<b>14,596,726.82</b>	<b>13,450,532.14</b>
<b>VII Other Comprehensive Income:</b>				
(A) Items that will be reclassified to profit or loss				
Other (specify nature)				
Income tax effect				
(B) Items that will not be reclassified to profit or loss				
Re-measurement gains (losses) on defined benefit plans				
Income tax effect				
Other Comprehensive Income for the year net of Tax				
Total Comprehensive Income for the Year (IX+X)				
<b>VIII (Comprising Profit/ (Loss) and Other</b>		<b>10,334,940.94</b>	<b>14,596,726.82</b>	<b>13,450,532.14</b>
<b>IX Earnings per equity share of ₹ 10 each</b>				
(1) Basic		0.02	0.02	0.02
(2) Diluted		0.02	0.02	0.02
Significant Accounting Policies				
Notes forming part of Accounts	26			

The accompanying notes are integral part of the financial statements.

As per our report of even date attached  
FOR R.K. DEEPAK & CO  
Chartered Accountants  
(Firm Registration No.: 31485)



SANJIV KHURANA  
Partner

PLACE: Ludhiana  
DATE : 29th May, 2018

For and on behalf of Board of Directors

GOPAL PODDAR  
DIRECTOR  
DIN - 01859022

ABHISHEK PODDAR  
CHIEF FINANCIAL OFFICER

H.K. SACHDEVA  
DIRECTOR  
DIN- 02381580

PRERNA SUNDA  
COMPANY SECRETARY



**ASIAN LAKTO INDUSTRIES LIMITED**  
**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

EQUITY		(Rs in Lacs)
<b>(A) Equity Share Capital</b>		
Particular	Nos.	Amount
Balance As At 01.04.2016		
Equity share capital issued during the year	5,803,300.00	4,867,000.00
Balance As At 31.03.2017		
Equity share capital/Bonus shares issued during the year	5,803,300.00	4,867,000.00
Balance As At 31.03.2018	0.00	0.00
	5,803,300.00	4,867,000.00

**(B) Other Equity**

	Reserves and surplus			Total
	Capital reserves	General reserve	Retained Earning	
As At 01.04.2016	3,000,000.00	5,000,000.00	17,294,398.24	25,294,398.25
Profit/(Loss) for the Year				
Other comprehensive for the year net of income tax				
Dividend including dividend distribution tax				
As At 31.03.2017	3,000,000.00	5,000,000.00	31,891,124.62	39,891,124.62
Profit/(Loss) for the period				
Other comprehensive for the year net of income tax				
Addition during the year				
Deletion during the year				
As At 31.03.2018	3,000,000.00	5,000,000.00	42,226,065.56	50,226,065.56

Significant Accounting Policies  
Notes forming part of Accounts

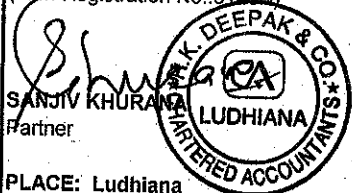
26

The accompanying notes are integral part of the financial statements.

**FOR R.K. DEEPAK & CO**

Chartered Accountants

(Firm Registration No.:3145N)



PLACE: Ludhiana

DATE : 29th May, 2018

For and on behalf of Board of Directors

*Gopal Poddar*  
**GOPAL PODDAR**  
DIRECTOR  
DIN - 01859022

*Abhishek Poddar*  
**ABHISHEK PODDAR**  
CHIEF FINANCIAL OFFICER

*H.K. Sachdeva*  
**H.K. SACHDEVA**  
DIRECTOR  
DIN- 02381580

*Prerna Sunda*  
**PRERNA SUNDA**  
COMPANY SECRETARY



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

NOTE - 3 Property, Plant and Equipment											(Rs in lacs)	
DESCRIPTION OF FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	Deemed Cost as at 01.04.2015	Additions During the Period	Adjustment during the year	Sale/Discarded During the Period	As At 31.03.2016	As At 01.04.2015	For the Period	Adjustment during the Period	Written Back during the Period	As at 31.03.2016	As At 31.03.2016	As At 01.04.2015
Tangible Assets												
LAND	1,743,310.00				1,743,310.00						1,743,310.00	1,743,310.00
BUILDING	31,725,951.02				31,725,951.02	18,344,177.00		0.00		19,349,890.00	12,376,061.02	13,381,774.02
PLANT & MACHINERY	66,923,523.34	10,639,433.00			77,562,956.34	63,577,347.34	454,603.00			64,031,950.34	13,531,005.01	3,346,176.00
EFFLUENT TREATMENT PLANT	2,033,652.00				2,033,652.00	1,931,969.00				1,016,683.00		101,683.00
MILK HANDLING EQUIPMENT	6,237,634.87				6,237,634.87	5,925,752.87				5,925,752.87	311,882.01	311,882.01
ELECTRIC INSTALLATION	14,391,091.44				14,391,091.44	13,671,536.44				13,671,536.44	719,555.00	719,555.00
VEHICLES	7,442,744.37	20,815,060.00			28,257,804.37	7,070,807.37	375,366.00			20,811,831.00	372,137.00	372,137.00
GLASS BOTTLES	8,800,621.02				8,800,621.02	8,350,590.02	0.00	39,045.02		8,399,635.04	400,965.98	440,031.00
FURNITURE & FIXTURES	949,339.28				949,339.28	799,760.00	0.00	90,187.00		899,937.00	59,402.28	149,599.28
MISC. FIXED ASSETS	10,050,026.72	120,000.00			10,170,026.73	4,685,585.00	312.00	636,167.00		5,322,064.00	4,847,962.72	5,354,441.72
Sub-total (A)	150,297,894.06	31,574,493.00		0.00	181,872,387.06	124,367,315.04	830,281.00	1,771,112.02		126,968,708.06	54,903,679.00	25,930,579.03
Sub-total (B)												
Total (A+B)	150,297,894.06	31,574,493.00		0.00	181,872,387.06	124,367,315.04	830,281.00	1,771,112.02		126,968,708.06	54,903,679.00	25,930,579.03
NOTE - 3 Property, Plant and Equipment												
DESCRIPTION OF FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	As At 01.04.2016	Additions During the Period	Adjustment during the year	Sale/Discarded During the Period	As At 31.03.2017	As At 01.04.2016	For the Period	Adjustment during the Period	Written Back during the Period	As at 31.03.2017	As At 31.03.2017	As At 31.03.2016
Tangible Assets												
LAND	1,743,310.00				1,743,310.00	19,349,890.00					1,743,310.00	1,743,310.00
BUILDING	31,725,951.02				31,725,951.02	64,031,950.34	151,368.00	673,476.00		20,355,603.00	11,370,348.02	12,376,061.02
PLANT & MACHINERY	77,562,956.34	3,609,166.00			81,172,122.35	64,031,950.34				64,856,754.34	16,315,328.01	13,531,006.00
EFFLUENT TREATMENT PLANT	2,033,652.00				2,033,651.99	1,931,969.00				1,931,969.00	101,683.00	101,683.00
MILK HANDLING EQUIPMENT	6,237,634.87				6,237,634.87	5,925,752.87				5,925,752.87	311,882.01	311,882.01
ELECTRIC INSTALLATION	14,391,091.44				14,391,091.44	13,671,536.44				13,671,536.44	719,555.00	719,555.00
VEHICLES	28,257,804.37				28,257,804.37	7,445,973.37		1,977,431.00		8,360,590.02	20,811,831.00	20,811,831.00
GLASS BOTTLES	8,800,621.02				8,800,621.02	8,399,635.04		(39,045.02)		989,578.00	440,031.00	400,965.98
FURNITURE & FIXTURES	949,339.28				949,339.28	889,937.00	9,454.00	90,187.00		6,055,677.00	59,402.28	59,402.28
MISC. FIXED ASSETS	10,170,026.73	2,475,929.00			12,645,955.73	5,327,084.00	99,850.00	643,763.00		6,055,677.00	4,847,962.73	4,847,962.73
Sub-total (A)	181,872,387.07	6,235,971.00		0.00	188,108,358.08	126,968,708.06	260,571.99	4,351,524.98	0.00	131,580,905.04	56,527,453.04	54,903,679.01
Intangible Assets												
Sub-total (B)												
Total (A+B)	181,872,387.07	6,235,971.00		0.00	188,108,358.08	126,968,708.06	260,571.99	4,351,524.98	0.00	131,580,905.04	56,527,453.04	54,903,679.01
NOTE - 3 Property, Plant and Equipment												
DESCRIPTION OF FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	As At 01.04.2017	Additions During the Period	Adjustment during the year	Sale/Discarded During the Period	As At 31.03.2018	As At 01.04.2017	For the Period	Adjustment during the Period	Written Back during the Period	As at 31.03.2018	As At 31.03.2018	As At 31.03.2017
Tangible Assets												
LAND	1,743,310.00				1,743,310.00	20,355,603.00				21,352,449.65	1,743,310.00	1,743,310.00
BUILDING	31,725,951.02	83,327.80			31,809,278.82	64,856,754.34	1,133.95	1,005,713.00		65,758,730.34	10,448,828.87	11,370,348.02
PLANT & MACHINERY	81,172,122.35				2,033,651.99	1,931,969.00		901,936.00		1,931,969.00	15,413,392.03	16,315,328.01
EFFLUENT TREATMENT PLANT	2,033,651.99				6,237,634.87	5,925,752.87				5,925,752.87	311,882.98	101,682.99
MILK HANDLING EQUIPMENT	6,237,634.87				14,391,091.44	13,671,536.44				13,671,536.44	719,555.00	311,882.01
ELECTRIC INSTALLATION	14,391,091.44				28,257,804.37	9,423,404.37		1,977,431.00		11,400,835.37	719,555.00	719,555.00
VEHICLES	28,257,804.37				8,800,621.02	8,350,590.02				8,350,590.02	16,856,869.00	18,834,400.00
GLASS BOTTLES	8,800,621.02				1,160,215.28	999,578.00		26,268.00		1,019,296.00	440,031.00	440,031.00
FURNITURE & FIXTURES	1,100,215.28	60,000.00			12,930,655.73	6,055,677.00	7,392.45	800,469.00		1,019,296.00	110,637.28	110,637.28
MISC. FIXED ASSETS	12,645,955.73	284,700.00			188,536,365.86	131,580,905.04	11,876.40	4,711,837.00		6,873,488.45	6,057,167.27	6,580,276.73
Sub-total (A)	188,108,358.06	428,027.80		0.00	188,536,365.86	131,580,905.04	11,876.40	4,711,837.00	0.00	136,304,618.43	52,231,767.43	56,527,453.00
Intangible Assets												
Sub-total (B)												
Total (A+B)	188,108,358.06	428,027.80		0.00	188,536,365.86	131,580,905.04	11,876.40	4,711,837.00	0.00	136,304,618.43	52,231,767.43	56,527,453.00

Note:-  
1. No write off has been done for lease hold land acquired on lease of 90 years and more.



*Arora*

*Asishwar Poddar*

*Julechdelan*

*Arora*



**ASIAN LAKTO INDUSTRIES LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

(All amounts in Rupees, unless otherwise stated)

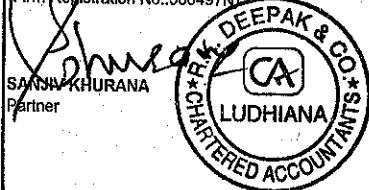
		(Rs in Lacs)		(Rs in Lacs)
		Year Ended 31.03.2018	Year Ended 31.03.2017	Year Ended 31.03.2016
(A)	Cash flows from operating activities			
	Profit for the year	14,764,201.34	20,852,466.69	19,215,045.91
	Adjustments for:			
	Depreciation			
	(Profit)/Loss on sale of Fixed Asset	4,711,837.00	4,612,196.98	2,601,393.02
	Interest and finance charges			
	Income Tax adjustment	17,801,098.44	16,763,340.56	15,643,800.02
	Non cash Lease Rental Expenses			
	Operating profit before working capital changes			
	Adjustments for :	37,277,136.78	42,228,004.23	37,460,238.95
	(Increase) / decrease in inventories	101,646.00	(15,235.00)	86,548.00
	(Increase) / decrease in trade receivables	11,998,226.00	(29,198,196.80)	(200,000.00)
	(Increase) / decrease in other financial assets (excluding advance tax)	8,217,418.22	(39,761,130.63)	(8,540,913.20)
	(Increase) / decrease in other current assets	(29,031,643.95)	56,778,160.20	(742,852.37)
	Increase / (decrease) in trade payables	(169,505.78)	12,140.66	(493,933.01)
	Increase / (decrease) in other current liabilities	881,777.21	(7,366,734.36)	(440,511.00)
	Increase / (decrease) in other financial liabilities and provision (excluding provision for tax)	(757,289.40)	6,043,503.74	8,885,632.36
	Cash generated from operations	344,424.73	(3,252,329.87)	233,165.74
	Income tax refund/ (paid)	28,862,189.81	25,468,182.17	4,646,724.01
	Net Cash flow generated from operating activities	(4,429,260.40)	(6,255,739.88)	(5,764,513.77)
		24,432,929.41	19,212,442.29	35,129,585.71
(B)	Cash flow from investing activities			
	Additions to PPE and intangible assets (including movement in CWIP)			
	Proceeds from sale/ disposal of property, plant and equipment	(416,151.40)	(6,235,971.00)	(31,574,493.00)
	Interest received			
	Net cash flows (used in) investing activities	(416,151.40)	(6,235,971.00)	(31,574,493.00)
(C)	Cash flow from financing activities			
	(Repayment)/Proceeds from long term borrowings	(6,147,379.00)	2,385,684.28	8,109,392.21
	(Repayments of) / Proceeds from short term borrowings (net)			
	Interest and finance charges paid	(17,801,098.44)	(16,763,340.56)	(15,643,800.62)
	Net cash flows (used in)/ generated from financing activities	(23,948,477.44)	(14,377,656.28)	(7,534,408.41)
	Net change in cash and cash equivalents (A+B+C)	68,300.57	(1,401,184.99)	(3,979,315.70)
	Cash and cash equivalents- opening balance	2,059,321.82	3,460,506.65	(3,979,315.70)
	Cash and cash equivalents- closing balance	2,127,622.39	2,059,321.82	(3,979,315.70)
	Notes to cash flow statement:			
	Cash and cash equivalents include :			
	Cash on hand			7,439,822.35
	Cash credit			
	Balances with banks:			
	Cash and cash equivalents at the end of the year	2,127,622.39	2,059,321.82	3,460,506.65

As per our report of even date attached

FOR ASHWANI & ASSOCIATES

Chartered Accountants

(Firm Registration No.:000497N)



SANJIV KHURANA  
Partner

PLACE: Ludhiana

DATE : 29th May, 2018

For and on behalf of Board of Directors

*Gopal Poddar*

GOPAL PODDAR  
DIRECTOR  
DIN - 01859022

*Abhishek Poddar*  
ABHISHEK PODDAR  
CHIEF FINANCIAL OFFICER

*H.K. Sachdeva*

H.K. SACHDEVA  
DIRECTOR  
DIN- 02381580

*Prerna Sunda*

PRERNA SUNDA  
COMPANY SECRETARY



**ASIAN LAKTO INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(Rs in Lacs)

	AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016
<b>NOTE - 4 OTHER FINANCIAL ASSETS</b>			
Security Deposits	3,105,590.00	3,105,590.00	3,105,590.00
	3,105,590.00	3,105,590.00	3,105,590.00
<b>NOTE - 5 INVENTORIES</b>			
Raw Material	106,926,515.00	119,526,412.00	92,654,120.20
Finished Goods	36,426,501.00	34,050,434.00	29,947,615.00
Work in Process	17,254,125.00	17,025,366.00	18,802,280.00
Consumable store	2,712,532.00	4,715,687.00	4,715,687.00
	163,319,673.00	175,317,899.00	146,119,702.20
<b>NOTE - 6 TRADE RECEIVABLE</b>			
<b>Unsecured</b>			
Trade receivable from Related parties - Considered Good	0.00	0.00	0.00
Trade receivable - Considered Good	108,508,193.78	116,725,612.00	76,964,481.37
Trade receivable - Considered doubtful	-	-	-
	108,508,193.78	116,725,612.01	76,964,481.37
Less: Provision for doubtful debts	-	-	-
	108,508,193.78	116,725,612.01	76,964,481.37
<b>NOTE - 7 CASH &amp; BANK BALANCE</b>			
<b>Cash and Cash Equivalents</b>			
Cash in Hand	1,634,635.18	1,805,897.00	1,825,610.15
<b>Balances with Scheduled Banks</b>			
In Current Account	492,987.21	253,424.82	1,634,897.09
Cheques deposited but not cleared	0.00	-	-
Margin Money Deposit against bank guarantee	-	-	-
	2,127,622.39	2,059,321.82	3,460,507.24
<b>NOTE - 8 CURRENT TAX ASSETS (NET)</b>			
Advance Payment of Tax	-	-	-
	0.00	0.00	0.00
<b>NOTE - 9 OTHER CURRENT ASSETS</b>			
<b>Other Advances</b>			
Advances for Material & Services	-	-	-
Other Advances	36,231.00	36,231.00	36,231.00
<b>Others</b>			
Prepaid expenses	511,796.12	602,761.34	627,874.00
<b>Balances with Statutory/Government Authorities</b>			
Interest Receivable	539,441.00	278,970.00	265,998.00
Excise	19,876.00	133,122.00	67,887.00
Service Tax, GST and VAT	-	-	-
Loan to Employee	61,600.00	50,000.00	100,000.00
	1,168,944.12	1,101,084.34	1,097,990.00
	1,168,944.12	1,101,084.34	1,097,990.00

Note

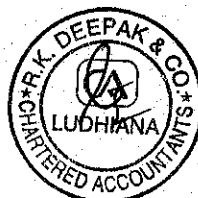
- 1) Inventories & Trade receivables are hypothecated with the bankers against working capital limits.
- 2) Trade Receivables are usually non interest bearing and are on trade terms of 30 to 90 days
- 3) No Trade receivables are due from directors or other officers of the company either severally or jointly with any other person.
- 4) There are no restriction with regard to cash and cash equivalents as the end of the reporting period ad prior period except otherwise stated

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*





**ASIAN LAKTO INDUSTRIES LIMITED**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(Rs In Lacs)

	(Rs In Lacs)					
	AS AT 31.03.2018		AS AT 31.03.2017		AS AT 01.04.2016	
<b>NOTE - 10 SHARE CAPITAL</b>						
<b>Authorised</b>						
65,00,000 [Previous Year -2017 (5,00,000) & 2016 (5,00,000)]						
Equity Shares of `10/- each						
	65,000,000.00		65,000,000.00		65,000,000.00	
	65,000,000.00		65,000,000.00		65,000,000.00	
<b>Issued, Subscribed &amp; Paid Up</b>						
6290000*						
Equity Shares of `10/- each Fully Paid up						
	62,900,000.00		62,900,000.00		62,900,000.00	
* Less : ALLOTMENT MONEY IN ARREARS	4,867,000.00		4,867,000.00		4,867,000.00	
<b>TOTAL</b>	58,033,000.00		58,033,000.00		58,033,000.00	
<b>Note - 10.1 Details of Shareholders holding more than 5% shares in the Company</b>						
<b>(Equity Shares of `10 each fully paid</b>						
	<b>No. of shares</b>	<b>% Holding in the class</b>	<b>No. of shares</b>	<b>% Holding in the class</b>	<b>No. of shares</b>	<b>% Holding in the class</b>
1 RADHE SHYAM PODDAR	725,300.00	11.53%	725,300.00	11.53%	725,300.00	11.53%
2 NEERAJ PODDAR	465,400.00	6.56%	465,400.00	6.56%	465,400.00	6.56%
3 NIRMAL PODDAR	589,700.00	9.38%	589,700.00	9.38%	589,700.00	9.38%
4 MANDIRA PODDAR	329,700.00	5.24%	329,700.00	5.24%	329,700.00	5.24%
5 GOPAL PODDAR & SONS HUF	349,300.00	5.55%	349,300.00	5.55%	349,300.00	5.55%
6 NEERAJ PODDAR & SONS HUF	649,100.00	10.32%	649,100.00	10.32%	649,100.00	10.32%
<b>Note - 10.2 Reconciliation of shares outstanding at the beginning and at the end of the reporting year</b>						
<b>Equity Shares</b>						
Equity shares at the beginning of the year	<b>No. of shares</b>	<b>Amount</b>	<b>No. of shares</b>	<b>Amount</b>	<b>No. of shares</b>	<b>Amount</b>
Add: Bonus shares issued during the year	5,803,300.00	58,033,000.00	5,803,300.00	58,033,000.00	5,803,300.00	58,033,000.00
		0.00				
	5,803,300.00	58,033,000.00	5,803,300.00	58,033,000.00	5,803,300.00	58,033,000.00

**Note 10.3 Terms/Rights attached to Equity Shares**

The Company has only Equity Share Capital as such no Preference Shares are subscribed and Paid up. There is no partly paid up Equity Share. Issued Capital has equal right of all shareholders including distribution of dividend and repayment of capital. No part of the share of the company has held by any holding company or its ultimate holding company including subsidiaries or associates thereof.

Note. 10.4 Aggregate number of shares bought back, or issued as fully paid up pursuant to contract without payment being received in cash or by way of bonus shares during the period of five years

No. of Shares					
As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
1 Equity shares allotted as fully paid-up pursuant to contracts for consideration other than cash	-	-	-	-	-
2 premium account, surplus reserve and general reserve	-	-	-	-	-
3 Equity shares issued under the Employee Stock Option Plan/ Employee Stock Purchase Plan as part consideration for services rendered by employees	-	-	-	-	-
<b>Total</b>	<b>0.00</b>	-	-	-	-
<b>5 - 11 OTHER EQUITY</b>					
<b>(ii) Reserve &amp; Surplus</b>					
<b>(c) Capital Reserve</b>					
<b>Subsidy</b>	<b>3,000,000.00</b>	<b>3,000,000.00</b>	<b>3,000,000.00</b>	<b>3,000,000.00</b>	
<b>Profit &amp; Loss Account</b>	<b>5,000,000.00</b>	<b>5,000,000.00</b>	<b>5,000,000.00</b>	<b>5,000,000.00</b>	
	<b>42,226,065.56</b>	<b>31,891,124.62</b>	<b>17,294,398.24</b>	<b>17,294,398.24</b>	
<b>(d) General Reserve</b>					
As Per Last Balance Sheet					
<b>(e) Retained Earning</b>					
As Per Last Balance Sheet					
Less: (Excess)/Deficit Depreciation					
Less: Provision for taxation for earlier years					
Less: Bonus Share Allotted during the year					
Less: Proposed Preference dividend					
<b>Items of Other Comprehensive Income recognised directly in retained earnings</b>					
<b>(a) Remeasurement of Defined benefit plan</b>					
<b>(c) Current Investment at MTM</b>					
Opening Balance					
Addition during the year					
Deletion during the year					
					0.00
	<b>60,226,065.56</b>	<b>39,891,124.62</b>	<b>25,294,398.24</b>	<b>25,294,398.24</b>	<b>0.00</b>

**NOTE - 11. OTHER EQUITY**

(ii) Reserve &amp; Surplus

**(c) Capital Reserve**

Subsldv

### Profit & Loss Account

**(d) General Reserve**

As Per Last Balance Sheet

(e) Retained Earning

As Per Last Balance Sheet

Less: (Excess)/Deficit Depreciation

Less: Provision for taxation for earlier years

Less: Bonus Share Alloted during the year

Less: Proposed Preference dividend

**Items of Other Comprehensive Income recognised directly in retained earnings**

(a) Remeasurement of Defined benefit plan

**(c) Current Investment at MTM**

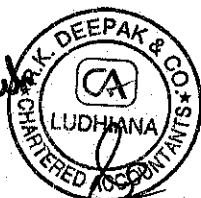
Opening Balance

Addition during the year

Deletion during the year

0.03

0.03



50,226,065.50

*Insechew*

Abhishek Peddar

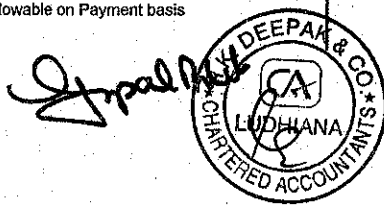
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**ASIAN LAKTO INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(Rs In Lacs)

		AS AT 31.03.2018		AS AT 31.03.2017		AS AT 01.04.2016
<b>NOTE - 12 LONG TERM BORROWINGS</b>						
<b>SECURED LOANS</b>						
<b>Term Loans From Banks</b>						
Rupee Loans						
a) Vehicle Loan	0.00	0.00	0.00	0.00	CURRENT	0.00
RELIGARE / INNOVA CAR LOAN (ICICI)			1,043,595.00		116,085.00	-
TATA ACE LOAN (TATA)	11,42,632.00	624,979.00	894,314.00		1,421,109.90	894,314.00
TATA ACE LOAN (HDFC)	42,43,208.15		4,812,553.40	4,454,726.00	1,150,116.40	144,877.60
HDFC CAR LOAN	40,95,036.97	3,898,214.49	3,569,328.12	5,791,497.49	1,631,861.48	6,365,871.61
ICICI UCL	4,20,628.00		455,476.00	424,349.00	403,213.00	879,825.00
<b>INTER CORPORATE DEPOSIT</b>		16,343.00		16,343.00		16,343.00
Security & Other Loan		36,337,301.98		36,337,301.98		36,337,301.98
	9,901,505.12	40,876,838.47	10,775,266.52	47,024,217.47	4,722,385.78	44,638,533.19
<b>Less: Current Maturity</b>						
Foreign Currency Loans		0.00		0.00		0.00
Rupee Loans						
OTHER LOAN		0.00		0.00		0.00
		40,876,838.47	10,775,266.52	47,024,217.48	4,722,385.78	44,638,533.19
<b>NOTE - 13 LONG TERM PROVISIONS</b>						
<b>Provisions for Employee Benefits</b>						
Provision for Gratuity		0.00		0.00		0.00
<b>NOTE - 14 DEFERRED TAX LIABILITIES (NET)</b>						
<b>(a) comprises:</b>						
Current Income Tax Charge		4,429,260.40		5,764,513.77		
Adjustment of Tax relating to earlier years				0.00		
<b>Deferred Tax</b>						
differences		0.00		0.00		
<b>Profit or Loss</b>		4,429,260.40		5,764,513.77		
<b>(b) Other Comprehensive Income</b>						
Re-measurement (gains)/losses on defined benefit plans						
Income Tax related items recognised in OCI during the year		0.00		0.00		
<b>(c) profit multiplied by India's domestic tax rate:</b>						
Accounting Profit Before Tax		14,764,201.34		20,852,466.69		19,215,046.91
Applicable Tax rate		4,429,260.40		6,255,739.88		5,764,513.77
Difference in Tax rate						
Income Tax charged to Statement if Profit and loss at an effective rate of 28.59% and (March 31,2017 33.76%)		4,429,260.40		6,255,739.88		5,764,513.77
<b>(d) Deferred Liabilities Comprises of :</b>	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	Statement of profit and loss		
Accelerated Depreciation for Tax purposes				March 31,2018	March 31,2017	
Expenses allowable on Payment basis				0.00	0.00	
Others				0.00	-	



*Chandrasekhar*

*Abhishek Paddar*

*Poorna*



# Reconciliation of Deferred Tax Liability (Net)

- Opening Balance
- Deferred Tax Charge Created during the year
- Deferred Tax credited during the year
- Closing Balance

	0.00	0.00	0.00	0.01	0.00
			0.00		
	0.00		0.00		0.00
		0.00		0.00	
					0.00
	160,037,630.95	189,069,274.90	132,291,114.70		
	160,037,630.95	189,069,274.90	132,291,114.70	0.00	0.00

## NOTE - 15 SHORT TERM BORROWINGS

### SECURED LOANS (WORKING CAPITAL)

- From Banks
- Rupee Loans
- Punjab National Bank

Note:

#### Security:

- 1) The Cash Credit limit availed from PNB Bank Ltd is fully secured by hypothecation of the company's entire stock of Raw Materials, semi finished and finished goods, consumable stores and spares and such other
- 2) The Working capital is further secured by Equitable mortgage, in a form and manner satisfactory to bank, on the industrial property owned by company.

#### Guarantee:

- 1) Cash Credit limit is secured by personal guarantee of Promoters.

*Apal Singh*

*Chandrasekhar*

*Ashish Kumar*

*Purna*





**ASIAN LAKTO INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

	AS AT 31.03.2018	AS AT 31.03.2017	(Rs in Lac) AS AT 01.04.2016
<b>NOTE - 16 TRADE PAYABLE</b>			
Outstanding dues to Micro & Small Enterprises			
Outstanding dues to other than Micro & Small Enterprises			
	<b>4,427,764.21</b>	<b>3,545,987.00</b>	<b>10,912,721.3</b>
	<b>4,427,764.21</b>	<b>3,545,987.00</b>	<b>10,912,721.3</b>

**Additional Information:**

The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises as at 31st March, 2018 are as under :

- (i) The principal amount remaining unpaid to supplier as at the end of the year
- (ii) The interest due thereon remaining unpaid to supplier as at the end of the year
- (iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act
- (iv) The amount of interest accrued during the year and remaining unpaid at the end of the year

-	-	-
-	-	-
-	-	-
-	-	-
-	-	-

**Note:**

- 2) Trade payables are unsecured and are usually paid within 30 to 90 days.
- 3) Trade payable are non interest bearing.

**NOTE - 17 OTHER FINANCIAL LIABILITIES**

Current Maturities of Long Term Debt

Other Payable

9,901,505.12	10,775,266.52	4,722,385.78
1,416,543.00	1,300,071.00	1,309,448.00
<b>11,318,048.12</b>	<b>12,075,337.52</b>	<b>6,031,833.78</b>

**NOTE - 18 OTHER CURRENT LIABILITIES**

Advances from Customers

Statutory Dues Payable

Wages & Salary Payable

E.S.I. Payable

Director Remuneration Payable

Provident Fund Payable

GST payable

C.S.T. Payable

Excise Duty Payable On stock

Service Tax Payable

Punjab Labour Welfare Fund Payable

VAT Payable

Employee Benefits Payable

Provision For Taxation

TDS (Advance)

Income Tax Payable

2,266,867.00	1,054,026.00	675,172.00
220,959.00	77,281.00	31,711.00
230,000.00	130,000.00	130,000.00
677,769.00	214,324.00	109,367.00
1,702,080.00		0.00
0.00	129,576.00	162,891.00
0.00	202,873.79	243,622.00
		0.00
42,100.00	22,125.00	13,600.00
0.00	736,732.00	1,011,999.61
4,429,260.60	6,255,739.88	5,764,513.77
-4,026,592.00	-3,624,659.00	-3,078,679.00
402,668.40	2,631,080.88	2,685,834.77
<b>5,542,443.40</b>	<b>5,198,018.67</b>	<b>8,450,348.54</b>
<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

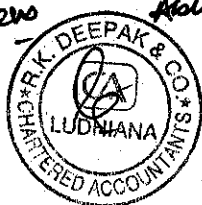
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*Abhinav Paddar*

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**ASIAN LAKTO INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

	FOR THE YEAR ENDED 31.03.2018	FOR THE YEAR ENDED 31.03.2017	(Rs in Lacs) FOR THE YEAR ENDED 31.03.2016
<b>NOTE - 19 REVENUE FROM OPERATIONS</b>			
Sales	659,738,348.00	834,396,121.00	767,254,268.00
Note: Excise duty collected from customers included in sales amounted to Rs 79.52 lacs (March 2017 Rs 366.25) . Sale of Products net of Excise is Rs 3680.18 lacs ( March 2017 Rs 3314.47 lacs)	659,738,348.00	834,396,121.00	767,254,268.00
<b>NOTE - 20 OTHER INCOME</b>			
Rent	180,000.00	180,000.00	180,000.00
Interest Income	33,288.00	27,871.00	63,575.00
Misc income	36,000.00	36,000.00	36,000.00
Vehicle rent	849,500.00	623,000.00	
	1,098,788.00	866,871.00	279,575.00
<b>NOTE - 21 COST OF RAW MATERIAL CONSUMED</b>			
Raw Material Consumed	542,635,728.00	704,475,908.26	660,409,673.80
	542,635,728.00	704,475,908.26	660,409,673.80
<b>NOTE - 22 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS &amp; STOCK-IN-TRADE</b>			
Opening Stock			
Finished Goods	34,050,434.00	29,947,615.00	28,674,845.00
Others Materials ( Work in Process)	17,025,366.00	18,802,280.00	16,687,015.00
	51,075,800.01	48,749,895.00	43,361,860.00
Closing Stock			
Finished Goods	36,426,501.00	34,050,434.00	29,947,615.00
Others Materials ( Work in Process)	17,254,125.00	17,025,366.00	18,802,280.00
	53,680,626.00	51,075,800.00	48,749,895.00
(Increase)/Decrease	-2,604,826.00	-2,325,905.00	-5,388,035.00

*[Signature]*

*[Signature]*

*Abhishek Poddar*

*Parna*





**ASIAN LAKTO INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

**NOTES TO ACCOUNTS**

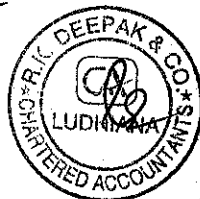
		0.0000		(Rs in Lac)
		FOR THE YEAR ENDED	FOR THE YEAR ENDED	FOR THE YEAR ENDED
		31.03.2018	31.03.2017	31.03.2016
<b>NOTE - 23 EMPLOYEES BENEFITS EXPENSES</b>				
Salary, Wages & Bonus				
Director Remuneration	23,551,321.00	18,687,615.00	9,545,436.00	
ESI Contribution	3,520,000.00	1,560,000.00	1,260,000.00	
Provident Fund	658,570.00	464,396.00	312,162.00	
	1,361,434.00	1,150,297.00	756,473.00	
	<b>29,091,325.00</b>	<b>21,862,308.00</b>	<b>11,874,070.00</b>	
<b>NOTE - 24 FINANCE COSTS</b>				
Bank charges				
Interest Expenses	472,784.60	825,373.86	701,020.60	
Other Borrowing Costs	1,596,708.84	469,603.70		
	15,731,605.00	15,468,363.00	14,942,780.00	
	<b>17,801,098.44</b>	<b>16,763,340.56</b>	<b>15,643,800.60</b>	
<b>NOTE - 25 OTHER EXPENSES</b>				
Advertisement				
AGM Expenses	1,093,015.00	885,373.00	418,863.10	
Car Repair & Maintenance	7,500.00	7,500.00	5,600.00	
Computer Expenses	166,097.41	165,386.00	61,594.00	
Compensation For sale	78,937.31	1,405,839.67	76,556.00	
Carriage, Freight, Vehicle Diesel	774,882.22	986,017.01	808,185.00	
Diwali Expenses	5,990,032.49	6,687,551.09	6,799,319.00	
Insurance Expenses	20,600.00	25,400.00	30,600.00	
Legal & Professional Charges	429,889.88	457,207.00	637,518.00	
Listing Fee	997,085.50	1,421,516.00	468,644.00	
Machinery repair & maint	35,000.00	50,000.00	40,850.00	
Other Repair, Vehicle Repair	1,809,596.84	2,100,940.00	3,868,545.00	
Rent paid	1,524,963.26	1,830,407.32	722,213.00	
Rent, Fee, Rate & Taxes	722,000.00	660,000.00	654,000.00	
Postage & Telegram	1,408,764.00	892,082.00	819,218.00	
Printing & Stationery	56,368.00	73,019.00	10,625.00	
Audit Fee	358,551.71	328,125.33	413,891.00	
Misc. Expenses (Power & Fuel, Store Consumed)	35,000.00	35,000.00	35,000.00	
	35,551,002.60	45,516,313.09	41,620,672.56	
<b>TOTAL</b>	<b>51,058,286.22</b>	<b>63,527,676.51</b>	<b>57,491,893.66</b>	

*Spalshik.*

*Unchalew*

*Ashishk Poddar.*

*Prerna*





**NOTE - '26'****SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018****I. SIGNIFICANT ACCOUNTING POLICIES:****1. Corporate information:**

Asian Lakto Industries Limited is a Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is in the business of manufacturing of Fruit Juices.

**2. Basis of Preparation:**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rule 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**2.1 Summary of significant accounting policies**

**i) Use of Estimates:** The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future years.

**ii) Basis of Classification of Current and Non-Current:**

Assets and Liabilities in the balance sheet have been classified as either current or non-current based upon the requirements of Revised Schedule III notified under the Companies Act 2013.

An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when (a) it is expected to be settled in the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current.

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

**iii) Fixed Asset:**

Fixed Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Gains or losses arising from de-recognition of Fixed Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized. Intangible assets acquired separately are measured on initial recognition at cost.





NOTE - '26'

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

**iv) Depreciation on Fixed Asset:** Depreciation on Fixed Asset is provided using the Straight Line Method as per the useful lives of the assets as estimated by the management, which are equal to the rates prescribed under Schedule II of the Companies Act, 2013.

**v) Inventories:**

Inventories are valued at lower of cost or net realizable value. Cost of Inventories is determined on First in First Out (FIFO) basis. Net realisable value is the estimated selling price in the ordinary course of the business, less estimated cost necessary to make the sale.

**vi) Revenue Recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and there venue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

**vii) Income Taxes:**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. 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 recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**viii) Borrowing Cost:** Borrowing cost includes interest and amortization of ancillary costs incurred in connection with arrangement of borrowings.

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 respective. All other borrowing costs are expensed in the year they occur.

**ix) Earnings per Share :** Basic earnings per share are calculated by dividing the net profit or loss for the year attributable equity shareholders by the weighted average number of equity shares outstanding during the year.

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

**II. Notes on Accounts**

1. The annual Accounts have been prepared on going concern basis.
2. Tax Deducted at Source was deposited as per Income Tax Rules, 1962.





**NOTE - '26'**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

3. There are no amounts payable to any small-scale industrial undertaking.  
4. Managerial Remuneration paid/ provided is:

(Amounts in Rupees)

Particulars	2017-18	2016 - 17
Remuneration to Directors	35,20,000	15,60,000
Remuneration to Manager	Nil	Nil

As no commission is payable to the Director, the computation of net profits under section 198 of the Companies Act, 2013, is not being given.

5. Materials consumed are of varied nature and include items of consumables, fuel etc. Therefore it is not feasible to give the details as required under schedule III to the Companies Act, 2013.  
6. Previous year figures have been reworked, regrouped, rearranged and reclassified wherever necessary.  
7. Note 1 to 22 forms an integral part of the Balance Sheet, Statement of Profit & Loss Account and have been authenticated as such.

FOR R.K. DEEPAK & CO.  
CHARTERED ACCOUNTANTS

(SANJIV KHURANA),  
PARTNER



DATE : 29.05.2018  
PLACE: LUDHIANA

  
DIRECTOR  
(GOPAL PODDAR)

  
DIRECTOR  
(H.K. SACHDEVA)



**Form No. MGT-11**

**Proxy Form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3)  
of the Companies (Management and Administration) Rules, 2014]

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**CIN:** L15209PB1994PLC014386

**Name of the company:** Asian Lakto Industries Limited

**Registered office:** VPO JANDIALI, NEAR KOHARA LUDHIANA PUNJAB

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name: .....

Address:

E-mail Id:

**Signature:** -----

2. Name: .....

Address:

E-mail Id:

**Signature:** -----

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **24<sup>th</sup> Annual** general meeting of the company, to be held on the 30<sup>th</sup> day of September, 2018, at **11:00 A.M.** at **VPO Jandiali, Near Kohara, Ludhiana-141112, Punjab** and at any adjournment thereof in respect of such resolutions as are indicated below:



Sr. No.	Resolution(S)	Vote	
		For	Against
1.	Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2018		
2.	To Re-appoint a Director in place of Smt. Mandira Poddar (DIN: 02114374), who retires by rotation and being eligible offers herself for re-appointment.		
3.	To ratify the appointment of M/s RK Deepak & Co. (Chartered Accountants), Statutory Auditors for Financial Year 2018-19.		
4.	Blanket approval for related party transactions under the provisions of section 188 of Companies Act, 2013.		
5	To Increase Remuneration of Mr. Gopal Poddar, Managing Director From Rs. 230,000 Per Month To Rs. 3,00,000 per month w.e.f 01 April 2018.		

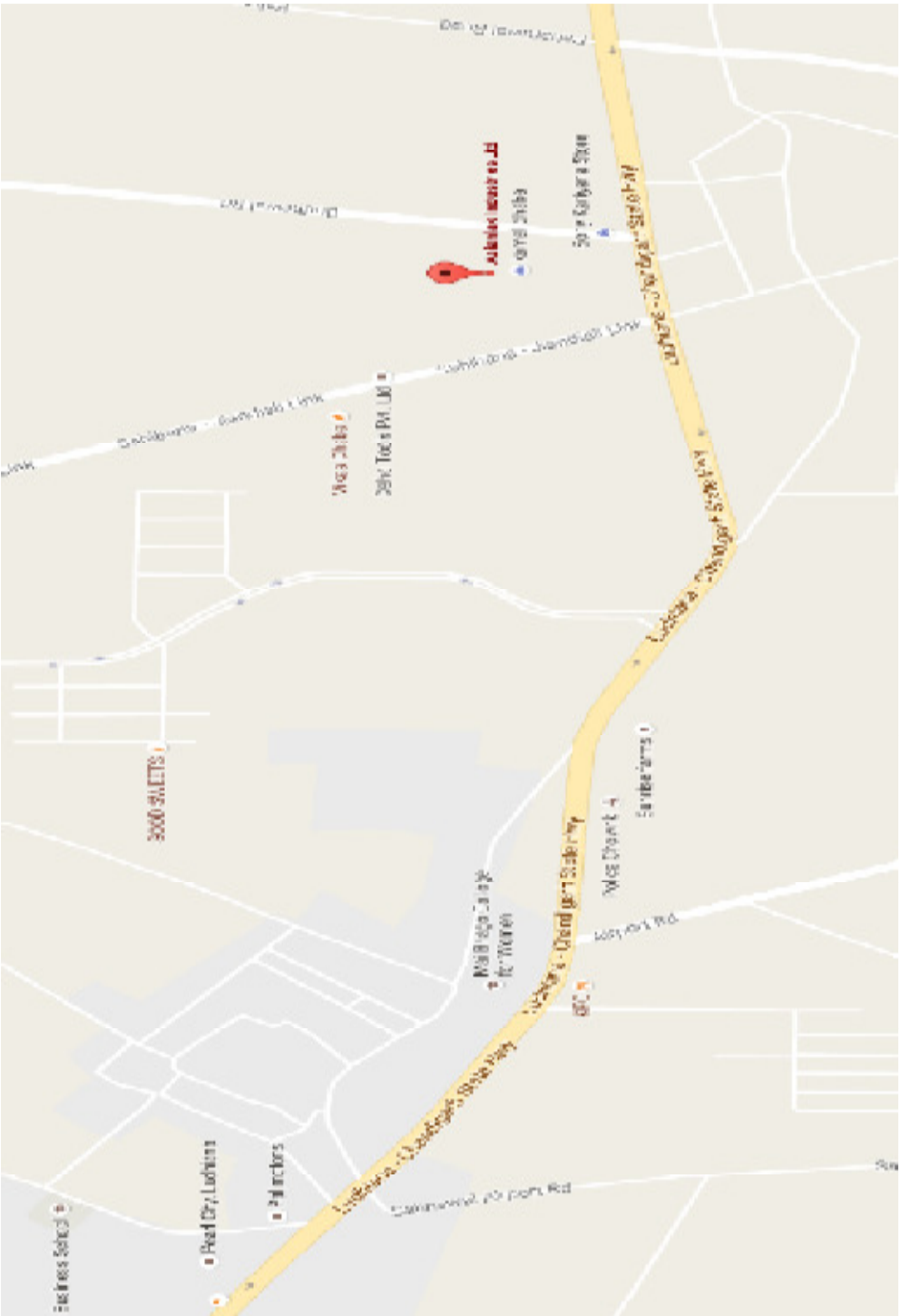
**Signed this..... day of..... 2018**

**Signature of shareholder**

**Signature of Proxy holder(s)**

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





### Route Map for the Venue of AGM



If undelivered, please mail it to

**Asian Lakto Industries Limited**

Registered Office: VPO Jandiali, Near Kohara,  
Chandigarh Road, Ludhiana