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Annual Report And Accounts 1998-99



ORIENT BEVERAGES LIMITED

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BOARD OF DIRECTORS	:	Sri N.K. Poddar, *Managing Director* Sri R. K. Kanoi Smt. Ruchira Poddar Sri Subir Poddar Sri G. L. Agarwalla, *Executive Director* Sri A. K. Poddar
COMPANY SECRETARY	:	Sri A. K. Singhania
REGISTERED OFFICE	:	225C, Acharya J. C. Bose Road, 8th Floor Calcutta - 700 020
BANKERS	:	Dena Bank State Bank of India United Bank of India
AUDITORS	:	Tiwari & Company Chartered Accountants 107/1, Park Street, Calcutta - 700 016

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NOTICE

Notice is hereby given that the Annual General Meeting of the Members of M/s. Orient Beverages Limited will be held at "Gyan Manch Education Society" of 11, Pretoria Street, Calcutta - 700 071 on Thursday, the 30th December, 1999 at 11.00 A.M. to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1999 and Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Sri G.L. Agarwalla, who retires by rotation, and being eligible, offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

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

   "RESOLVED that Sri A.K. Poddar be and is hereby appointed as Director of the Company liable to retire by rotation."

Registered Office :
225C, Acharya J. C. Bose Road,
8th Floor,
Calcutta- 700 020.
Dated : 15th November, 1999.

By order of the Board,

A. K. SINGHANIA
Company Secretary.

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. The proxy need not be a member of the Company. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. An Explanatory statement pursuant to Section 173 of the Companies Act, 1956 in respect of item No. 5 of the Notice as set out above, is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 24th December, 1999 to 30th December, 1999 (both days inclusive) for the purpose of Annual General Meeting and payment of Dividend.
4. The Dividend on Equity Shares as recommended by the Directors for the year ended 31st March, 1999, if approved at the meeting, will be paid in accordance with the applicable provissions of law to those members whose names appear on the Register of Members of the Company as on 30th December,1999.
5. Members are requested to send their queries if any on the enclosed Accounts to reach at the Registered Office at least 15 days before the date of Annual General Meeting.

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6. Members/Proxies are requested to bring their copies of the Annual Report at the meeting.
7. Members/Proxies are requested to bring the Attendance Slip attached herewith duly filled in for attending the meeting.
8. In accordance with the provisions of Section 205A of the Companies Act, 1956 the Company has from time to time transferred unclaimed/unpaid Dividends for and upto the financial year ended 30th September, 1994 to the General Revenue Account of the Central Government. Members who have a valid claim to any of the unclaimed/unpaid Dividends as aforesaid may claim the same from the Registrar of Companies, West Bengal in the prescribed manner.
9. Members are requested to notify the change in their address in block letters, if any, at the Registered Office of the Company.
10. Members are requested to send all documents and correspondence at the Registered Office of the Company quoting their Folio Numbers.

Explanatory Statement pursuant to Section 173 of the Companies Act, 1956.

Item No.5

The Board of Directors at its Meeting held on 30th November, 1998 appointed Sri A.K Poddar as an additional Director of the company to hold office up to the date of forthcoming Annual General Meeting in terms of provisions of Section 260 of the Companies Act, 1956. The Company has received notice underSection 257 of the Companies Act, 1956 from one of the Shareholders signifying his intention to propose Sri A.K. Poddar as a candidate for the office of director of the company at this Meeting.

In view of Sri A.K. Poddar's wide business experience, the Directors recommend his appointment as a Director of the Company.

None of the Directors of the Company except Sri A.K. poddar is concerned and/or interested in the said resolution.

Registered Office :
225C, Acharya J. C. Boss Road,
8th Floor, Calcutta - 700 020.
Dated : 15th November, 1999

By Order of the Board

A. K. SINGHANIA
Company Secretary

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DIRECTORS' REPORT

TO THE SHAREHOLDERS,

Your Directors have pleasure in presenting the Annual Report and Audited Accounts of your Company for the year ended 31st March, 1999 :

FINANCIAL RESULTS	**1998 - 99** Rs.	**1997 - 98** Rs.
Profit/(Loss) before Depreciation and Taxation	76,24,103	(32,89,095)
Less: Depreciation	47,47,634	54,97,641
Income Tax as MAT	3,02,030	–
Profit/(Loss) after Tax	25,74,439	(87,86,736)
Add: Brought Forward Profit	1,30,60,407	2,18,47,143
Investment Allowance Reserve Written Back	9,82,303	–
Profit available for appropriation	1,66,17,149	1,30,60,407
Appropriation		
Proposed Dividend	10,81,200	–
Corporate Tax on Dividend	1,18,932	–
Transfer to General Reserve	10,00,000	–
Balance Carried to Balance Sheet	1,44,17,017	1,30,60,407
	1,66,17,149	1,30,60,407

DIVIDEND :

Your Directors have Recommended the payment of Dividend for the year ended 31st March, 1999 @ 5% on Equity Shares. The Dividend if approved by the Shareholders at the ensuing Annual General Meeting will be paid to the Shareholders whose names will appear on the Register of Members of the Company as on 30th December, 1999.

PRODUCTION AND SALES:

Production and sales of soft Drinks were better during the year under review till the date of sale of the Plant in comparison to previous year.

SALE OF SOFT DRINKS PLANT :

Possession of the Soft Drinks Plant has been handed over to M/s. Bharat Coca-Cola Bottling NorthEast Pvt. Ltd. on 3rd September,1998 upon completion of the required formalities. There was a profit of Rs. 3,68,67,024/- on sale of Soft Drinks Plant which has been credited to Profit & Loss Account. Over and above, the Company has received a sum of Rs. 4 crores on account of compensation for non-competition with the Buyer as well as sale of goodwill which has been credited to Capital Reserve.

REAL ESTATE DIVISION :

The Company has sold major portion of the Commercial cum Residential Complex Constructed at Patna and adjustment of sale proceeds has been made in the Accounts.

The compensation for Narkeldanga Land is yet to be received for which constant follow up is being made.

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DIRECTORS :

Sri A.K. Poddar was appointed as an additional Director of the Company with effect from 30th November , 1998 and he holds office till the conclusion of this Annul General Meeting.

The company has received Notice under Section 257 of the Companies Act, 1956 for his appointment as Director in the ensuing Annual General Meeting.

The Board recommends the aforesaid appointment for your approval.

Sri G.L. Agarwalla retires by rotation at the ensuing Annual General Meeting and appropriate resolution for his reappointment is being placed for the consideration of the members at the said meeting.

LISTING :

Your Company is listed with the Stock Exchanges of Calcutta and Mumbai and Annual Listing fee for the Financial year 1999-2000 has been paid to them.

STATUS OF Y2K COMPLIANCE :

After disposal of soft Drinks Plant, operations of your Company do not involve use of Computers, hence Y2K compliance is not required.

AUDITORS:

M/s. Tiwari & Company, Chartered Accountants, Auditors of the Company retire at the ensuing Annual General Meeting and are eligible for re-appointment.

AUDITORS' REPORT :

Observations made in the Auditors' Report are self-explanatory and do not require any clarification.

PERSONNEL :

Cordial relations were maintained with all the employees at all levels. We thank the Officers, Staff and Workers of the Company for their dedication and sincerity.

PARTICULARS OF EMPLOYEES :

The Company did not have any employees falling within the scope of sub-Section (2A) of Section 217 of the Companies Act, 1956.

INFORMATION PURSUANT TO SECTION 217(1) (e) OF THE COMPANIES ACT, 1956:

Information under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules 1988 is not applicable to our Company.

Registered Office :
225C, Acharya J. C. Bose Road,
8th floor
Calcutta- 700 020.
Dated : 15th November, 1999

For and on behalf of the Board

N. K. PODDAR
Chairman & Managing Director.

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AUDITORS' REPORT

To
THE MEMBERS
ORIENT BEVERAGES LIMITED

We have audited the Balance Sheet of M/s. ORIENT BEVERAGES LIMITED as on 31st March, 1999 and the Profit and Loss Account of the Company for the year ended on that date, annexed *hereto and report that :*

1.01 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.

1.02 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.

1.03 The said Balance Sheet and Profit and Loss Account are in agreement with the books of account.

1.04 In our opinion the Balance Sheet and Profit & Loss Account have complied with the Accounting Standared as referred to in sub-section 3(c) of Sec. 211 of the Companies Act, subject to point no. 9 in the Notes to Accounts regarding diminution of quoted Investment.

1.05 In our opinion and to the best of our information and according to explanations given to us the said accounts read together with Notes thereon give the information as required by the Companies Act, 1956 in the manner so required and subject to Notes on Accounts schedule 23, No. 3 regarding change of Accounting policy and the impact on the same, No. 4 regarding determination of Profit/Loss on land acquired by the Government, No. 5 regarding provision of Multi-storied Building and Urban Land Tax on estimation, No. 6 regarding non-provision of doubtful debt, No. 7 regarding non-provision of excise duty, give a true and fair view :

a) In the case of the Balance Sheet of the state of affairs of the Company as on 31st March, 1999.

b) In the case of the Profit and Loss Account of the Profit of the Company for the year ended on that date.

2. As required by the Manufacturing and other Companies (Auditors' Report) Order, 1988, issued by the Company Law Board in terms of Section 227(4A) of the Companies (Amendment) Act, 1988 and on the basis of such checks as we considered appropriate and the information and *explanations given to us during the course of audit we further state that :*

2.01 The Company has maintained proper records showing full particulars including quantitative details except situation of Fixed Assets. Physical verification of the Fixed Assets were carried out by the Management during the year except bottles and wooden crates lying with dealers forming part of Plant and Machinery and no serious discrepancies were noticed on such physical verification with book records.

2.02 The Fixed Assets have not been revalued during the year.

2.03 The stock of finished goods, stores and spare parts of the Company have been physically verified by the Management periodically during the year.

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2.04 The procedure of physical verification of stock followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.

2.05 The discrepancies noticed on such physical verification of stock as compared to book records which were not significant, have been properly dealt with in the books of account.

2.06 On the basis of our examination the valuation of stock is fair and proper and in accordance with the normally accepted accounting principles and is on the same basis as in the preceding years till the sale of Plant.

2.07 The Company has not taken any loans, secured or unsecured from Companies, firms or other parties as listed in the registers maintained under Section 301 and 372A of the Companies Act, 1956.

2.08 The Company has not granted any loans, secured or unsecured to the Companies, firms or other parties as listed in the registers maintained under Section 301 and 372A of the Companies Act, 1956.

2.09 The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other similar securities. In respect of loans and advances in the nature of loans given by the Company :

i) Loans or Advances in the nature of loans have been given to the Employees free of interest and they are repaying the amount as stipulated.

iii) As explained to us, loans given to parties amounting to Rs.8,23,56,008/- are repayable on demand. However, we have been explainef by the Management that as on the date of Balance Sheet no demand has been made on the outstandings.

2.10 There are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of raw materials, stores, plant and machinery including components, equipments, other assets and for sale of goods.

2.11 There are no transactions as we are explained of purchase of goods and materials and sale of goods, materials and services, made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50,000/- or more in respect of each party have been made.

2.12 Unserviceable or damaged stores and raw materials have been determined by the Company in systematic manner and on such basis in our opinion, adequate amounts have been written off of such stock in accounts.

2.13 The Company has not accepted deposit from Public within the meaning of Section 58A of the Companies Act, 1956.

2.14 The Company has maintained reasonable records of sales and disposal of realisable scraps. The Company has no by-products.

2.15 The Company has an internal audit system commensurate with its size and nature of its business.

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