

**BOARD OF DIRECTORS**

SH. R. K. BAGRODIA  
SMT. SNEH BAGRODIA  
SH. SUSHIL KUMAR JAIN  
SH. DIPANKAR SENGUPTA  
SH. SUMER CHAND JAIN

CHAIRMAN-CUM-MANAGING DIRECTOR  
DIRECTOR  
DIRECTOR  
DIRECTOR  
DIRECTOR

**COMPANY SECRETARY**

HIMANSHI MADAN

**STATUTORY AUDITORS**

O. P. BAGLA & CO.  
CHARTERED ACCOUNTANTS  
NEW DELHI

**REGISTERED OFFICE**

VILL. SAREHKHURD, TEHSIL TIJARA  
DISTT. ALWAR, RAJASTHAN

**CORPORATE OFFICE**

D- 61, OKHLA PHASE-1,  
NEW DELHI- 110 020

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## NOTICE

**NOTICE** is hereby given that the Twenty First Annual General Meeting of the members of the company M/s Winsome Breweries Limited will be held on Monday, the 30<sup>th</sup> day of September, 2013 at 11.00 a.m. at its Registered Office of the company at Village Sarekhurd, Tehsil Tijara, Distt. Alwar, Rajasthan to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March 2013 and the Profit & Loss Account for the year ended on that date and report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Dipanker Sen Gupta and Mrs. Sneha Bagrodia who retire by rotation and being eligible offer themselves for re-appointment.
3. To appoint Statutory Auditors & fix their remuneration. The retiring Auditors M/s O. P. Bagla & Co., Chartered Accountants, are eligible for re-appointment.

### SPECIAL BUSINESS

To consider and thought fit, to pass with or without modification (s) the following resolutions as an ordinary resolution:

4. "Resolved that as per the applicable provisions of the Companies Act, 1956 and subject to the approval of the shareholder at the meeting, Mr Sumer Chand Jain be and is hereby appointed as the Director of the Company."
5. "Resolved that pursuant to section 269, 309 and 198 and schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, consent of the company be and is hereby accorded to the re-appointment of Mr. R. K. Bagrodia as Managing Director of the company and to his being paid and provided remuneration, benefits and amenities as the managing director of the company for a period of 5 years w. e. f. 01.01.2013 on the terms, conditions and stipulations contained in the agreement entered into between the company and Mr. R. K. Bagrodia a copy of which is placed before the meeting and, for the purposes of identification, initialed by the Chairman."

By Authority of the Board  
For Winsome Breweries Limited

Place: New Delhi  
Date: 31<sup>st</sup> May, 2013

(R. K. BAGRODIA)  
(Chairman-Cum-Managing 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 AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share transfer Books of the Company shall remain closed from 26<sup>th</sup> September 2013 to 30<sup>th</sup> September 2013 (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.
  - (III) To provide the company or its Registrar the details of their E-mail address.
4. Members desirous of having any information on Accounts are requested to address their Queries to the Company Secretary latest by 20<sup>th</sup> September 2013 so that the requisite information is available at the meeting.

### EXPLANATORY STATEMENT AS PER SECTION 173(2) OF THE COMPANIES ACT, 1956

#### ITEM NO. 4

As Mr. Sumer Chand Jain was appointed as the Additional Director of the Company on 29.05.2013 and seeing his performance and suggestions for the good working of the company it is proposed to appoint him as the Director on the Board of the Company, subject to the approval of the shareholders at this Annual General Meeting.

Hence the ordinary resolution at the Item No. 4

None of the Directors is interested in the resolution, except Mr. Sumer Chand Jain.

**ITEM NO.5**

The Board of Directors at their meeting held on 31.01.2013 have re-appointed Mr. R. K. Bagrodia as managing Director for a further period of 5 years w.e.f. 01.01.2013 subject to approval of the members of the company and other statutory approvals as may be necessary.

Mr. R. K. Bagrodia, the Managing Director of the company was going to retire on 31.12.2012 Mr. R. K. Bagrodia, being the capable person, is re-appointed as the managing director for a period of five years commencing from 01.01.2013

**REMUNERATION:**

(A) Salary not exceeding 100,000/- per month.

Perquisites:

1. Contribution to Provident Fund & Superannuation fund to the extent these either singly or put together are not taxable under Income Tax Act.
2. Gratuity will be allowed at the rate of 15 days salary for each year of service.
3. Leave with full pay as per Rules of the company encashment, and unavailed leave being allowed at the end of tenure.
4. Free furnished residential accommodation with gas, electricity, water & furnishings or unfurnished accommodation with gas, electricity and furnishings, and company's furniture on a rental basis as per schedule applicable to the Senior Executives of the company.
5. Reimbursement of medical expenses incurred in India or abroad and including hospitalisation, nursing home and surgical charges for himself & family.
6. Reimbursement of actual traveling expenses for proceeding on leave from Delhi to any place in India and return there from once in a year in respect of himself & family.
7. Reimbursement of membership fee for clubs.
8. Personal accident insurance policy in accordance with the scheme applicable to senior employees.

Hence the ordinary resolution at the Item No. 5

None of the Directors is interested in the resolution, except Mr. Rajendra Kumar Bagrodia and Mrs. Sneh Bagrodia.

**DIRECTOR'S REPORT**

TO THE MEMBERS,

Your Directors are pleased to present their Twenty First Annual Report together with the Audited Financial Statement of your Company for the year ended on 31<sup>st</sup> March 2013.

**FINANCIAL RESULTS :**

	2012- 2013	(Amount in Rs.) 2011-2012
Sales	631814906.76	563933020.68
Profit/(loss) before Depreciation	27362197.99	30985195.58
Less Depreciation	13278223.04	19931559.30
Net Profit/ (Loss) for the year before Exceptional/Extraordinary items & Tax	14083974.95	11053636.28
Exceptional/Extraordinary items	0.00	0.00
Profit/(Loss) before tax	14083974.95	11053636.28
Provision for Tax		
- Current Tax	3000000.00	2250000.00
- Deferred Tax	235113.21	4705258.15
- Income Tax Adjustment	102768.00	25178.00
Net Profit/(Loss) after Tax	10746093.74	4073200.13

**DIVIDEND:**

In view of the above financial results and not adequate profits, your Directors express their inability to recommend any dividend for the year under review.



**OPERATIONS:**

During the fiscal under review, turnover of the Company Increased from Rs. 5639.33 Lac to Rs. 6318.14 Lac and earned profit of Rs. 140.84 Lac against last year profit of Rs. 110.54 Lac. However the company is striving hard to further increase the utilisation of the capacity as well as profitability this year.

**FUTURE PROSPECTS:**

The company is continuing its arrangement with United Breweries Limited and has continuously increased its capacity and capacity utilisation. In order to have maximum capacity utilisation, your company is also discussing the possibilities of tie up with several other foreign companies, as they consider our plant as one of the best in India. Your directors strongly feel that the company's financial position and profitability will definitely increase due to all these arrangements.

**AUDITOR'S REPORT AND RE-APPOINTMENT:**

With reference to the observations made by the Auditors in their report, the Directors wish to state that the observations have been dealt with by making relevant notes in the Accounts and do not require any further clarification/comments. Your Company's auditors M/s O. P. Bagla & 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.

**DIRECTORS:**

In accordance with the Companies Act, 1956 and Articles of Association of the Company, Mr. Dipanker Sen Gupta and Mrs. Sneh Bagrodia, Directors of the Company will retire by rotation and being eligible offer themselves for the re-appointment.

**DIRECTORS RESPONSIBILITY STATEMENT:**

As required under section 217 (2AA) of the Companies Act, 1956 your Directors state that:

1. In the preparation of the Annual Accounts, the applicable accounting standards have been followed alongwith proper explanation relating to materials departures in the financial statement.
2. The accounting policies have been selected and applied consistently and judgements and estimates have been reasonably & prudently made when required so as to give a true & fair view of the state of affairs of the Company at the end of the financial year and of the profit & loss of the Company for the period.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The annual accounts for the financial year have been prepared as an on- going concern basis.

**PUBLIC DEPOSITS:**

Your Company has not accepted any public deposits under the provision of Section 58A of the Companies Act, 1956 and the Rules made thereunder.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Information pursuant to Section 217 (1) (c) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 is given in the Annexure, forming part of this report.

**PARTICULARS OF EMPLOYEES:**

During the year under review, no employee whether employed for the whole of the year or part of the year was drawing remuneration exceeding the limit as laid down U/s 217 (2A) of the Companies Act, 1956. Therefore, the information as required U/s. 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules, 1975, is not required to be given.

**ACKNOWLEDGEMENTS:**

The directors place on record their deep appreciation for the dedication and efforts of the executives, staff and workers of the company at all levels. Your Directors are specially thankful to the esteemed shareholders for their continued trust and confidence which they have reposed in the Company.

For and on behalf of the Board

Place: New Delhi  
Date: 31<sup>st</sup> May, 2013

(R.K. Bagrodia)  
(Chairman-Cum-Managing Director)

**Annexure to the Directors' Report****A) Conservation of energy:**

As the Company's product does not fall under the schedule under the Companies (Disclosure of Particulars of Board of Directors) Rules, 1988, no particulars with regard to conservation of Energy has been given.

**B) Research and Development:**

The Company has established a technologically advanced laboratory within the factory premises equipped with the latest indigenous and imported equipments & instruments.

1. Specific areas in which R&D was carried out by the Company.
  - i) To improve malt extraction process.
  - ii) To ensure better recovery & reduce effluents & waste.
  - iii) To modify & improve process technology to achieve stringent international quality parameters and reduce cost of production.
  - iv) To develop new exotic brands of Beer with new tastes & flavours.
  - v) To develop yeast recovery system.
2. Benefits derived as a result of above R&D.  
The company's products are carrying premium in the market because we have achieved stringent international quality standards on a sustainable basis on account of our R & D efforts.

**3. CAPITAL EXPENDITURE:**

	year ended 31.03.2013 (in Rs.)	year ended 31.03.2012 (in Rs.)
a) Capital expenditure	Nil	Nil
b) Recurring	Nil	Nil
c) Total	Nil	Nil
d) Total R&D expenditure as a percentage of total turnover.	Nil	Nil

**C) TECHNOLOGY ABSORPTION:**

The company has fully absorbed the brewing technology & recipe provided by our erstwhile Collaborator, HENNINGER BRAU of Germany. To match its sophistication, the company has employed technically qualified engineers, chemists and microbiologists.

**D) FOREIGN EXCHANGE EARNING AND OUTGO:**

	Year ended 31.03.2013 (in Rs.)	Year ended 31.03.2012 (in Rs.)
a) Foreign Exchange Earning	—	—
b) Foreign Exchange outgo		
i) Capital goods	—	—
ii) Raw materials	—	—
iii) Packing materials & stores	—	—
iv) Travelling expenses	35,118.00	6,49,146.00

**E) INFORMATION ON POLLUTION CONTROL MEASURES FORMING PART OF THE DIRECTORS' REPORT:**

Your company on an ongoing basis is monitoring & maintaining environment and pollution control parameters at its plant site. The company is maintaining proper effluent treatment plant and has planted trees to keep the environment free from pollution. The company is regularly monitoring & submitting reports to the Rajasthan Pollution Control Board for the Air and Effluent Treatment parameters.

For and on behalf of the Board

Place: New Delhi

(R. K. Bagrodia)

Date: 31st May, 2013

Chairman-Cum-Managing Director



## CORPORATE GOVERNANCE

The Company's compliance of Corporate Governance for the financial year April 1, 2012, to March 31, 2013 as per clause 49 of the Listing Agreement is as follows :

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

WINSOME BREWERIES LTD has an unwavering commitment to uphold sound corporate governance standards and highest business conduct. The company has always worked together building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of corporate governance- integrity, equity, transparency, fairness, disclosure, accountability and commitment to values.

The company has developed the practices to fulfill its corporate responsibilities to various stakeholders and believes in following good governance. The good governance process consists of commitment in doing business in an efficient, honest, responsible and ethical manner.

The company is committed to best Corporate Governance and has fully complied with the requirements of clause 49 of the Listing Agreement with the Stock Exchange. The company firmly believes that good corporate governance is founded upon the principles of transparency, independent monitoring and accountability for performance and environmental consciousness including growth-oriented approach.

### BOARD OF DIRECTORS

The composition of the Board of Directors is in conformity with the clause 49 of the Listing Agreement.

None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees (as specified in clause 49) across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

Composition of the Board of Directors and other details as on 31st March 2013 is as under :

Name of Director	Executive/ Independent/ Non Executive	No. of Board Meetings Attended	Attendance at Previous AGM as on 29.09.2012	*No. of outside Director- ships in Public companies	*No. of outside Director-ships in Private Companies	**No. of Chair- manship in other Board Committe	**No.of Member-ship in other Board Committe
R. K. Bagrodia	Executive	5	Absent	4	14	—	—
Mrs. Sneha Bagrodia	Non- Executive	4	Present	2	4	—	—
Sushil Kumar Jain	Independent Director	2	Present	1	21	3	—
Ved Pal Choudhary	Independent Director	4	Present	1	3	—	3
Dipankar Sengupta	Independent Director	1	Absent	1	4	—	3

\* Directorship in foreign companies and associations are excluded.

\*\* Represents Membership/ Chairmanship of Audit Committee, Shareholders/ Investors' Grievances Committee and Remuneration Committee.

There are no Nominee Directors or Institutional Directors on the Board.

Board Meetings held during the year: 30<sup>th</sup> April 2012, 31<sup>st</sup> July 2012, 03<sup>rd</sup> September, 2012, 31<sup>st</sup> October, 2012, 31<sup>st</sup> January, 2013.

### AUDIT COMMITTEE

The Company has an Audit Committee comprising of 3 members all of whom are independent Directors. The Chairman of the Committee is Mr. Sushil Kumar Jain with Mr. Ved Pal Choudhary and Mr. Dipankar Sengupta as its members.

#### Brief Description of the terms of reference:

All the members of the Audit Committee have good sound knowledge of finance and accounts. The role and terms of reference of the Audit Committee covers area as mentioned under clause 49 of the Listing Agreement and section 292A of the Companies Act, 1956 including their role, powers and duties, quorum for meeting and frequency of meetings.

The Board delegates the following powers to the Audit Committee:

1. To oversee financial reporting processes.
2. To monitor the financial reporting system within the company.
3. To review the quarterly, half-yearly and annual financial results and submitting the observations to the Board of Directors.



4. To discuss with the external auditors about the scope of the audit.
5. To seek information from any employee and to take outside legal or other professional advice.
6. To review the annual budget, annual audit plan, legal compliance reporting system, implementation of policies in accounting and financial requirements.
7. To advise the management where great attention is required with respect to audit.

**The Audit Committee:-**

- 1 To check the Company's financial reporting system and the disclosure of its financial information to ensure that the financial statement is true and correct.
2. To recommend to the Board the appointment, re-appointment, if required, of statutory auditor and fixation of audit fees and other remuneration.
3. To Review the quarterly compliance certificates received on compliance with company's laid down policies and practices, accounting standards, all fiscal, commercial and statutory laws, as applicable.
4. To review with the management the financial results for each quarter/ period before being placed to the Board of Directors for approval.
5. To review with the management the annual financial statement before submission to the Board for approval.
- 6 Responsible for effective supervision of the financial reporting process, ensuring financial, accounting and operating controls and ensuring compliance with established policies and procedures.
- 7 To discuss with the external auditor before the audit commences, the nature and scope of audit as well as post -audit discussion to ascertain any area of concern.
- 8 To determine adequacy of internal controls and ensures its effectiveness.
- 9 To provide an open means of communication between the internal audit team, the statutory auditors and the Board of Directors.
- 10 To carry out such other function as may be specifically referred to the Committee by the Board of Directors and/or other Committees of the Directors of the company.

Five meetings of the Audit Committee were held during the year. Attendance at meetings during the year:

Director	No. of meetings attended
Sushil Kumar Jain	5
Ved Pal Choudhary	5
Dipankar Sengupta	4

**SHARE TRANSFER AND INVESTOR GRIEVANCE COMMITTEE**

The Share Transfer and Investor Grievance Committee comprises of 3 members, of which all are independent Directors. The Chairman of the Committee is Mr. Sushil Kumar Jain with Mr. Dipankar Sengupta & Mr. Ved Pal Choudhary as its members.

Brief Description of the terms of reference:

The functioning and terms of reference of the Committee are as prescribed under and in due compliance with the Listing Agreement with the Stock Exchanges with particular reference to matters relating to registration of share transfer, transmission, issue of duplicate share certificates, forfeiture, approving the split and consolidation requests etc.

The committee, inter alia, oversees and reviews all matters related to shares. The Company also redresses the shareholders and investors complaints like transfer, dematerialisation, non receipt of balance sheet, change of addresses of the shareholders etc.

The committee oversees the performance of the Registrar and Transfer agent.

Four meetings of the investor Grievance Committee were held during the year. Attendance at meetings during the year:

Director	No. of meetings attended
Sushil Kumar Jain	4
Ved Pal Choudhary	4
Dipankar Sengupta	4

The total number of complaints received and replied to the satisfaction of the shareholders during the year under review were 1. The Company attends to the investors, Stock Exchange and SEBI, NSDL correspondence expeditiously and usually a reply is sent within 15 days of receipt except in cases that are constrained by disputes or legal impediments.

**REMUNERATION COMMITTEE**

The Remuneration Committee comprises of 3 members. The Chairman of the Committee is Mr. Sushil Kumar Jain, Independent Director and the other members are Mr. Dipankar Sengupta and Mr. Ved Pal Choudhary.

**Brief description of the terms of reference:**

The remuneration committee has been constituted for the recommendation for fixation and periodic revision of the





remuneration of Managing Director and Executive Directors of the company based on the performance and defined assessment criterion. The role and terms of reference of the Committee are as prescribed under the Listing Agreement with the Stock Exchanges. The remuneration policy is directed towards rewarding performances, based on review of achievements on a periodical basis. It also reviews all other aspects of benefits and compensation to employees throughout the Company including policies on the same. Three meetings of the Remuneration Committee were held during the year. Attendance at meetings during the year:

Director	No. of meetings attended
Sushil Kumar Jain	3
Ved Pal Choudhary	3
Mr. Dipankar Sengupta	3

#### REMUNERATION PAID TO DIRECTOR IN THE YEAR 2012-13

The salary paid to the Managing Director of the company Mr. R. K. Bagrodia amounts to:

Salary	Rs. 7,50,000.00
Gratuity	Rs. 57,692.00

The salary paid to the Director of the company Mrs. Sneha Bagrodia amounts to: Rs. 7,20,000/- per annum.

Sitting fees paid to Non- Executive Directors:

Sl. No.	Name of the Director	Sitting fees (Rs.)	Commission (Rs.)	Total (Rs.)
1.	Ved Pal Choudhary	4,000/-	—	4,000/-
2	Sneh Bagrodia	2,000/-	—	2,000/-
3	Sushil Kumar Jain	1,000/-	—	1,000/-
5.	Dipankar Sengupta	1000/-	—	1000/-

#### ANNUAL GENERAL MEETINGS

Location and time for the last three AGM's:

Year	Date	Venue	Time
2009-2010	30.09.2010	Village Sarekhurd, Tehsil Tijara, Distt. Alwar, Rajasthan.	11.00 A.M.
2010-2011	30.09.2011	Same	11.00 A.M.
2011-2012	29.09.2012	Same	11.00 A.M.

No postal ballot resolutions were passed.

#### EXTRA ORDINARY GENERAL MEETINGS

No Extra Ordinary General Meeting of the shareholders of the company was held during the financial year of the company.

#### DISCLOSURE

During the year 2012-13, the company has related party transactions as is envisaged under the Corporate Governance code which have been mentioned in Note 37 to the Accounts.

There were no transactions of material nature with the directors or the management or their relative etc. during the year that had potential conflict with the interests of the company at large.

There was no non-compliance during the last three years by the company on any matter related to capital markets. There was no penalties imposed or strictures passed on the company by the Stock Exchanges, SEBI or any other statutory authority.

#### MEANS OF COMMUNICATIONS

##### Quarterly Results

The quarterly, half-yearly and yearly financial results are sent to the Stock Exchange immediately after the Board approves the same. Wide publicity is accorded to publication of quarterly results which are published in a widely circulated English daily "Pioneer"/"Statesman" and a Hindi daily "Adhikar" as is required under the Listing Agreement with the Stock Exchanges. The same are also faxed to the Stock Exchanges where the company is listed.

#### GENERAL SHAREHOLDER INFORMATION

Annual General Meeting :- Date time & venue

The Twenty First Annual General Meeting is scheduled to be held on Monday the 30<sup>th</sup> day of Sept. 2013 at 11.00 A.M. at the registered office of the company at Village Sarekhurd, Tehsil Tijara, Distt. Alwar, Rajasthan as per notice enclosed with the Annual Report.

##### Date of book closure

The books will be closed for the purposes of the Annual General Meeting from 26<sup>th</sup> Sept. 2013 (Thursday) to 30<sup>th</sup> Sept. 2013 (Monday), both days inclusive.

##### Listing on stock Exchanges

Bombay Stock Exchange Limited, Stock Exchange Building, Dalal Street, Mumbai

##### Depositories

##### 1. National Securities Depositories Limited

Trade World, 4<sup>th</sup> Floor, Kamala Mill Compound, Lower Parel, Mumbai-13.

##### 2. Central Depositories Services Limited

P. J. Towers, 28<sup>th</sup> Floor, Dalal Street, Mumbai-23

##### Registrar & Transfer Agent

The company has appointed Skyline Financial Services Pvt. Ltd., D-153A, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi-110020 as its Registrar and Share Transfer Agent for handling both physical and demat operations.