



Bisleri



ORIENT BEVERAGES LIMITED

ANNUAL REPORT
2010-2011



Orient Beverages Limited

Board of Directors	Sri N. K. Poddar	-	<i>Chairman</i>
	Sri Akshat Poddar	-	<i>Managing Director</i>
	Smt. Ruchira Poddar	-	<i>Executive Director</i>
	Sri G. L. Agarwalla	-	<i>Director</i>
	Sri A. K. Poddar	-	<i>Director</i>
President	Smt. Avni Kandol		
Company Secretary	Sri A. K. Singhania		
Auditors	Tiwari & Company		
	Chartered Accountants		
	107/1, Park Street, Kolkata - 700 016		
Registered Office	Aelpe Court		
	225C, A.J.C. Bose Road, Kolkata - 700 020		
Works	NH-6, Mumbai Highway		
	Salap More, Howrah - 711 409, West Bengal		
Bankers	United Bank of India		
	State Bank of India		
	Punjab National Bank		
	Standard Chartered Bank		
	HDFC Bank Limited		
	AXIS Bank Limited		
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 50th Annual General Meeting of the members of ORIENT BEVERAGES LIMITED will be held at GYAN MANCH, 11, Pretoria Street, Kolkata -700 071 on Monday, the 26th September, 2011 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, 2011 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 Narendra Kumar Poddar, 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 a Special Resolution :

"RESOLVED that pursuant to provisions of Sections 198, 269, 309, 310 and 314 read with schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, as amended from time to time, and subject to approval of the Central Government under the provisions of the Companies Act, 1956, consent of the Members be and is hereby given for the re-appointment of Sri Narendra Kumar Poddar as Chairman (being Whole Time Director) of the Company for a further period of 5 (five) years with effect from 1st October, 2010 on the remuneration and other terms and conditions 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 authorised 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 to the Companies Act, 1956, as amended from time to time, as may be agreed to between the Board of Directors and Sri Narendra Kumar Poddar and with the approval of the Central Government, wherever necessary."

Registered Office :
225C, A. J. C. Bose Road,
Kolkata - 700 029.

By Order of the Board

Dated: 12th August, 2011

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/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 relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto.

3. The Register of Members and Share Transfer Books of the Company will remain closed from 20th September, 2011 to 26th September, 2011 (both days inclusive) for the purpose of Annual General Meeting.
4. 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.
5. Members / Proxies are requested to bring their copies of the Annual Report at the Meeting.
6. Members / Proxies are requested to bring their Attendance Slips attached herewith duly filled in for attending the Meeting.
7. Members who hold shares in the dematerialised form are requested to bring their Depository ID Number and Client ID Number to facilitate easier identification of attendance at the Annual General Meeting.
8. Pursuant to the provisions of Section 205A (5) and 205C of the Companies Act, 1956 amount of Dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, is required to be transferred to the Investor Education and Protection Fund constituted by the Central Government. In compliance with said provisions of the Act, the Company has transferred unclaimed / unpaid Dividend for the financial year ended 30th September, 1995 to 31st March, 1999 to the said Fund.
9. Members are informed that the Equity Shares of the Company have been admitted both on CDSL and NSDL and may be dematerialised under the ISIN INE247F01015.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Accordingly, shareholders holding shares in physical form are requested to submit their PAN details along with a photocopy of PAN card, duly attested, to the Registrars of the Company, i.e. M/s Niche Technologies Pvt. Ltd. D-511, Bagree Market, 71, B. R. B. Road, Kolkata - 700 001. Shareholders holding shares in dematerialised form are requested to submit details of their PAN to the Depository Participants with whom they are maintaining their demat accounts.
11. Members holding shares in physical form can now avail the facility of nomination in respect of the shares held by them. The prescribed form (Form 2B) can be obtained/ submitted (in duplicate) from/ to the Registered Office or Registrars of the Company i.e. M/s. Niche Technologies Pvt. Ltd.
12. Members are advised to send their requests for Share Transfer, intimation for change of Address, Bank particulars and all other related correspondence directly to the Registrars of the Company.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956:

Item No.4:

Sri Narendra Kumar Poddar, (hereinafter referred to as "Sri N. K. Poddar"), aged about 55 years, is associated with the Company since last 36 years as a Director, out of which he has worked as Managing Director or Executive Chairman for 30 years. Sri N. K. Poddar is a Commerce Graduate with Honours and has good business and administrative experience. Term of office of Sri N. K. Poddar as an Executive Chairman was up to 30th September, 2010. Considering the wide experience of Sri N. K. Poddar and significant contribution made by him for the Company, the Board of Directors has re-appointed him as Chairman (being Whole Time Director) of the Company at their Meeting held on 29th September, 2010 for a further period of 5 (five) years with effect from 1st October, 2010.

Since the Company does not have a Remuneration Committee to approve the remuneration of managerial personnel as required by the provisions of Schedule XIII to the Companies Act, 1956, the

Orient Beverages Limited

appointment and payment of remuneration to Sri N. K. Poddar is subject to approval of the Central Government under the provisions of the Companies Act, 1956.

The Company has got approval of the Central Government vide their letter dated 3rd March, 2011 for the appointment and payment of remuneration to Sri N. K. Poddar till ensuing Annual General Meeting. Approval for the remaining period will be considered by the Central Government after submission of approval of the shareholders to them.

Following are the main terms and conditions of re-appointment of Sri N. K. Poddar as Chairman (being Whole Time Director) :

- 1) Salary : ₹ 1,00,000/- (Rupees One lakh) only per month.
- 2) Perquisites : Perquisites shall be restricted to ₹ 25,000/- (Rupees Twenty five thousand) only per month or ₹ 3,00,000/- (Rupees Three lakhs) only per annum. The value of perquisites will be taken at actual cost, wherever practicable, otherwise same will be valued as per Income Tax Rules, 1962. These perquisites shall be classified as follows :
 - a) **Medical Reimbursement** : Expenses incurred for self and family subject to ceiling of one month's salary in a year or three months' salary over a period of three years.
 - b) **Leave Travel Concession** : For self and family once in a year incurred in accordance with the Company Rules.
 - c) **Club Fees** : Subject to a maximum of 2(two) Clubs. This will not include Admission and Life Membership Fee.
 - d) **Personal Accident Insurance** : Premium not to exceed ₹ 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) Entitlement of leave and encashment of same 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 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 perquisite.
 - b) **Travelling Expenses** :
Reimbursement of travelling expenses actually and properly incurred for the business of the Company will not be considered as perquisite.
- 5) Sri N. K. 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 and perquisites as above shall be paid to Sri N. K. Poddar as minimum remuneration notwithstanding absence or inadequacy of profits in any financial year.

- 7) Sri N. K. Poddar shall not become interested or otherwise concerned directly or through his spouse or minor children in any selling agency of the Company in future without the prior approval of the Central Government so long he function as Whole Time Director of the Company and his appointment shall be liable to cease in the event of the contravention of this condition.
- 8) The terms and conditions of the said Appointment and/or Agreement may be altered or varied from time to time mutually by the Company and Sri N. K. Poddar within the limits prescribed in Schedule XIII to the Companies Act, 1956 or any amendment thereof and with the approval of the Central Government, wherever necessary.
- 9) The Agreement may be terminated by either party by giving the other party one month's Notice or the Company paying one month's remuneration in lieu of the Notice.

The Board considers that the Company would benefit from the continuation of Sri N. K. Poddar as Chairman (being Whole Time Director) and therefore recommend the proposed resolution for approval of the Members.

Sri N. K. Poddar himself, Smt. Ruchira Poddar and Sri Akshat Poddar, being his relatives, 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.

An abstract of material terms of the contract between the Company and Sri N. K. Poddar pursuant to Section 302 of the Companies Act, 1956 has already been sent to all the members of the Company.

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 – 700 020

By Order of the Board

Dated : 12th August, 2011

A. K. SINGHANIA
Company Secretary

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, 2011:

FINANCIAL RESULTS :	2010-2011	2009-2010
	₹	₹
Profit / (Loss) before Depreciation & Taxation	2,24,10,304	1,19,35,745
<u>Less:</u> Depreciation	96,36,545	73,25,608
<i>Provision for Taxation :</i>		
- Current Tax	41,00,000	17,71,000
- Deferred Tax	(15,73,074)	7,780
- For Earlier years	(14,019)	(58,07,536)
Profit / (Loss) after Tax	1,00,60,852	86,38,893
Add: Brought Forward Profit	5,59,88,765	4,73,49,872
Profit available for appropriation	5,60,49,617	5,59,88,765
APPROPRIATION		
Balance carried to Balance Sheet	5,60,49,617	5,59,88,765
	<u>5,60,49,617</u>	<u>5,59,88,765</u>

DIVIDEND :

With a view to plough back the Profit for the operations of the Company your Directors do not recommend any Dividend for the year ended 31st March, 2011 and entire amount of Profit is carried to Reserves and Surplus.

OPERATIONS :

Profit for the year under review is ₹ 100.61 Lacs as against ₹ 86.39 Lacs in the previous year. Hence there is a good growth in the net profit of the Company. Though in the current year there was a receipt of arrear rent of ₹ 61.10 Lacs and in the previous year there was an increase in the profit on account of earlier years' taxes written back by ₹ 58.08 Lacs, the results are still encouraging.

Working of the Packaged Drinking Water division has improved a lot as loss making operations has turned in to profit making during the current year. The Company has also got franchise rights to market and sale packaged drinking water under the trademark "Bisleri" for the state of Jharkhand and has already started commercial operations w.e.f. July 2011 in the said territory.

Real Estate Business is stable as in earlier years. Increase in the rent receivable from one of the tenants has been settled during the year w.e.f. 01.09.2007 and the Company has got a good increase

in rent along with arrear rent of ₹ 61.10 Lacs. With the present Real Estate activities, the Directors hope for a better year ahead in the current year, subject to stable market conditions.

DIRECTORS :

Sri Narendra Kumar Poddar was re-appointed as Chairman (being Whole Time Director) with effect from 1st October, 2010 subject to approval of the shareholders and the Central Government. Appropriate Resolution for his re-appointment as Chairman (being Whole Time Director) is being placed for consideration of the members at the ensuing Annual General Meeting. Sri Narendra Kumar Poddar also retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies Act, 1956 the Directors confirm that:

- i) In preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) We have selected appropriate accounting policies and applied them consistently and we have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2011 and of the Profit of the Company for the year ended on that date;
- iii) We have taken proper and sufficient care for maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) We have prepared the annual accounts on a going concern basis.

LISTING:

Your Company is listed with The Calcutta Stock Exchange Ltd. and Bombay Stock Exchange Ltd. and Annual Listing Fee for the financial year 2011-12 have been paid.

AUDITORS:

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

AUDITORS' REPORT:

Observations made in the Auditors' Report are self-explanatory as they have been fully explained in schedule of Notes on Accounts at respective points and do not require any clarification.

FIXED DEPOSITS:

The Company has not accepted any fixed deposits from public within the meaning of Section 58A of the Companies Act, 1956 and the rules made there under.

PERSONNEL:

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

PARTICULARS OF EMPLOYEES:

The Company did not have any employee 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:

(A) Conservation of energy:

a) Energy conservation measures taken:

- Installation of Automatic Blowing and Labeling Machines replacing semi automatic machines.
- Installation of automatic Jar Filling Machine replacing semi automatic machine.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

- Installation of higher capacity transformer to have proper distribution of power.

c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

- Saving in power consumption and consequently in the cost of production.

d) Total energy consumption and energy consumption per unit of production: Not Applicable

(B) Technology Absorption:

Research and Development

Being Franchisee of M/s Bisleri International Private Limited, the Company is adopting technological guidelines provided by its Principal from time to time and thus Research and Development of technology is automatically taken care of.

(C) Foreign Exchange earnings and outgo:

Your Company did not have any foreign exchange earning during the year under review. The foreign exchange outgo was ₹ 8,30,623/- on account of travelling and other expenses.

For and on behalf of the Board

N. K. PODDAR
Chairman

Kolkata, 12th August, 2011.

AUDITORS' REPORT

**TO,
THE MEMBERS,
ORIENT BEVERAGES LIMITED**

We have audited the attached Balance Sheet of ORIENT BEVERAGES LIMITED (the Company) as at 31st March, 2011 and the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that :

1. 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.
2. 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 books of account.
3. The Balance Sheet and Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
4. In our opinion, the Balance Sheet and Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
5. On the basis of written representations received from the Directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information as required by the Companies Act, 1956 in the manner so required subject to Note No. 1.05 & 5 regarding non-charging of depreciation on certain assets, Note No.3 regarding non provision of Excise Duty as demanded by the Excise Authority being disputed by the Company and Note No.4 regarding pending execution of certain legal formalities in respect of assets and liabilities of amalgamating companies, 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 31st March, 2011.