

**8<sup>th</sup>**  
**ANNUAL REPORT**  
**1999-2000**

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**WINSOME BREWERIES LIMITED**

**BOARD OF DIRECTORS**

SH. R.K. BAGRODIA  
 LT. GEN. V.K. SOOD (RETD.)  
 SH. J.P. GUPTA  
 SH. A.N. BANERJEE  
 SH. RAM MOHAN, I.A.S.(RETD.)  
 SH. KIRIT SHAH  
 SH. B.M. KHANNA  
 SMT. SNEH BAGRODIA

CHAIRMAN-CUM-MANAGING DIRECTOR  
 DIRECTOR  
 DIRECTOR  
 DIRECTOR  
 NOMINEE DIRECTOR, RIICO  
 DIRECTOR  
 ALTERNATE DIRECTOR  
 DIRECTOR

**COMPANY SECRETARY**

PABITRA MOHAN

**ASST. COMPANY SECRETARY**

PRATAP ROUT

**STATUTORY AUDITORS**

LODHA & CO.  
 CHARTERED ACCOUNTANTS  
 NEW DELHI.

**BANKERS**

THE BANK OF RAJASTHAN LIMITED

**LABORATOR**

LENNINGER-BRÄU AG, GERMANY

**REGISTERED OFFICE**

VILL. SAREHKHURD, TEHSIL TIJARA.  
 DISTT. ALWAR, RAJASTHAN.

**CORPORATE OFFICE**

S-521, GREATER KAILASH, PART-II,  
 NEW DELHI - 110 048

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## NOTICE

NOTICE is hereby given that the Eighth Annual General Meeting of the Members of Winsome Breweries Limited will be held on Saturday, the 30th day of September, 2000 at 11.00 a.m. at its Registered Office at Village Sarekhurd, Tehsil Tijara, Distt. Alwar, Rajasthan to transact the following business:

### ORDINARY BUSINESS

- 1) To receive, consider and adopt the Directors' Report and the Audited Statement of Accounts together with Auditors' Report thereon for the financial year ended on 31st March, 2000.
- 2) To appoint a Director in place of Lt. Gen. V.K. Sood (Retd.), who retires by rotation and being eligible offers himself for re-appointment.
- 3) To appoint a Director in place of Mr. A.N. Banerjee, who retires by rotation and being eligible offers himself for re-appointment.
- 4) To appoint Statutory Auditors & fix their remuneration. The retiring Auditors Lodha & Co., Chartered Accountants are eligible for re-appointment.

### SPECIAL BUSINESS:

- 5) To Consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution.  
**"RESOLVED THAT** pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956 the Articles of Association of the Company be and is hereby altered to the extent and in the manner as set out hereunder:  
 (i) Notwithstanding anything contained in Article 31 to 42, the following new Article 42A be inserted after Article 42 under the heading **"DEMATERIALIZATION OF SECURITIES"**.

#### **"DEMATERIALIZATION OF SECURITIES"**

42A(1) For the purposes of this Article:-

**"Beneficial Owner"** shall have the meaning assigned thereto in Section 2(1)(a) of the Depositories Act, 1996.

**"Depositories Act"** - "Depositories Act" shall mean the Depositories Act, 1996 and includes any statutory modification or alteration or re-enactment thereof for the time being in force.

**"Depository"** - "Depository" shall mean a Depository as defined in Section 2(1)(e) of the Depositories Act, 1996.

**"Member"** - "Member" shall mean a duly registered holder, from time to time, of the security of the Company and includes every person whose name is entered as beneficial owner in the records of the depository.

**"Security"** - "Security" shall mean such security as may be specified by SEBI.

**"Dematerialisation of Securities"** (2) : Notwithstanding anything on the contrary contained in this Article, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form and further to rematerialise the securities held in depository pursuant to the Depositories Act, 1996.

**"Option to hold securities in physical form or with depository"** (3) : Every person holding securities of the Company through allotment or otherwise shall have the option to receive and hold the same in the form of security certificates if permitted by law, or to receive and hold the same in the dematerialised form with a depository.

**"Beneficial owner may opt out of depository"** (4) : Every person holding securities of the Company with a Depository being the beneficial owner thereof may at any time opt out of the depository in the manner provided under the provisions of the Depositories Act and the Rules, if any, prescribed thereunder and on fulfillment of the conditions prescribed by the Company from time to time, the Company shall issue the relevant security certificates to the beneficial owner thereof.

**"Securities in depository to be in fungible form"** (5) : All securities held by a depository shall be dematerialised and shall be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B and 187C of the Companies Act, 1956 shall apply to a depository in respect of securities held by it on behalf of the beneficial owners.

**"Rights of depository and beneficial owners"** (6) (a) : A depository shall be deemed to be the registered owner for the purposes of effecting the transfer of ownership of securities on behalf of the beneficial owners and shall not have any voting rights or any other rights in respect of the securities held by it.



(b) Every person holding securities of the Company whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all liabilities in respect of his/her securities which are held by a depository.

**"Transfer of Securities" (7) :** Transfer of securities held in a depository will be governed by the provisions of the Depositories Act, 1996. Nothing contained in Section 108 of the Companies Act, 1956 or these Articles, shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

**"Register and Index of beneficial owners" (8) :** The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and security holders for the purposes of these Articles.

**"Other matters" (a) :** Notwithstanding anything contained in these Articles the provisions of Depositories Act, 1996 relating to dematerialisation of securities, including any modification(s) or re-enactment thereof and Rules/Regulations made thereunder shall prevail and apply accordingly.

(ii) **"RESOLVED THAT** after the existing Article 47, the following new Article 47A be inserted under the heading **"NOMINATION"**.

#### **"NOMINATION"**

47A : Notwithstanding anything contained in Article 45 to 47 or in any other law for the time being in force, a holder or a joint holder of shares may nominate, in accordance with the provisions of Section 109A of the Companies Act, 1956, and in the manner prescribed thereunder, a person to whom all the rights in the shares or debentures of the Company shall vest in the event of death of such holder(s). Any nominations so made shall be dealt with the provisions of Sec 109B of Companies Act, 1956.

By Authority of the Board  
For Winsome Breweries Limited

Place : New Delhi.

Date : 31st July, 2000

( PABITRA MOHAN )  
Company Secretary

#### **NOTES :**

**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.**

- 2) Register of Members and the Share transfer books of the Company will remain closed from Monday, the 25th September, 2000 to Friday, the 29th September, 2000 (both days inclusive)
- 3) Members are required :
  - i) To notify change of address, if any.
  - ii) To bring their copy of Annual Report to the meeting.
- 4) Members desirous of having any information on Accounts are requested to address their queries to the Company Secretary latest by 20th September, 2000, so that the requisite information is available at the meeting.
- 5) The relative explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item No. 5 of the notice is annexed hereto.

**EXPLANATORY STATEMENT**

(Pursuant to Sec 173(2) of the Companies Act, 1956)

**Item No.5**

With the introduction of the Depositories Act, 1996 and Depository system, some of the provisions of the Companies Act, 1956 in relation to the issue, holding, transfer and transmission of shares and other securities have been amended to facilitate the implementation of the new systems. The system eliminates several problems experienced in the scrip based system such as bad deliveries, fraudulent transfer and transmission, theft in postal transit, time taken in registration of transfer, maintenance of share certificate etc. The system also offers several cost advantages such as no postage expenses and exemption from stamp duty on transfer etc.

The Companies Act, as amended by the Companies (Amendment) Act, 1999, has provided to every holder of shares or debentures or other securities an option to nominate a person whom his/her shares or debentures of the Company shall vest in the event of his/her death.

Further it is proposed to amend the Articles of Association of the Company suitably incorporating therein necessary provisions relating to the implementation of the Depository System and in compliance of SEBI requirements and for providing nomination facility in conformity with Depositories Act, 1996 and Companies Act, 1956 respectively.

The resolution is accordingly recommended for the approval of the members by means of special Resolution as required under Section 31 of the Companies Act, 1956.

None of the Directors of the Company is deemed to be concerned or interested in the said resolution.

Copy of the Memorandum and Articles of Association of the Company together with the proposed alterations shall be open for inspection of the shareholders at the Company's Registered Office on any working day up to and inclusive of the date of the AGM between 11 a.m. to 1.30 p.m.

By Authority of the Board  
For Winsome Breweries Limited

Place : New Delhi.  
Date : 31st July, 2000

( PABITRA MOHAN )  
Company Secretary

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## DIRECTORS' REPORT

TO THE MEMBERS,

Your Directors are pleased to present their Eighth Annual Report together with the Audited Financial Statement of your Company for the year ended on 31st March, 2000.

### FINANCIAL RESULTS :

	<u>1999-2000</u>	<u>1998-99</u>
Sales	10,07,87,202.26	7,01,37,635.75
Profit/(loss) before		
Depreciation & Preliminary Expenses	34,22,794.50	49,45,796.84
Less:		
(a) Depreciation	39,96,035.06	29,76,645.09
(b) Preliminary Expenses written off	12,06,207.30	12,06,207.30
Net Profit/(loss) before Tax	(17,79,447.86)	7,62,944.45
Less : Provision for Tax	Nil	80,109.00
Net Profit/(loss) for the year	(17,79,447.86)	6,82,835.45

### DIVIDEND :

In view of the losses incurred in the financial year, your Directors express their inability to recommend any dividend for the year under review.

### OPERATIONS :

The performance of the Brewery industry, in general, was adversely affected during the year. Due to sluggish market conditions, hopes were belied for higher turnover. During the year under review, your Company has marginally increased turnover of Rs.1007.87 lac as against Rs.701.18 lac during the last year. Due to uneven hike in the price of raw materials and other inputs, low market demand resulting into lower capacity utilisation, as well as lower sales realisation because of severe competition, the Company suffered a loss of Rs.17.79 lac during the year.

### FUTURE PROSPECTS :

The Company's brands "German Thunder", "Henninger", "Winsberg", "Tornado", by virtue of quality and reach have comparatively fared well in the stiff competitive market. Your Directors would like to consolidate the existing operations of the Company during the current year so that the adverse impact of the recessionary condition in the market can be minimised.

The Company has focussed to strengthen the cornerstone of its business edifice - Brands, Sales and Distribution network. To supplement this objective, the Company is taking initiatives to improve its supply chain management. The plans are on anvils to enter into agreements with some foreign Companies for bottling and leasing agreements to improve the current position.

The Company hopes to face the future with confidence by continuously striving towards achieving better results by efficient organisation of its operations and cost control of various inputs and other expenses.

### AUDITORS' REPORT AND RE-APPOINTMENT:

With reference to observations made by the Auditors in their report, the Directors wish to state that notes forming part of the Company's account are statement of facts and require no further clarification.

Your Company's Auditors Lodha & Co. retire at the conclusion of ensuing Annual General Meeting and being eligible offer themselves for the re-appointment.

You are requested to appoint the Auditors and fix their remuneration.

### DIRECTORATE :

In accordance with the Companies Act, 1956 and Articles of Association of the Company, Mr. A.N. Banerjee and Lt. Gen. V.K. Sood (Retd.), Directors of the Company, will retire by rotation and being eligible offer themselves for the re-appointment.