

**Annual
Report
1998-99**



Indian Beverages Limited

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Indian Beverages Limited**5th Annual Report 1998-99****BOARD OF DIRECTORS**

Mr. Sheng Hwai Nak
Mr. Chaitan Maniar

Chairman
Alternate Director to
Mr. Sheng Hwai Nak
Managing Director

Mr. V. C. Krishnan Kutty
Mr. Lalit Doshi
Mr. Rajnikant V. Sheth
Mr. V. C. Kumaran

COMPANY SECRETARY

Mr. M. P. Sharma

BANKERS

South Indian Bank Ltd.
State Bank of India

AUDITORS

Thakur, Vaidyanath Aliyar & Co.
Chartered Accountants
11-B, Noble Chambers,
Janmabhoomi Marg, Fort,
Mumbai - 400 001.

REGISTERED OFFICE

143-A, Mittal Tower,
Nariman Point,
Mumbai-400 021.

FACTORY

Elevencherry, Karimkulam P.O.,
Palghat District,
Pincode No. 678508
Kerala.

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Indian Beverages Limited

NOTICE

NOTICE is hereby given that the 5th Annual General Meeting of the members of the Company will be held at the Registered Office of the Company at 143-A, Mittal Tower, Nariman Point, Mumbai-400 021 on Saturday, the 25th day of September, 1999 at 2.30 p.m. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited accounts of the Company as at 31st March, 1999 and the report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sheng Hwai Nak, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Lalit K. Doshi, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution :

"RESOLVED THAT Mr. V. C. Kumaran, who was appointed as an Additional Director at the meeting of the Board of Directors of the Company held on 29th January, 1999 and who holds office as such upto the date of this meeting and in respect of whom notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Mr. V. C. Kumaran as a candidate for the office of Director liable to retire by rotation be and is hereby appointed as a Director of the Company."

6. To consider and, if thought fit, to pass with or without modifications the following resolution as a Special Resolution :

"RESOLVED THAT Mr. V. C. Krishnan Kutty be and his hereby re-appointed as the Managing Director of the Company for a period of three years commencing from 5th September, 1999 on the following terms and Conditions. :

- (i) Salary : Rs. 6000 /- per month
- (ii) Dearness Allowance : Rs. 1000 /- per month

Perquisites :

- (i) Leave with pay for a period not exceeding 30 days in a year.
- (ii) Reimbursement of actual medical expenses for self not exceeding one month salary in a year.
- (iii) Reimbursement of incidental expenses not exceeding Rs. 500 /- per month incurred for the business of the Company.
- (i v) Salary will be subject to annual increment as may be decided by the Board of Directors.

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

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2. The proxy form in order to be valid should be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 20 -9-1999 to 25 -9-1999 (both days inclusive).
4. Members desiring any information as regards the accounts are requested to write to the Company atleast seven days in advance of the meeting so as to keep the information ready.
5. Members are requested to notify change of address, if any, to the Company.

BY ORDER OF THE BOARD

Regd. Office :

143-A, Mittal Tower,
Nariman Point,
Mumbai - 400 021.

M. P. SHARMA
COMPANY SECRETARY

Dated : 30 -7-1998

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EXPLANATORY STATEMENT pursuant to Sec. 173 (2) of the Companies Act, 1956

ITEM No. 5 :

Mr. V. C. Kumaran was appointed as an Additional Director of the Company on 29th January, 1999. Pursuant to Sec. 260 of the Companies Act, 1956, Mr. V. C. Kumaran holds office upto the date of the Annual General Meeting of the Company.

The Company has received a notice under Sec. 257 of the Companies Act, 1956 from a member signifying his intention to propose Mr. V. C. Kumaran as a candidate for the office of Director and a resolution is proposed under item no. 5 of the notice to appoint him as a Director of the Company.

The Directors, therefore, recommend the resolution as set out in item no. 5 of the Notice for the approval of the members.

None of the Directors except Mr. V. C. Kumaran is interested or concerned in the resolution .

ITEM No. 6 :

Mr. V. C. Krishnan Kutty was appointed as Managing Director of the Company for a period of 3 years effective 5th September, 1996 as approved by the members at the Annual General Meeting held on 28th September, 1996.

The Directors at the meeting held on 30th July 1999 considered the re-appointment of Mr. V. C. Krishnan Kutty as Managing Director of the Company with effect from 5th September, 1999, on the terms and conditions as set out in item no. 6 of the Notice and subject to approval of the members.

None of the Directors except Mr. V. C. Krishnan Kutty is interested or concerned in the resolution.

BY ORDER OF THE BOARD

Regd. Office :

143-A, Mittal Tower,
Nariman Point,
Mumbai - 400 021.

Dated : 30 -7-1999

M. P. SHARMA
COMPANY SECRETARY

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DIRECTORS' REPORT

To
The Members,

Your Directors present herewith the Fifth Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March, 1999.

PERFORMANCE OF THE COMPANY :

The Directors regret to state that the Company's products namely Cocont Spread and Coconut Cream were new to the market and the response for both the items were poor, inspite of Company's vigorous campaign through various means. Consequently, the Company incurred heavy loss and was compelled to discontinue the manufacture of the above said items. As already reported last year, the Company had also introduced in the market 'Harlen Brand' of Coconut Oil and Tea on trial basis. The Company is yet to establish these products in the market.

In view of the reasons stated above during the year under report the Company incurred a loss of Rs. 61.79 lakhs as against Rs. 66.09 lakhs in the previous year.

DIVIDEND :

In view of the loss incurred during the year, the Directors regret that they could not recommend any dividend.

DIRECTORS :

Mr. Sheng Hwai Nak and Mr. Lalit K. Doshi retire by rotation and being eligible offer themselves for re-appointment. Mr. V. K. Sood who was associated with the Company since April, 1993 has resigned from the Board during the year under report. The Directors place on record their sincere appreciation for the guidance and advice received from Mr. V. K. Sood.

DELISTING OF EQUITY SHARES :

Pursuant to the approval accorded by the members at the 2nd Annual General Meeting and SEBI Circular No.SMDRP/CIR-14/ 98 dated 29th April, 1998 the Company had already applied to the Stock Exchanges at Ahmedabad, Vadodara and Cochin for delisting of Equity Shares of the Company and the same is pending with the concerned Stock Exchanges for necessary approval.

Y2k :

The Directors do not foresee any problem in respect of introduction of Y2K. The expenses to be incurred if any, in this respect will be nominal.

FIXED DEPOSIT :

During the year under report the Company did not accept deposits from the public.

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PERSONNEL :

The relations between the Company and the employees were cordial throughout the year.

In accordance with the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, the Directors report that there was no employee in receipt of remuneration in aggregate of Rs. 3,00,000/- or more per annum or Rs. 25,000/- or more per month for part of the year.

AUDITORS :

M/s. Thakur Vaidyanath Aiyar & Co., the Auditors of the Company hold office until the conclusion of this Annual General Meeting and being eligible offer themselves for reappointment.

ACKNOWLEDGEMENT :

The Directors express their sincere appreciation for the assistance and co-operation received during the year from the Bankers to the Company, Government Authorities, shareholders and employees.

FOR AND ON BEHALF OF THE BOARD

Place : Mumbai
Dated : 30 -7-1998

REPORT JUNCTION

V. C. KRISHNAN KUTTY
MANAGING DIRECTOR

R. V. SHETH
DIRECTOR