

INDEPENDENT AUDITOR'S REPORT

To the Members of
Northern Spirits Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Northern Spirits Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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.

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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and



Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on the matters specified in Paragraph 4 of the Companies (Auditor's Report) Order, 2003 (as amended), issued by the Department of Company Affairs, in terms of Section 227(4A) of the Companies Act, 1956, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books
 - c) the Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet and the Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and
 - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **AGARWAL SAHA & ASSOCIATES**

Chartered Accountants

FRN: 315202E.

Sharad Agarwal

Sharad Agarwal

Partner

Membership No.065932



Place : Kolkata

Dated: 18th day of May, 2014

NORTHERN SPIRITS PRIVATE LIMITED

Balance Sheet as at 31st March, 2014

Particulars	Note No	Figures as at	Figures as at
		the end of current reporting period	the end of previous reporting period
		₹	₹
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	150,000	150,000
(b) Reserves and Surplus	3	(502,559)	(724,308)
(2) Non-Current Liabilities			
(a) Deferred tax liabilities (Net)	4	2,130	-
(3) Current Liabilities			
(a) Short-term borrowings	5	5,666,689	3,075,589
(b) Trade payables	6	1,595,012	-
(c) Other current liabilities	7	48,860	49,125
(d) Short-term provisions	8	42,661	-
Total		7,002,793	2,550,406
II.Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	327,103	21,460
(b) Other non-current assets	10	978,916	984,630
(2) Current assets			
(a) Inventories	11	931,200	-
(b) Trade receivables	12	1,472,342	-
(c) Cash and cash equivalents	13	1,685,615	1,528,288
(d) Short-term loans and advances	14	1,601,903	1,031
(e) Other current assets	15	5,714	14,997
Total		7,002,793	2,550,406
See accompanying notes forming part of the financial statements	1 to 25		

In terms of our report attached.

For Agarwal Saha & Associates

Chartered Accountants

FRN : 315202E

Sharad Agarwal
Sharad Agarwal
Partner

Membership No. : 065932

Place : Kolkata

Date : 18th day of May, 2014



For Northern Spirits Private Limited

Director

Director

For Northern Spirits Private Limited

Director

NORTHERN SPIRITS PRIVATE LIMITED

Profit and Loss statement for the year ended 31st March, 2014

Particulars	Note No	Figures as at	Figures as at
		the end of current reporting period	the end of previous reporting period
		₹	₹
I. Revenue from operations	16	9,833,090	-
II. Other Operating Income	17	206,400	-
III. Total Income from Operations (Net)		10,039,490	-
IV. Expenses:			
Purchase of Stock-in-Trade		8,322,431	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	18	(931,200)	-
Employee benefit expense	19	260,000	-
Depreciation and amortization expense	20	48,652	5,854
Other expenses	21	2,240,199	728,769
Total Expenses		9,940,083	734,623
V. Profit from Operations before Other Income, Finance Costs & Exceptional Items (III-IV)		99,407	(734,623)
VI. Other Income	22	124,661	10,315
VII. Profit from Ordinary activities before finance Costs & Exceptional Items (V+VI)		224,068	(724,308)
VIII. Finance Costs	23	189	-
IX. Profit before extraordinary items before tax (VII-VIII)		223,879	(724,308)
X. Tax expense:			
Current Tax		42,661	-
Mat Credit Entitlement		(42,661)	-
Deferred Tax Liability		2,130	-
XI. Net Profit for the period (IX-X)		221,749	(724,308)
XII. Earning per equity share:			
Basic & Diluted Earnings Per Share	24	14.78	-48.29
See accompanying notes forming part of the financial statements	1 to 25		

In terms of our report attached.

For Agarwal Saha & Associates

Chartered Accountants

FRN : 315202E

Sharad Agarwal

Sharad Agarwal

Partner

Membership No. : 065932

Place : Kolkata

Date : 18th day of May, 2014



For Northern Spirits Private Limited

Angus Balth

Director

For Northern Spirits Private Limited

Director

NORTHERN SPIRITS PRIVATE LIMITED

1: SIGNIFICANT ACCOUNTING POLICIES

A Basis of preparation of Financial Statements

The Financial Statements have been prepared under historical cost convention, in accordance with generally accepted accounting principles in India and the provisions of the Companies Act, 1956

B Use of Estimates

The preparation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized

C Fixed Assets

Fixed Assets are stated at cost net of irrecoverable taxes less accumulated depreciation and impairment loss, if any.

D Depreciation and Amortisation

Depreciation of Fixed Assets is provided to the extent of depreciable amount on written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 over their useful life.

E INVENTORIES

Items of inventories are measured at lower of cost and realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase.

F REVENUE RECOGNITION

Sale of Goods

Sales are recognized, net of trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to the customers.

G Other Income

Interest income is accounted on accrual basis. Dividend Income is accounted for when the right to receive it is established

H Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred Tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred Tax Asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

Deferred tax assets are recognised only if there is reasonable certainty that they will be realised and reviewed for the appropriateness of their respective carrying values at each balance sheet date.

Deferred Tax Liability of ₹ 2,130/- has been recognized during the year on account of timing difference of depreciation

I Contingent Liabilities not provided for

J Previous Years figure have been regrouped/rearranged wherever considered necessary

K Retirement benefit to Employees - will be accounted for as and when paid

L The Company has not received intimation from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. And hence, disclosures relating to amount unpaid as on 31st March, 2024 together with interest paid or payable under this Act have not been given



For Northern Spirits Private Limited

Director

Director

NORTHERN SPIRITS PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 :- SIGNIFICANT ACCOUNTING POLICIES

2 :- SHARE CAPITAL

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	₹	Number of shares	₹
(a) Authorised Equity shares of ₹ 10 each with voting rights	50000	500,000	50000	500,000
(b) Issued, Subscribed and fully paid up Equity shares of ₹ 10 each with voting rights	15000	150,000	15000	150,000
Total	15000	150,000	15000	150,000

(c) The reconciliation of the number of shares is set out below :

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held		Number of shares held	
Equity Shares at the beginning of the year	15000		-	
Add : Shares Issued during the year	-		15000	
Equity Shares at the end of the year	15000		15000	

(d) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Kulbir Singh Bakshi	5000	33.33	5000	33.33
Anuj Bakshi	5000	33.33	5000	33.33
Ankush Bakshi	5000	33.34	5000	33.34

(e) The Company has only one class of issued shares i.e. Equity Shares having par value of ₹ 10 per share. Each holder of Equity Shares is entitled to one vote per share and equal right for dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amount in preporition to their shareholding.

3 :- RESERVES & SURPLUS

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	₹		₹	
(a) Surplus / (Deficit) in Statement of Profit and Loss				
Opening balance		(724,308)		-
Add: Profit / (Loss) for the year		221,749		(724,308)
Closing balance		(502,559)		(724,308)
Total		(502,559)		(724,308)

For Northern Spirits Private Limited



For Northern Spirits Private Limited

Director

4 :- DEFERRED TAX LIABILITY

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Opening Balance	-	-
Less : Liability During the year	2,130	-
Total	2,130	-

5 :- SHORT TERM BORROWINGS

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Loans and advances from related parties Unsecured	5,666,689	3,075,589
Total	5,666,689	3,075,589

6 :- TRADE PAYABLES

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Trade payables: Acceptances	1,595,012	-
Total	1,595,012	-

7 :- OTHER CURRENT LIABILITIES

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Liability for Expenses	35,385	3,000
TDS Payable	13,475	46,125
Total	48,860	49,125

8 :- SHORT TERM PROVISIONS

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Provision for MAT	42,661	-
Total	42,661	-

10 :- NON CURRENT ASSETS

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Preliminary Expenses	11,428	17,142
Deposit for Godown	967,488	967,488
Total	978,916	984,630

11 :- INVENTORIES

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Finished goods	931,200	-
Total	931,200	-

For Northern Spirits Private Limited



For Northern Spirits Private Limited

Director

Director

12 :- TRADE RECEIVABLES

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Other Trade Receivables		
Unsecured, considered good	1,472,342	-
Total	1,472,342	-

13 :- CASH & CASH EQUIVALENTS

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
a) Cash on Hand	152,045	151,000
b) Balance with Banks		
In Current Accounts	71,725	27,288
In Fixed Deposit Accounts	1,461,846	1,350,000
Total	1,685,615	1,528,288

14 :- SHORT TERM LOANS & ADVANCES

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Advances recoverable in cash or in kind or for value to be received		
Unsecured, considered good	6,250	-
(b) Prepaid Expenses	16,971	-
(c) Balance with Government Authorities	1,578,682	1,031
Total	1,601,903	1,031

15 :- OTHER CURRENT ASSETS

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Preliminary Expenses Written off	5,714	5,714
Interest Accrued on Fixed Deposit		9,283
Total	5,714	14,997

16 :- REVENUE FROM OPERATIONS

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Sale of Products	9,833,090	-
Total	9,833,090	-

Note	Particulars	As at 31 March, 2013	As at 31 March, 2012
		₹	₹
	Sale of Products consists of Traded Goods		
	Liquor	9,833,090	-
	Total Sale of Products	9,833,090	-

17 :- OTHER OPERATING INCOME

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Rebate & Discount	206,400	-
Total	206,400	-

For Northern Spirits Private Limited



For Northern Spirits Private Limited

Director

18 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
<u>Inventories at the end of the year:</u>		
Finished goods	931,200	-
	931,200	-
<u>Inventories at the beginning of the year:</u>		
Finished goods	-	-
	-	-
Net (increase) / decrease	(931,200)	-

19 :- EMPLOYEE BENEFIT EXPENSES

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Salary & Exgratia	260,000	-
Total	260,000	-

20 :- DEPRECIATION AND AMORTISATION EXPENSES

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Depreciation	42,938	140
Preliminary Expenses Written off	5,714	5,714
Total	48,652	5,854

21 :- OTHER EXPENSES

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Freight Outward	132,214	-
Freight Inward	33,624	-
Labour Charges	11,202	-
Packing Expenses	3,320	-
Computer Expenses	18,000	-
Electric Expenses	21,320	-
Audit Fees	7,500	3,000
Bank Charges & Commission	25,394	24,579
Consultancy Charges/Legal Expenses	329,500	-
Service Tax on Rent	119,577	-
Filing Fees	900	-
Rent Paid	1,248,750	630,336
Office Expenses	113,737	-
Maintenance Charges	140,550	50,000
Insurance Charges	16,891	20,854
Miscellaneous Expenses	17,720	-
Total	2,240,199	728,769

For Northern Spirits Private Limited



(Signature)

(Signature)
Director

For Northern Spirits Private Limited

Director

22 :- OTHER INCOME

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Fixed Deposit Interest	124,661	10,315
Total	124,661	10,315

23 :- FINANCIAL COSTS

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹	₹
Interest on TDS	189	-
Total	189	-

24 :- EARNINGS PER SHARE

a)	Net Profit after tax as per Statement of Profit and Loss attributable to Equity	221,749	(724,308)
b)	Weighted average number of Equity Shares used as denominator for calculating EPS	15,000	15,000
c)	Basic & Diluted Earnings per share ₹	14.78	(48.29)
d)	Face Value per Share ₹	10	10

25 :- RELATED PARTY DISCLOSURES

(i) List of Related Parties where control exists and related parties with whom transactions have taken place and

Sl. No.	Name of the Related Party	Relationship
1	Kulbir Singh Bakshi	Key Managerial Personnel
2	Ankush Bakshi	
3	Anuj Bakshi	
4	United Wines	Enterprises over which Key Managerial Personnel are able to exercise significant influence

(ii) Transactions during the year with related parties

Sl. No.	Nature of Transactions	Key Managerial Personnel	Others	Total
1	Loan Recd	2,591,100	-	2,591,100
2	Sale of Goods	-	9,833,090	9,833,090



For Northern Spirits Private Limited

[Signature]

[Signature]
Director

For Northern Spirits Private Limited

Director

NORTHERN SPIRITS PRIVATE LIMITED

9 : FIXED ASSETS

Sl No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As On 31.03.2013	Addition During the year	Sales/ Adjustment	As On 31.03.2014	Upto 31.03.2013	For the Year	Sales/ Adjustment	Upto 31.03.2014	As On 31.03.2014	As On 31.03.2013
1	Fire Extinguisher	21,600	-	-	21,600	140	2,985	-	3,125	18,475	21,460
2	Air Conditioner	-	47,306	-	47,306	-	4,633	-	4,633	42,673	-
3	Furniture	-	254,325	-	254,325	-	32,412	-	32,412	221,913	-
4	Laptop	-	36,500	-	36,500	-	2,360	-	2,360	34,140	-
5	UPS	-	2,050	-	2,050	-	135	-	135	1,915	-
6	Water Machine	-	8,400	-	8,400	-	413	-	413	7,987	-
	TOTAL	21,600	348,581	-	370,181	140	42,938	-	43,078	327,103	21,460
	PREVIOUS YEAR	-	21,600	-	21,600	-	140	-	140	21,460	-



For Northern Spirits Private Limited

Director

For Northern Spirits Private Limited

Director