




Bisleri

Orient Beverages Limited



2004 – 2005

ANNUAL REPORT AND ACCOUNTS

Board of Directors :

Sri N. K. Poddar, *Chairman*
Smt. Ruchira Poddar, *Executive Director*
Sri G. L. Agarwalla, *Executive Director*
Sri A. K. Poddar, *Executive Director*
Sri Aashish Goenka, *Director*
Sri Aloke Tulsyan, *Director*
Sri A. K. Singhanian, *Director*

Registered Office :

225C, Acharya J. C. Bose Road,
3rd Floor, Kolkata - 700 020

Bankers :

State Bank of India
United Bank of India

Auditors :

Tiwari & Company
Chartered Accountants
107/1, Park Street,
Kolkata - 700 016

Registrars and Share Transfer Agents :

Niche Technologies Pvt. Ltd.
D-511, Bagree Market,
71, B. R. B. B. Road,
Kolkata - 700 001

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NOTICE

Notice is hereby given that Forty Fourth Annual General Meeting of the Members of ORIENT BEVERAGES LIMITED will be held at "Gyan Manch", 11, Pretoria Street, Kolkata-700 071 on Thursday, the 22nd September, 2005 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, 2005 and Profit & Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sri G.L. Agarwalla, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:
"RESOLVED that Sri Aashish Goenka, be and is hereby appointed as Director of the Company liable to retire by rotation."
5. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution :
"RESOLVED that Sri Aloke Tulsyan, be and is hereby appointed as Director of the Company liable to retire by rotation."
6. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:
"RESOLVED that Sri A.K. Singhania, be and is hereby appointed as Director of the Company liable to retire by rotation."
7. To consider and, if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:
"RESOLVED that pursuant to Section 198, 269, 309, 310 and 314 read with Schedule XIII and other applicable Provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for the time being in force), consent of the Members be and is hereby given for the reappointment of Smt. Ruchira Poddar as an Executive Director of the Company for a further period of 5 (five) years with effect from 1st May, 2005 on the remuneration and other terms and conditions

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as set out in the draft agreement placed before the meeting and initialled by the Chairman for the purpose of identification."

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby specifically authorized to alter and vary the terms & conditions of the said appointment and/or agreement so as not to exceed the limit specified in Schedule XIII of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) as may be agreed to between the Board of Directors and Smt. Ruchira Poddar."

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

"RESOLVED that subject to provisions of Section 17 of the Companies Act, 1956, the Memorandum of Association of the Company be and is hereby amended by addition of the following new sub-clause 74(c) after the existing sub-clause 74(b) of Clause III of the Memorandum of Association:

74(c) To invest or cause to be invested the capital of the Company or funds of the Company or any fund raised by the company for the purpose of the investment, and to invest in stock or to acquire, or to hold or sell, or buy or otherwise deal in shares, bonds, units, obligations and other securities of any company or securities issued by any government or any lawful authority."

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

"RESOLVED that in accordance with the provisions of Section 149 (2A) and other applicable provisions, if any, of the Companies Act, 1956, consent of the Members be and is hereby given to the commencement of business in addition to the existing business carried out by the Company covered by sub-clause 74(c) of Clause III of Memorandum of Association of the Company and the Board of Directors is hereby authorized to take all necessary steps in this connection."

Registered Office:

225C, A.J.C.Bose Road,
Kolkata-700020

Dated: 5th August, 2005

By Order of the Board

G.L. AGARWALLA
Executive Director

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/HERSELF. 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. The Register of the Members and Share Transfer Books of the Company will remain closed from 15th September 2005 to 22nd September 2005 (both days inclusive) for the purpose of Annual General Meeting.
3. Members are requested to send their queries, if any, on the enclosed Accounts to reach at the Registered Office at least 7 (seven) days before the date of Annual General Meeting.
4. Members/Proxies are requested to bring their copies of the Annual Report at the Meeting.
5. Members/Proxies are requested to bring the Attendance slip attached herewith duly filled in for attending the Meeting.
6. Members who hold shares in the dematerialized form are requested to bring their Depository ID Number and Client ID Number to facilitate easier identification of attendance at the Annual General Meeting.
7.
 - a) 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 up to 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.
 - b) Pursuant to Provisions of Section 205A of the Companies Act, 1956, as amended, the Company has transferred unclaimed/unpaid Dividend for the financial year ended 30th September, 1995 to the Investor Education & Protection Fund constituted by the Central Government.

Members who have not encashed Dividend Warrant so far for the financial year ended 31st March, 1999 are requested to make their claim to the company at its Registered Office or to its Registrars. It may also be noted that under the amended provisions, once the unclaimed Dividend is transferred to the said Fund as above, no claim shall lie in respect of such amount.

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8. Members are informed that the scrips of the Company have been activated both on CDSL and NSDL and may be dematerialized under the ISIN INE247F01018.
9. Members are advised to send request for Share Transfer, Dematerialisation of Shares, intimation for change of Address and all other related correspondence directly to the Registrars of the Company i.e. M/s. Niche Technologies Pvt. Ltd., D-511, Bagree Market, 71, B.R.B.B. Road, Kolkata-700 001.

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

Item No.4 :

The Board of Directors at their meeting held on 22nd February, 2005 appointed Sri Aashish Goenka as an Additional Director of the Company. He holds office upto the date of ensuing Annual General Meeting in terms of provisions of Section 260 of the Companies Act, 1956. The Company has received Notice under Section 257 of the Companies Act, 1956 from one of the Shareholders signifying his intention to propose Sri Aashish Goenka as a candidate for the office of the Director of the Company at this meeting.

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

None of the Directors of the Company except Sri Aashish Goenka is concerned and/or interested in the said resolution.

Item No.5 :

The Board of Directors at their meeting held on 29th April, 2005 appointed Sri Aloke Tulsyan as an Additional Director of the Company. He holds office upto the date of ensuing Annual General Meeting in terms of provisions of Section 260 of the Companies Act, 1956. The Company has received Notice under Section 257 of the Companies Act, 1956 from one of the Shareholders signifying his intention to propose Sri Aloke Tulsyan as a candidate for the office of the Director of the Company at this meeting.

In view of Sri Aloke Tulsyan's wide administrative experience, the Directors recommend his appointment as a Director of the Company.

None of the Directors of the Company except Sri Aloke Tulsyan is concerned and/or interested in the said resolution.

Item No.6 :

The Board of Directors at their meeting held on 29th April, 2005 appointed Sri A. K. Singhania as an Additional Director of the Company. He holds office upto the date of ensuing Annual General Meeting in terms of provisions of Section 260 of the Companies

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Act, 1956. The Company has received Notice under Section 257 of the Companies Act, 1956 from one of the Shareholders signifying his intention to propose Sri A. K. Singhania as a candidate for the office of the Director of the Company at this meeting.

In view of Sri A. K. Singhania's wide experience in Accounts and Finance, the Directors recommend his appointment as a Director of the Company.

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

Item No.7:

Term of office of Smt. Ruchira Poddar as an Executive Director was up to 30th April, 2005. Considering the wide experience of Smt. Ruchira Poddar and significant contribution made by her for the Company, the Board of Directors has reappointed her as an Executive Director of the Company at their meeting held on 29th April, 2005 for a further period of 5 (five) years with effect from 1st May, 2005. The terms and conditions of reappointment of Smt. Ruchira Poddar are as under :

- 1) Salary : Rs.30,000/- Per Month.
 - 2) Perquisites : Perquisites shall be restricted to an amount equal to the annual salary. These perquisites shall be classified as follows:
 - a) Accommodation : The expenses on Company leased residential accommodation shall be subject to ceiling of 60% of the Salary.

In case no accommodation is provided by the company, the Executive Director shall be entitled to House Rent Allowance as above.

In case the accommodation is owned by the company, a deduction of 10% of the salary of the Executive Director shall be made by the Company.

Expenditure incurred on Gas, Electricity, Water and Furnishing shall be valued as per Income Tax Rules, 1962 subject to ceiling of 10% of the salary of the Executive Director.
 - b) Medical Reimbursement: Expenses incurred for self and family subject to ceiling of one month's salary in a year or three month's salary over a period of three years.
 - c) Leave Travel Concession: For self and family once in a year incurred in accordance with the Company Rules.
 - d) Club Fees: Subject to a maximum of 2 (two) Clubs. This will not include Admission and Life Membership Fee.
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- e) Personal Accident Insurance : Premium not to exceed Rs.4,000/- per annum.
 - 3) Other payments and provisions 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 a rate not exceeding half a month's salary for each completed year of service subject to maximum amount permissible as per the payment of Gratuity Act, 1972.
 - c) Encashment of leave at the end of the tenure as per Rules of the Company.
 - d) Car: Provision of Car for use of Company's business.
 - e) Telephone: Provision of telephone at the residence for Company's business.
 - 4) Reimbursement of Expenses:
 - a) Entertainment Expenses : Reimbursement of entertainment expenses actually and properly incurred for the business of the Company will not be considered as a perquisite.
 - b) Travelling Expenses: Reimbursement of travelling expenses actually and properly incurred for the business of the Company will not be considered as a perquisite.
 - 5) Smt. Ruchira Poddar will not be entitled for any remuneration for attending the Board meeting and/ or any meeting of the Committee of the Board.
 - 6) Minimum Remuneration:

The salary, perquisites and allowances as above shall be paid to Smt. Ruchira Poddar as minimum remuneration notwithstanding absence or inadequacy of profits in any financial year.
 - 7) The terms and conditions of the said Appointment and/ or Agreement may be altered or varied from time to time by the Board as it may, in its discretion, deem fit with in the limits prescribed in Schedule XIII to the Companies Act, 1956 or any amendment thereof.
 - 8) The Agreement may be terminated by either party by giving the other party one month's Notice or remuneration in lieu of the Notice.
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The proposed resolution is recommended for approval of the Members.

Smt Ruchira Poddar herself and Sri N.K. Poddar, her spouse, may be deemed to be concerned and/or interested in the said resolution. None of the other Directors of the Company is in any way concerned and/ or interested in the said resolution.

Item Nos. 8 & 9 :

The Company has acquired Share Trading Business from an amalgamating Company pursuant to the Order(s) dated 26.08.2002 and 14.10.2004 passed by the Hon'ble High Court at Calcutta. Existing object clause does not specifically empower the company to carry on Share Trading activities and the same is required to be amended. Accordingly new sub-clause 74(c) is proposed to be inserted after the existing sub-clause 74(b) of Clause III of the Memorandum of Association of the Company to enable the Company to carry on these activities.

The proposed resolution once passed as a Special Resolution under the provisions of Section 17 of the Companies Act, 1956, will enable the Company to amend the Memorandum of Association and carry on the above activities.

The Special Resolution at Item No.9 is proposed to obtain approval of the Members under Section 149(2A) of the Companies Act, 1956 to carry on the activities as mentioned in new sub-clause 74(c).

The proposed resolutions are recommended for approval of the members.

None of the Directors of the Company is concerned and/or interested in the said resolutions.

INSPECTION OF DOCUMENTS:

The documents referred to in this Notice/Explanatory Statement are open for inspection by the Members of the Company at the Registered Office on any working day during business hours up to the date of Annual General Meeting.

Registered Office:

225C, A.J.C.Bose Road,

Kolkata-700020

Dated: 5th August, 2005

By Order of the Board

G.L. AGARWALLA

Executive Director

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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, 2005 :

FINANCIAL RESULTS :	2004-2005	2003-2004
	Rs.	Rs.
Profit/(Loss) before Depreciation & Taxation	55,26,389	58,63,637
<u>Less</u> : Depreciation	28,70,740	30,62,399
Income Tax as SPT	2,07,883	2,15,317
Provision for Deferred Taxation	13,48,486	(40,913)
Profit/(Loss) after Tax	10,99,280	26,26,834
<u>Less</u> : Income Tax for earlier years	—	3,51,775
	10,99,280	22,75,059
<u>Add</u> : Brought Forward Profit	2,97,30,148	2,74,55,089
Profit available for appropriation	3,08,29,428	2,97,30,148

APPROPRIATION

Balance carried to Balance Sheet	3,08,29,428	2,97,30,148
	3,08,29,428	2,97,30,148

Your Company's Profit has decreased to Rs. 10.99 Lacs as against Rs. 22.75 Lacs in the previous year mainly due to increased provision for deferred Taxation amounting to Rs. 13.89 Lacs.

DIVERSIFICATION OF BUSINESS :

Your Company has entered into a Franchise Agreement with M/s. Bisleri International Pvt. Ltd. and thereby has acquired rights to manufacture, sell, deal and distribute Packaged Drinking Water under Trademark "Bisleri" in the territory of West Bengal. Formalities are in progress to acquire the Plant. Your Directors hope to commence production from January 2006. Negotiations are going on to acquire similar rights for some other States also. Considering the working of the new business, your Directors hope for a better year ahead in the current year.