



Bisleri



Annual Report
2013|2014

**ORIENT
BEVERAGES
LIMITED**

Orient Beverages Limited

(CIN-L15520WB1960PLC024710)

Board of Directors	Sri N. K. Poddar	-	Chairman
	Sri Akshat Poddar	-	Managing Director
	Sri G. L. Agarwalla	-	Director
	Sri B. D. Mundhra	-	Executive Director
	Dr. Gora Ghose	-	Independent Director
	Sri A. K. Poddar	-	Independent Director
Chief Financial Officer	Sri A. K. Singhania		
Company Secretary	Sri Jiyut Prasad		
Audit Committee	Sri A. K. Poddar	-	Chairman
	Dr. Gora Ghose	-	Member
	Sri B. D. Mundhra	-	Member
Nomination and Remuneration Committee	Dr. Gora Ghose	-	Chairman
	Sri A. K. Poddar	-	Member
	Sri G. L. Agarwalla	-	Member
Stakeholders Relationship Committee	Sri G. L. Agarwalla	-	Chairman
	Sri Akshat Poddar	-	Member
	Sri B. D. Mundhra	-	Member
Share Transfer Committee	Sri N. K. Poddar	-	Chairman
	Sri G. L. Agarwalla	-	Member
	Sri B. D. Mundhra	-	Member
Auditors	Tiwari & Company Chartered Accountants 107/1, Park Street, Kolkata- 700 016, W.B.		
Cost Auditors	Sohan Lal Jalan & Associates Cost and Management Accountants Samrat Apartments P-184, Suren Sarkar Road Kolkata-700 010, W.B.		
Registered Office	"Aelpe Court", 3rd Floor, 225C, A. J. C. Bose Road, Kolkata- 700 020, W.B. Phone: (033) 3052 7001/ 7002/ 7003 Fax: (033) 3052 2001 Email: obl_investors@rediffmail.com Website: www.obl.org.in		

Orient Beverages Limited

Works	<ul style="list-style-type: none">NH-6, Mumbai Highway Salap More, Howrah- 711409, W.B.Dag No. 418 & 419 Durgapur Expressway, Durgapur Toll Plaza, Dankuni, Hooghly-712310, W.B.
Branch	Rukka Road, Ormanjhi, Ranchi-835 238, Jharkhand
Bankers	United Bank of India Axis Bank Limited HDFC Bank Limited ICICI Bank Limited Punjab National Bank Standard Chartered Bank State Bank of India
Registrars and Share Transfer Agents	Niche Technologies Pvt. Ltd. D-511, Bagree Market 71, B. R. B. Basu Road, Kolkata-700 001 Email: nichetechpl@nichetechpl.com Phone: (033) 2235 7270/ 7271/ 2234 2318

CONTENTS

Directors' Report	3
Independent Auditors' Report	7
Balance Sheet	12
Statement of Profit and Loss	13
Cash Flow Statement	14
Notes on Financial Statements	16

Orient Beverages Limited

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, 2014:

FINANCIAL RESULTS :

	2013-2014 ₹	2012-2013 ₹
Profit / (Loss) before Depreciation & Taxation	2,84,47,480	2,16,29,232
Less : Depreciation	1,12,36,303	1,09,78,890
Tax Expenses :		
-Current Tax	48,68,253	28,00,000
-Deferred Tax	(2,87,278)	(2,20,956)
-For Earlier years	—	(36,755)
Profit / (Loss) after Tax from continuing operations	1,26,30,202	81,08,053
Add: Profit/ (Loss) after Tax from discontinuing operations	(67,154)	—
	1,25,63,048	81,08,053
Add : Brought Forward Profit	8,32,35,214	7,51,27,161
Profit available for appropriation	9,57,98,262	8,32,35,214

APPROPRIATION

Proposed Dividend	10,80,750	—
Tax on Dividend	1,83,674	—
Transfer to General Reserve	10,00,000	—
Balance carried to Balance Sheet	9,35,33,838	8,32,35,214
	9,57,98,262	8,32,35,214

DIVIDEND :

Your Directors have recommended a dividend @ 5% i.e. ₹ 0.50 per equity share of ₹10/- each for the financial year ended 31st March, 2014 amounting to ₹12,64,424/- (Inclusive of tax of ₹ 1,83,674/-). The dividend payout is subject to the approval of the members at the ensuing Annual General Meeting.

OPERATIONS:

The Company's Revenue from operations has increased from ₹1909.21 lacs in 2012-13 to ₹ 2199.15 lacs in 2013-14. Sale of packaged drinking water has increased from ₹ 1604.05 lacs in 2012-13 to ₹1872.45 lacs in 2013-14, showing an increase of 16.73 % in sales. Profit after tax for 2013-14 is ₹ 125.63 lacs against ₹ 81.08 lacs in 2012-13. Hence there is an increase of 54.95 % in profit. The higher increase in profit is due to saving in staff cost, depreciation and other expenses.

The Company has put up another plant at Dankuni (Dist. Hooghly) to meet the day by day increasing demand for packaged drinking water and production has been already commenced with effect from 2nd May, 2014. With the new plant a good growth in the profitability of the Company is expected.

Orient Beverages Limited

Real Estate Business is stable as in earlier years. Renewal of tenancy of one tenant is due with effect from 01.09.2012 and the Company expects a good increase in its rental income from the said renewal. With the present Real Estate activities, the Directors hope for a better year ahead in the current year, subject to stable market conditions.

DIRECTORS:

Dr. Gora Ghose (DIN 00217079) has been appointed as an additional Director of the Company in the category of an Independent Director with effect from 12th February, 2014. Sri Anil Kumar Poddar (DIN 00304837) has been appointed as an additional Director of the Company in the category of an Independent Director with effect from 29th May, 2014. Dr. Gora Ghose and Sri Anil Kumar Poddar hold office up to the date of ensuing Annual General Meeting. The Company has received requisite notices in writing under Section 160 of the Companies Act, 2013 from members proposing Dr. Gora Ghose and Sri Anil Kumar Poddar for appointment as Independent Directors.

The Company has received declarations from Dr. Gora Ghose and Sri Anil Kumar Poddar that they meet the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013. In the opinion of the Board they fulfill the conditions for appointment as Independent Directors. Appropriate resolutions for appointment of Dr. Gora Ghose and Sri Anil Kumar Poddar are being placed for consideration of the members at the ensuing Annual General Meeting.

Sri Ballabha Das Mundhra (DIN 01162223) 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, 2014 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 BSE Ltd. and Annual Listing Fee for the financial year 2014-15 have been paid.

Orient Beverages Limited

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 the Notes on financial statements at respective points and do not require any clarification.

COST AUDITORS:

The Board of Directors of the Company has appointed M/s Sohan Lal Jalan & Associates, Cost & Management Accountants as Cost Auditors of the Company to conduct Cost Audit for the financial year 2014-15 on the recommendations of the Audit Committee and subject to approval of their remuneration by the members at the ensuing Annual General Meeting.

Cost Audit Report for the financial year 2013-14 is to be filed within 180 days from the close of the financial year, the last date being 27th September, 2014. The Company has filed Cost Audit Report for the financial year 2012-13 on 16th September, 2013, the due date for the same was 27th September, 2013.

FIXED DEPOSITS:

The Company has not accepted any fixed deposits from public with in 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 semi automatic new technology based blowing machines replacing old technology based machines to save time and power.
- 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.

Orient Beverages Limited

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 ₹ 9,17,032/- on account of travelling and other expenses.

For and on behalf of the Board

Kolkata, 29th May, 2014

N. K. Poddar
Chairman

Orient Beverages Limited

INDEPENDENT AUDITORS' REPORT

To the Members of
ORIENT BEVERAGES LIMITED

Report on the financial Statements

We have audited the accompanying financial statements of Orient Beverages Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

1. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required *subject to note No. 1.05 regarding non-charging of depreciation on Silver Idol, Note No. 2.29(a) regarding non provision of Excise Duty of ₹ 26,98,597/- as demanded by the Excise Authority being disputed by the Company, Note No.2.29(b) & (c) regarding interest and penalty of Kolkata Municipal Corporation taxes of ₹ 87,07,307/- being disputed by the company, Note No. 2.30 regarding writ petitions filed by the Company before the Hon'ble High Court at Calcutta for recovery of Service Tax of ₹ 46,84,664/- on rent from one of its tenants namely M/s Income*

Orient Beverages Limited

Tax Appellate Tribunal and disputing property tax of ₹ 1,25,42,889/- against valuation made by the Kolkata Municipal Corporation, Note No. 2.31 regarding pending execution of certain legal formalities in respect of assets and liabilities of amalgamating companies and Note No. 2.40(a) and (b) regarding payment of managerial remuneration to Chairman of ₹ 14,07,600/- and ₹ 3,39,150/- to Managing Director pending approval of the Central Government and Note No. 2.40 (c) regarding payment of managerial remuneration to Executive Director of ₹ 4,78,801/- subject to approval of representation by the Central Government, 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 March 31, 2014;
- (b) In the case of the statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirement

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. 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;
 - b. In our opinion proper books of account as required by law has been kept by the Company so far as appear from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and
 - e. On the basis of written representations received from the directors as on March 31, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

107/1 Park Street
Kolkata - 700 016
Dated : 29th May, 2014

For **TIWARI & COMPANY**
Chartered Accountants
Firm Regn. No. 309112E

P. TIWARI
Partner
Membership No. 16590

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirement" of our report of even date

1. In respect of its Fixed assets :

- a. The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets on the basis of available information.
- b. As explained to us, all the fixed assets of the Company have been physically verified by the management in phased periodical manner, which in our opinion, is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies have been noticed on such physical verification.
- c. In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.

2. In respect of its inventories:

- a. The inventories of the Company have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the Company and the nature of its business.
- c. The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records.

3. In respect of the loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:

- (a) During the year under review, the Company has not granted any loans, secured or unsecured, from/to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act. Accordingly provisions in the Sub-clauses (iii) (b), (iii) (c) and (iii) (d) of clause 4 of the Order in respect of loan granted are not applicable.
- (b) During the year under review the Company has not taken unsecured loan from Companies, firms or other parties as covered in the Register maintained under Section 301 of the Act. Accordingly provisions in the Sub-clauses (iii) (f) and (iii) (g) of clause 4 of the Order in respect of loan granted are not applicable.

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.