



Industries Limited

**TWENTY-SEVENTH ANNUAL REPORT
2015-2016**

BLOSSOM
Industries Limited
27th Annual Report 2015 - 2016

BOARD OF DIRECTORS

Mr. Satan S. Bharwani	(DIN: 00183286)	Chairman
Mr. Amit Khemani	(DIN: 00057283)	Managing Director
Mr. Vincent Vaz	(DIN: 02067875)	Whole-time Director-cum-CFO
Dr. P. Kotaiah	(DIN: 00038420)	Director
Mr. D. T. Khilnani	(DIN: 01824655)	Director
Dr. S. D. Israni	(DIN: 00125532)	Director
Padmashree Ms. Lila Poonawalla	(DIN: 00074392)	Director
Mr. P. R. Barpande	(DIN: 00016214)	Director
Mr. Harsh Vardhan Jajoo	(DIN: 00758308)	Director

COMPANY SECRETARY

Mr. Haresh Thakkar

AUDITORS

M/s. Deloitte Haskins & Sells LLP
Chartered Accountants,
Mumbai

SECRETARIAL AUDITOR

M/s. VPP & Associates
Practising Company Secretaries,
Mumbai

REGISTRAR AND TRANSFER AGENT (R & TA)

Sharex Dynamic (India) Private Limited
Unit No. 1, Luthra Ind. Premises,
Andheri - Kurla Road, Safed Pool,
Andheri (East), Mumbai - 400 072
Tel No: 2851 5606, 2851 5644
Fax No: 2851 2885
Email: sharexindia@vsnl.com

COST AUDITOR

Girikrishna Maniar
Cost Accountant

REGISTERED OFFICE & PLANT

Village Jani Vankad,
Nani Daman, Daman - 396210 (U.T.)

NOTICE

To,
The Members,

BLOSSOM INDUSTRIES LIMITED

Notice is hereby given that the **Twenty-Seventh** Annual General Meeting of the members of **BLOSSOM INDUSTRIES LIMITED** will be held on Saturday, September 10, 2016 at 10.00 a.m. at Sandy Resort, Devka Beach, Daman – 396210 (U.T.) to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement comprising of the Balance Sheet as at March 31, 2016 and the Statement of Profit & Loss (Profit & Loss Account) for the year ended on that date, together with the Cash Flow Statement, Notes, Reports of the Board of Directors (the Board) and the Auditors thereon.
2. To appoint a Director in place of Mr. Amit Khemani (DIN 00057283), who retires by rotation and being eligible, offers himself for re-appointment.
3. **Ratification of Appointment of Statutory Auditors:**

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of first proviso of Section 139(1), 139(9) and 142(1) of the Companies Act, 2013 read with Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W), the Statutory Auditors of Company as approved in the 25th Annual General Meeting until conclusion of the 28th Annual General Meeting, be and is hereby ratified in this Annual General Meeting with remuneration as may be decided by the Board of Directors at a later date.”

SPECIAL BUSINESS:

4. **To consider, and if thought fit, to pass the following resolution as a Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all the other applicable Rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if and to the extent applicable and required and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions, sanctions and the like, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the ‘Board’ which shall include duly authorized Nomination and Remuneration

Committee thereof for the time being in force exercising the powers conferred upon it by the Board), the Members of the Company hereby approve the re-appointment of Mr. Amit Khemani on continuation basis, without any interruption/ break in service, as the Managing Director of the Company, liable to retire by rotation, for a period of three (3) years with effect from September 27, 2016 till September 26, 2019, on the terms and conditions, including remuneration, as stated in the draft agreement to be entered into between the Company and Mr. Amit Khemani and submitted to this meeting and initialled by the Chairman for the purpose of identification.

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. Amit Khemani as the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, benefits, perquisites, allowances, etc. as specified in the draft agreement as the minimum remuneration subject to compliance with the applicable provisions of Sections 197, 198 and all other applicable provisions, if any, of the Act read with Schedule V of the Act as amended from time to time, subject to the approval of the Central Government, if and to the extent necessary and applicable; notwithstanding that the same is in excess of the maximum remuneration permitted to be paid to him under the applicable provisions of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper, expedient or desirable to give effect to this resolution or to make modifications as may be deemed to be in the interest of the Company, with liberty to the Board to alter and vary the terms and conditions of the aforesaid re-appointment, including but not limited to the remuneration payable to Mr. Amit Khemani, from time to time, in accordance with and subject to the limits as stated in the draft agreement or as may be stipulated by the Central Government, if and to the extent necessary and applicable and to do all such acts, deeds, matters and things for giving effect to this resolution.

RESOLVED LASTLY THAT the Board be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any director or officer or person, to give effect to the aforesaid resolution.”

5. **To consider, and if thought fit, to pass the following resolution as a Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all the other applicable Rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if and to the extent applicable and required and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions, sanctions and the like, which may be agreed to by the Board of Directors

of the Company (hereinafter referred to as the 'Board' which shall include duly authorized Nomination and Remuneration Committee thereof for the time being in force exercising the powers conferred upon it by the Board), the Members of the Company hereby approve the re-appointment of Mr. Vincent Vaz on continuation basis, without any interruption/ break in service, as the Whole-time Director-cum-Chief Financial Officer (CFO) of the Company, liable to retire by rotation, for a period of three (3) years with effect from January 28, 2016 till January 27, 2019, on the terms and conditions, including remuneration, as stated in the draft agreement to be entered into between the Company and Mr. Vincent Vaz and submitted to this meeting and initialled by the Chairman for the purpose of identification.

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. Vincent Vaz as the Whole-time Director-cum-CFO, the Company has no profits or its profits are inadequate, he shall be paid remuneration including perquisites as permitted under Schedule V of the Companies Act, 2013, as amended from time to time, subject to the approval of the Central Government, if and to the extent necessary and applicable.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper, expedient or desirable to give effect to this resolution or to make modifications as may be deemed to be in the interest of the Company, with liberty to the Board to alter and vary the terms and conditions of the aforesaid re-appointment, including but not limited to the remuneration payable to Mr. Vincent Vaz, from time to time, in accordance with and subject to the limits as stated in the draft agreement or as may be stipulated by the Central Government if and to the extent necessary and applicable and to do all such acts, deeds, matters and things for giving effect to this resolution.

RESOLVED LASTLY THAT the Board be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any director or officer or person, to give effect to the aforesaid resolution."

6. To consider, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Board of Directors of the Company be and is hereby authorized:

- i. to make investments;
- ii. to make loan or loans from time to time on such terms and conditions as it may deem expedient, to any person or body corporate;
- iii. to give on behalf of the Company, any guarantee, or provide security in connection with a loan made by any other person to, or to any other person by, any body corporate or person; and

- iv. to acquire by way of subscription, purchase or otherwise the securities of any other body corporate,

for such an amount that the aggregate of the loans and investments so far made, the amounts for which guarantee or security so far provided to or in all other body corporate or person, along with the investment, loan, guarantee or security proposed to be made or given by the Board may exceed sixty per cent of its paid up share capital and free reserves and securities premium, or hundred per cent of its free reserves and securities premium, whichever is more, but not exceeding Rs. 100 Crores (Rupees Hundred Crores Only).

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as it may, at its discretion deem necessary or desirable for giving effect to the above resolution."

By Order of the Board of Directors

Amit A. Khemani
Managing Director
DIN: 00057283

Address: Devka, Plot No. 6,
Nani Daman,
Daman - 396210

Date: 18th June 2016

Place: Mumbai

CIN: U31200DD1989PLC003122

Registered Office:

Village Jani Vankad, Nani Daman,
Daman - 396 210 (U.T.)

NOTES:

A. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE VALID MUST BE DULY COMPLETED, STAMPED AND SIGNED AND MUST REACH THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS A PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER. A PROXY FORM IS SENT HERewith. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/ AUTHORITY, AS APPLICABLE.

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- B.** The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 2nd September 2016 to Saturday, the 10th September 2016 inclusive of both the days.
- C.** The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business as set out above is annexed hereto.
- D.** Members are requested to:
1. Intimate to the Company or its Registrar and Share Transfer Agent immediately, of any change in their address.
 2. Send all share transfer lodgments (Physical mode) / correspondence to the Registrar and Share Transfer Agent at the following address upto the date of book closure to:
M/s. Sharex Dynamic (India) Private Limited
Unit No. 1, Luthra Ind. Premises,
Andheri - Kurla Road, Safed Pool,
Andheri (East), Mumbai - 400 072
Tel No: 2851 5606, 2851 5644
Fax No: 2851 2885
Email: sharexindia@vsnl.com
 3. Write to the Company at least 7 (seven) days before the date of meeting, in case they desire any information as regards the Audited Financial Statement for the financial year ended March 31, 2016, so as to enable the Company to keep the requisite information ready.
 4. Quote Registered Folio Numbers/ DP ID/ Client ID in all the correspondence.
 5. Members holding shares in dematerialized form (electronic form) are requested to intimate any change in their address directly to their respective Depository Participants.
 6. Members holding shares in physical form may avail themselves of the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company's Registered Office or from its R & TA at either of the aforesaid addresses.
 7. Members/ Proxies are requested to bring the Attendance Slip duly filled up and the copy of the Annual Report at the Annual General Meeting.
 8. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 a.m. to 6.00 p.m.) every day except on Public Holidays, Saturdays & Sundays, upto and including the date of the Annual General Meeting of the Company.
 9. Route map to the venue of AGM forms part of the Notice of the 27th Annual General Meeting.
 10. The details of Mr. Amit Khemani and Mr. Vincent Vaz, whose re-appointments are proposed in this Annual General Meeting as per Secretarial Standards 2 are as under:

Name of Director	Mr. Amit Khemani	Mr. Vincent Vaz
Designation	Managing Director	Whole-time Director-cum-CFO
Age	39 years	49 years
Qualifications	Bachelor of Arts from Curry College, Milton and holds major degree in Business Management and Communication	Chartered Accountant
Experience	He has been leading Blossom Industries Limited for more than a decade and has played a pivotal role achieving great success in the brewery industry. He had earlier worked with United Distillers and Vintners as Trainee	Over two decades in the field of finance, accounts and taxation. He has been associated with Blossom Industries Limited for around 18 years. Over the years, his expertise, knowledge and understanding of liquor and beer industry has immensely benefited in the Company's growth
Terms and conditions of re-appointment	He is proposed to be re-appointed for a period of 3 years w.e.f. 27 th September 2016, liable to retire by rotation. His remuneration sought is as follows i.e. a) Salary: Rs. 6,25,000/- per month b) Commission: 5% p.a. of the Net Profit calculated u/s 198 of the Companies Act, 2013 less the total salary paid during the financial year. (detailed terms mentioned in the explanatory statement and draft agreement)	He is proposed to be re-appointed for a period of 3 years w.e.f. 28 th January 2016, liable to retire by rotation. His remuneration sought w.e.f. 1 st April 2016 is as follows i.e. a) Salary: Rs. 3,75,000/- per month b) Commission: 1% p.a. of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013 (detailed terms mentioned in the explanatory statement and draft agreement)
Last drawn remuneration	a) Salary: Rs. 5,00,000/- per month b) Commission: 5% p.a. of the Net Profit calculated u/s 198 of the Companies Act, 2013 less the total salary paid during the financial year.	Salary: Rs. 2,50,000/- per month
Date of first appointment on the Board	27/09/2003	28/01/2008
Shareholding in the Company	45,66,500 equity shares	Nil
Relationship with other Director/ Manager/KMPs	He is a promoter director of the Company, however does not share any relationship with any other Director/Manager/ KMPs	He does not share any relationship with any other Director/Manager/ KMPs

No. of meetings of the Board attended during the year 2015-16	4	4
Other Directorships	Perfunova (International) Limited; Cosminova Cosmetics Private Limited; Norfolk Trading Private Limited	Cosminova Cosmetics Private Limited
Membership/ Chairmanships of the Committees of other Boards	Nil	Nil

11. The Company is providing e-voting facility to transact all the resolutions mentioned in the Notice of this meeting pursuant to the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder.
12. The members shall note that the facility for voting shall also be provided at the meeting through poll paper and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their voting rights at the meeting. If the members have already cast their vote by remote e-voting prior to the meeting they may attend the meeting but shall not be entitled to cast their vote again and his vote, if any, cast at the meeting shall be treated as invalid.
13. Process for voting through electronic means:
 - (i) The voting period begins on Tuesday, the 6th September 2016 at IST 9.00 a.m. and ends on Friday, the 9th September 2016 at IST 5.00 p.m. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Saturday, the 3rd September 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The members should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders.
 - (iv) 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.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
 - (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat members as well as physical members)</p> <ul style="list-style-type: none"> • 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 folio/client id number in the PAN field. • In case the folio 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 Ramesh Kumar with folio number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the Depository / Company please enter the number of shares in the Dividend Bank Details field as mentioned in the instructions under point (iv) above.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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 shall also be 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN of BLOSSOM INDUSTRIES LIMITED to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.

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- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) 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 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.
 - 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 should be mailed to 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.
- (xix) 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, under help Section or write an email to helpdesk.evoting@cdslindia.com.

- The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of Saturday, the 3rd September 2016.
- Mr. Hemanshu Kapadia, Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- At the 27th Annual General Meeting the Chairman shall provide voting facilities for the attending members who have not cast their votes electronically.
- The Scrutinizer(s) shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, within a period not exceeding three (3) days from the conclusion of the meeting a Consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or a person authorised by him in writing who shall countersign the same.
- The Chairman or the authorised person shall declare the results of the voting forthwith and the results declared alongwith the report of the scrutinizer shall be placed on the website of the Company i.e. <http://www.khemanigroup.com/>.

ROUTE MAP TO THE VENUE OF THE 27TH AGM OF BLOSSOM INDUSTRIES LIMITED



EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item nos. 4 & 5

Mr. Amit Khemani (DIN: 00057283), Managing Director has played pivotal role in turnaround of Blossom Industries Limited. Under his leadership, the Company has received various awards in India as well as internationally, including INDSPIRIT Best Brewery Award of the year 2009 and the most recent being the “Green Industrial Premises Award 2016” for maintaining cleanliness and greenery in Industrial Premises by the Pollution Control Committee, Daman on World Environment Day 2016.

Mr. Amit Khemani was presented with the “International Star for Leadership in Quality Award” in the Diamond Category in Paris on April 11, 2011. He has also received “Asia Pacific International Award” presented by the Economic and Human Resource in the Asia Pacific Achiever Summit in recognition of Sterling Merit Excellent Performance and outstanding contribution for the nation and worldwide and “Pride of India Award” for outstanding individual achievements and distinguished services to the Nation by Hon’ble Shri Qamar Ul Islam, Minister for Municipalities and local bodies, Government of Karnataka.

His present term as the Managing Director of the Company expires on the 26th September 2016. However, considering the success the Company has achieved under his leadership and guidance, the Board in its meeting held on the 18th June 2016 and based on the recommendation of the Nomination and Remuneration Committee, re-appointed him as the Managing Director of the Company w.e.f. the 27th September 2016 for a tenure of 3 years and liable to retire by rotation, subject to approval of the members of the Company.

His terms of appointment including remuneration will be as under:

A. REMUNERATION AND PERQUISITES

- a) **Salary:** Rs. 6,25,000/- per month
- b) **Commission:** 5% p.a. of the Net Profit calculated u/s 198 of the Companies Act, 2013 less the total salary paid during the financial year and the monetary value of all the perquisites paid to him during the year.
- c) The Company shall reimburse from time to time all expenses that he may be required to incur in the course of performance of duties as the Managing Director of the Company.

B. MINIMUM REMUNERATION

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary shall be treated as Minimum Remuneration under the provisions of Section II of Part II of Schedule V.

In addition to the above, the Managing Director shall also be entitled to the following perquisites, which shall not be included in the computation of the ceiling on remuneration:

- a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961,
- b) Gratuity payable at the rate not exceeding half a month’s salary for each completed year of service and
- c) Encashment of leave at the end of the tenure.

C. POWERS OF THE BOARD TO DECIDE THE REMUNERATION

Notwithstanding anything stated herein above, where in any financial year, there are no profits or inadequate profits, the Board is empowered to decide not to pay any commission or to reduce the commission mentioned in paragraph “A” above to any amount they consider reasonable in the circumstances of the case. The Board’s power in this behalf is absolute and if so exercised by the Board before the end of the financial year or before the financial statement are passed by the Annual General Meeting will override the provisions for commission set out above and no commission or reduced commission as the case may be, will accrue and become payable to the said Managing Director.

Mr. Vincent Vaz (DIN: 02067875), Whole-time Director-cum-CFO of the Company, is a qualified Chartered Accountant having experience of over two decades in the field of finance, accounts and taxation. He has been associated with Blossom Industries Limited for around 18 years. Over the years, his expertise, knowledge and understanding of liquor and beer industry has immensely benefited in the Company’s growth.

His tenure as the Whole-time Director of the Company expired on the 27th January 2016 however, as per the terms of his contract; he shall continue to act as the Whole-time Director of the Company till re-appointed. Taking into account his vast experience in the Brewery industry, in the Board Meeting held on the 18th June 2016, the Board, based on the recommendation of Nomination and Remuneration Committee proposed his re-appointment as the Whole-time Director-cum-CFO w.e.f. 28th January 2016 for a period of 3 years without any gap in his tenure, and liable to retire by rotation, subject to approval of the members of the Company.

The remuneration w.e.f. 1st April 2016 shall be as under:

- a) **Salary:** Rs. 3,75,000/- per month
- b) **Commission:** 1% p.a. of the Net Profit calculated u/s 198 of the Companies Act, 2013.
- c) The Company shall reimburse from time to time all expenses that he may be required to incur in the course of performance of duties as the Whole-time Director of the Company.

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, he shall be paid remuneration as per provision of Section II of Part II of Schedule V of the Companies Act, 2013 as Minimum Remuneration.

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The additional information as required under Part II of Schedule V to the Companies Act, 2013 is given below:

I. GENERAL INFORMATION:

- (1) *Nature of Industry:* Manufacture of Beer
- (2) *Date of Commencement of commercial production:* November 17, 1994
- (3) *In case of new Companies, expected date of Commencement of activities as per project approved by Financial Institutions appearing in the Prospectus:* Not Applicable
- (4) *Financial Performance based on given indicators:*

(in Rs.)

Particulars	Year ended 31 st March		
	2015	2014	2013
Turnover	319,63,31,677	183,95,18,303	183,28,27,965
Other Income	1,03,57,933	30,04,152	3,536,728
Profit before tax	23,76,40,424	5,47,08,440	6,51,71,373
Profit after tax (as per Profit & Loss Account)	15,66,12,424	3,57,38,790	4,49,86,966
Net Worth	50,48,69,116	35,00,83,720	31,43,44,930

- (5) *Foreign Investments or Collaborations, if any:* There is no foreign investment or collaboration.

II. INFORMATION ABOUT THE APPOINTEE:

A) Mr. Amit Khemani (DIN: 00057283):

- (1) *Background details:*

Mr. Amit Khemani, Managing Director of the Company is Bachelor of Arts from Curry College, Milton, and also holds major degree in Business Management and Communication. He was awarded with most industrious student scholarship from Brevard College and also Presidential Award from Trident Academy.

- (2) *Past Remuneration:*

- a) **Salary:** Rs. 5,00,000/- per month
- b) **Commission:** 5% p.a. of the Net Profit calculated u/s 198 of the Companies Act, 2013 less the total salary paid during the financial year.

- (3) *Recognition/Awards:*

Mr. Amit Khemani has been presented with the award of "International Star for Leadership in Quality Award in the Diamond Category" in Paris on April 11, 2011. He has also received "Asia Pacific International Award" presented by the Economic and Human Resource in the Asia Pacific Achiever Summit in recognition of Sterling Merit Excellent Performance and outstanding contribution for the nation and worldwide and "Pride of India Award" for outstanding individual achievements and distinguished services to the Nation by Hon'ble Shri Qamar Ul Islam, Minister for Municipalities and local bodies, Government of Karnataka.

- (4) *Job Profile and Suitability:*

He has been leading Blossom Industries Limited as the Managing Director from more than a decade and under his leadership the Company has crossed all its initial hurdles and is now a successful, profit making Company.

- (5) *Remuneration proposed:*

- a) **Salary:** Rs. 6,25,000/- per month
- b) **Commission:** 5% p.a. of the Net Profit calculated u/s 198 of the Companies Act, 2013 less the total salary paid during the financial year and the monetary value of all the perquisites paid to him during the year.

- (6) *Comparative Remuneration Profile with respect to Industry, size of the Company, Profile of the position and person:*

The remuneration payable to Mr. Amit Khemani is commensurate with his qualification, experience, the duties and responsibilities entrusted to him.

- (7) *Pecuniary Relationship, directly or indirectly, with the Company or relationship with the Managerial Personnel, if any:*

Mr. Amit Khemani is a promoter of the Company and holds 45,66,500 equity shares.

B) Mr. Vincent Vaz (DIN: 02067875):

- (1) *Background details:*

Mr. Vincent Vaz, Whole-time Director-cum-CFO of the Company is a qualified Chartered Accountant with two decades of experience in the field on finance, accounts and taxation.

- (2) *Past Remuneration:*

Salary: Rs. 2,50,000/- per month

- (3) *Recognition/Awards:*

With his continued support and expertise during his association with Blossom, the Company has been presented with various awards.

- (4) *Job Profile and Suitability:*

He has been associated with Blossom Industries Limited for around 18 years including 8 years of association as the Whole-time Director. Over the years, his expertise, knowledge and understanding of liquor and beer industry has immensely benefited in the Company's growth.

- (5) *Remuneration proposed w.e.f. 1st April, 2016 :*

- a) **Salary:** Rs. 3,75,000/- per month
- b) **Commission:** 1% p.a. of the Net Profit calculated u/s 198 of the Companies Act, 2013.

- (6) *Comparative Remuneration Profile with respect to Industry, size of the Company, Profile of the position and person:*

The remuneration payable to Mr. Vincent Vaz is commensurate with his qualification, experience, the duties and responsibilities entrusted to him.

- (7) *Pecuniary Relationship, directly or indirectly, with the Company or relationship with the Managerial Personnel, if any:*

Mr. Vincent Vaz has no pecuniary relationship, directly or indirectly with the Company or with any managerial personnel, other than his present office as the Whole-time Director-cum-CFO and he does not hold any shares.

III Other Information:

1. *Reason for loss or inadequate profits:* Currently, the Company does not have any inadequate profit; this disclosure is for abundant precaution.
2. *Steps taken or proposed to be taken for improvement:* The Management always strives for improvement and increased return.
3. *Expected increase in productivity and profits in measurable terms:* The Company is currently utilising its optimum production capacity and sustaining its margin on sale of beer.

The Board of Directors commends these resolutions to the members for their approval by way of special resolutions.

The details of both the Directors as per Secretarial Standards – 2 forms part of the notes to the Notice of this Meeting.

The relevant resolutions/documents and draft agreements for their re-appointments are available for inspection by the Members of the Company during business hours on any day except Saturday, Sunday and Public Holiday at the registered office of the Company.

None of the Directors or Key Managerial Personnel of the Company are interested financially or otherwise, in the proposed resolution except Mr. Amit A. Khemani, Managing Director and his relatives to the extent of their shareholding in Resolution no. 4 and Mr. Vincent Vaz, Whole-time Director-cum-CFO in Resolution no. 5.

Item no. 6

As per the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of a Company can make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling of 60% of the aggregate of the paid-up capital and free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, if special resolution is passed by the Members of the Company.

As a measure of achieving greater financial flexibility and to enable optimal financing structure, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors for making further investments, providing loans or give guarantee or provide security in connection with loans for an amount not exceeding Rs. 100 crores.

There is no interest, financial or otherwise, of the Directors or Key Managerial Personnel of the Company or their relatives in the said resolution.

The Board of Directors accordingly recommends the special resolution as set out at Item No.6 of the accompanying notice for the approval of the Members.

By Order of the Board of Directors

Amit A. Khemani
Managing Director
DIN: 00057283

Address: Devka, Plot No. 6,
Nani Daman,
Daman – 396210

Date: 18th June 2016

Place: Mumbai

CIN: U31200DD1989PLC003122

Registered Office:

Village Jani Vankad, Nani Daman,
Daman - 396 210 (U.T.)