



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 |
| <hr/> | | | |
| Chief Financial Officer | Sri A. K. Singhania | | |
| <hr/> | | | |
| Company Secretary | Sri Jiyut Prasad | | |
| <hr/> | | | |
| Audit Committee | Sri A. K. Poddar | - | Chairman |
| | Dr. Gora Ghose | - | Member |
| | Sri B. D. Mundhra | - | Member |
| <hr/> | | | |
| Nomination and Remuneration Committee | Dr. Gora Ghose | - | Chairman |
| | Sri A. K. Poddar | - | Member |
| | Sri G. L. Agarwalla | - | Member |
| <hr/> | | | |
| Stakeholders Relationship Committee | Sri G. L. Agarwalla | - | Chairman |
| | Sri Akshat Poddar | - | Member |
| | Sri B. D. Mundhra | - | Member |
| <hr/> | | | |
| Share Transfer Committee | Sri N. K. Poddar | - | Chairman |
| | Sri G. L. Agarwalla | - | Member |
| | Sri B. D. Mundhra | - | Member |
| <hr/> | | | |
| Auditors | Tiwari & Company Chartered Accountants 107/1, Park Street, Kolkata- 700 016, W.B. | | |
| <hr/> | | | |
| Cost Auditors | Sohan Lal Jalan & Associates Cost and Management Accountants Samrat Apartments P-184, Suren Sarkar Road Kolkata-700 010, W.B. | | |
| <hr/> | | | |
| 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 |

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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.

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| Orient Beverages Limited |
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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.

Orient Beverages Limited

5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:

According to the information and explanations given to us, there are transactions (Purchase of raw materials/finished goods of ₹ 2,07,668/- and sale of raw materials/ machinery of ₹ 45,540/-) during the year in pursuance of contracts or arrangements, which are required to be entered in the Register maintained under Section 301 of the Act and that have been maintained.

6. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. The Central Government has prescribed maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 as well as audit of the same. The Company has maintained cost records as explained to us. The Company has also appointed Cost Auditors but report of the same is awaited and we have not verified the same.
9. In respect of statutory dues:

- a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess, and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2014 for a period of more than six months from the date of becoming payable except the following.

- Arrear Municipal Tax of ₹ 9,76,818/- in respect of premises no. 225C, A.J.C. Bose Road Kolkata-20 payable against revision of valuation by the Kolkata Municipal Corporation.

- Service Tax of ₹ 25,02,270/- on electricity charges billed by the company yet to be collected from the tenants/occupiers.

- (b) Disputed statutory dues which have been not deposited are following:

- Municipal Tax of ₹ 1,17,11,861/- payable against revision of valuation by the Kolkata Municipal Corporation being disputed by the Company and the matter is pending before Hon'ble High Court at Calcutta.

- Service Tax of ₹ 15,16,582/- collectible from one of the tenants namely M/s Income Tax Appellate Tribunal being disputed by the tenant and the matter is pending before Hon'ble High Court at Calcutta.

10. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.

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| Orient Beverages Limited |
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11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks.
12. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund / nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
14. According to the information and explanations given to us, the company is not a dealer or trader in securities.
15. The Company has not given any guarantees for loans taken by others from banks and financial institutions.
16. According to the information and explanations given to us and on an overall examination, the term loan has been applied for the purpose for which they were obtained.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short-term basis that have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956 during the year.
19. The Company has not issued any debenture during the year.
20. The Company has not raised any money by way of public issues during the year.
21. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

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

Orient Beverages Limited

BALANCE SHEET AS AT 31ST MARCH, 2014

| Particulars | Note No. | As at 31st March, 2014 ₹ | As at 31st March, 2013 ₹ |
|--------------------------------------|-------------|--------------------------------|--------------------------------|
| <u>EQUITY AND LIABILITIES</u> | | | |
| Shareholders' Funds | | | |
| Share Capital | 2.1 | 2,16,28,976 | 2,16,28,976 |
| Reserves and Surplus | 2.2 | 15,11,29,424 | 13,98,30,800 |
| | | <u>17,27,58,400</u> | <u>16,14,59,776</u> |
| Non - Current Liabilities | | | |
| Long -Term Borrowings | 2.3(A) | 5,96,05,055 | 6,50,53,513 |
| Other Long -Term Liabilities | 2.4 | 5,21,18,371 | 5,66,92,821 |
| Long -Term Provisions | 2.5(A) | 16,62,053 | 20,62,885 |
| | | <u>11,33,85,479</u> | <u>12,38,09,219</u> |
| Current Liabilities | | | |
| Short - Term Borrowings | 2.3(B) | 2,11,05,491 | 1,01,50,889 |
| Trade Payables | 2.6 | 2,11,94,736 | 2,36,66,320 |
| Other Current Liabilities | 2.7 | 5,01,79,680 | 4,45,20,553 |
| Short -Term Provisions | 2.5(B) | 31,69,767 | 85,080 |
| | | <u>9,56,49,674</u> | <u>7,84,22,842</u> |
| Total | | <u>38,17,93,553</u> | <u>36,36,91,837</u> |
| ASSETS | | | |
| Non - Current Assets | | | |
| Fixed Assets | 2.8 | | |
| Tangible Assets | | 7,46,69,266 | 7,52,44,286 |
| Intangible Assets | | 21,96,833 | 21,96,833 |
| Capital Work-in-progress | | 16,22,669 | - |
| Non - Current Investments | 2.9 | 4,76,64,843 | 5,31,89,665 |
| Deferred Tax Assets (Net) | 2.10 | 34,42,868 | 31,55,590 |
| Long - Term Loans and Advances | 2.11(A) | 1,57,25,595 | 2,49,38,995 |
| | | <u>14,53,22,074</u> | <u>15,87,25,369</u> |
| Current Assets | | | |
| Inventories | 2.12 | 2,36,37,299 | 1,83,14,975 |
| Trade Receivables | 2.13 | 3,24,40,271 | 2,95,57,771 |
| Cash and Bank Balances | 2.14 | 82,45,155 | 50,68,823 |
| Short - Term Loans and Advances | 2.11(B) | 17,15,51,296 | 15,11,16,597 |
| Other Currents Assets | 2.15 | 5,97,458 | 9,08,302 |
| | | <u>23,64,71,479</u> | <u>20,49,66,468</u> |
| Total | | <u>38,17,93,553</u> | <u>36,36,91,837</u> |

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 1 & 2

Notes referred to above form an integral part of Balance Sheet

As per our report of even date annexed

For **TIWARI & COMPANY**

Chartered Accountants

Firm Regn. No. 309112E

P. TIWARI

Partner

Membership No. 16590

Kolkata, 29th day of May, 2014

| | |
|-----------------|---------------------------|
| N. K. Poddar | - Chairman |
| Akshat Poddar | - Managing Director |
| G. L. Agarwalla | - Director |
| B. D. Mundhra | - Executive Director |
| Gora Ghose | - Director |
| A. K. Poddar | - Director |
| A. K. Singhania | - Chief Financial Officer |
| Jiyut Prasad | - Company Secretary |

Orient Beverages Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

| Particulars | Note No. | Year ended 31st March, 2014 ₹ | Year ended 31st March, 2013 ₹ |
|---|----------|-------------------------------------|-------------------------------------|
| REVENUE | | | |
| Revenue from Operations | 2.16 | 21,99,15,223 | 19,09,20,756 |
| Other Income | 2.17 | 1,53,74,625 | 1,38,19,696 |
| Total Revenue | | 23,52,89,848 | 20,47,40,452 |
| EXPENSES | | | |
| Cost of Materials Consumed | 2.18 | 7,28,84,145 | 6,03,48,011 |
| Purchase | 2.19 | 1,95,25,886 | 1,67,20,508 |
| Changes in Inventories of Finished Goods and Work-in-progress | 2.20 | (12,63,519) | (8,29,045) |
| Employee Benefits Expense | 2.21 | 3,35,87,516 | 3,05,06,677 |
| Finance Costs | 2.22 | 1,23,57,411 | 1,06,17,767 |
| Depreciation and Amortisation Expense | 2.23 | 1,12,36,303 | 1,09,78,890 |
| Other Expenses | 2.24 | 6,97,50,929 | 6,57,47,302 |
| Total Expenses | | 21,80,78,671 | 19,40,90,110 |
| Profit/ (Loss) before Tax | | 1,72,11,177 | 1,06,50,342 |
| Tax Expenses | 2.25 | | |
| Current Tax | | 48,68,253 | 28,00,000 |
| Deferred Tax Expenses / (Credit) | | (2,87,278) | (2,20,956) |
| For Earlier Year | | - | (36,755) |
| Profit/ (Loss) for the year from continuing operations | | 1,26,30,202 | 81,08,053 |
| Profit/ (Loss) from discontinuing operations | 2.26 | (99,407) | - |
| Tax expenses of discontinuing operations | | (32,253) | - |
| Profit/ (Loss) from discontinuing operations (after tax) | | (67,154) | - |
| Profit/ (Loss) for the year | | 1,25,63,048 | 81,08,053 |
| Earning per Equity Share (Basic and Diluted) (₹) | 2.27 | 5.81 | 3.75 |

SIGNIFICANT ACCOUNTING POLICIES AND

NOTES ON ACCOUNTS

1 & 2

Notes referred to above form an integral part of Statement of Profit and Loss

As per our report of even date annexed

For **TIWARI & COMPANY**

Chartered Accountants

Firm Regn. No. 309112E

P. TIWARI

Partner

Membership No. 16590

Kolkata, 29th day of May, 2014

| | |
|-----------------|---------------------------|
| N. K. Poddar | - Chairman |
| Akshat Poddar | - Managing Director |
| G. L. Agarwalla | - Director |
| B. D. Mundhra | - Executive Director |
| Gora Ghose | - Director |
| A. K. Poddar | - Director |
| A. K. Singhania | - Chief Financial Officer |
| Jiyut Prasad | - Company Secretary |

Orient Beverages Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT

| | Year Ended 31st March, 2014 ₹ | Year Ended 31st March, 2013 ₹ |
|--|-------------------------------------|-------------------------------------|
| A. Cash Flows from Operating Activities: | | |
| Net Profit before Tax as per Statement of Profit and Loss : | | |
| From Continuing Operations | 1,72,11,177 | 1,06,50,342 |
| From Discontinuing Operations | (99,407) | - |
| | 1,71,11,770 | 1,06,50,342 |
| Adjustments for : | | |
| Depreciation and Amortisation Expense | 1,12,36,303 | 1,09,78,890 |
| Interest Received | (1,47,81,387) | (1,29,43,221) |
| Finance Costs | 1,23,57,411 | 1,06,17,767 |
| Profit on sale of Fixed Assets | (21,042) | (9,956) |
| Loss on sale of Fixed Assets | 3,73,961 | - |
| Operating Profit before Working Capital Changes | 2,62,77,016 | 1,92,93,822 |
| Changes in Working Capital: | | |
| Increase/ (Decrease) in Trade Payables | (24,71,584) | (8,34,440) |
| Increase / (Decrease) in Provisions | (21,52,145) | (28,48,276) |
| Increase/ (Decrease) in Other Current Liabilities | 56,59,127 | 61,65,890 |
| Increase/ (Decrease) in Other Long Term Liabilities | (45,74,450) | 49,19,060 |
| (Increase) / Decrease in Inventories | (53,22,324) | 8,50,599 |
| (Increase) / Decrease in Trade Receivables | (28,82,500) | (1,21,26,282) |
| (Increase) / Decrease in Long Term Loan and Advances | 92,13,400 | 21,93,621 |
| (Increase) / Decrease in Short Term Loans and Advances | (2,06,64,133) | (1,89,58,297) |
| (Increase) / Decrease in Other Current Assets | 3,10,844 | (3,19,139) |
| Cash Generated from Operations | 33,93,251 | (16,63,442) |
| Income Tax paid (Net of Advance Tax) | 2,29,434 | 9,83,859 |
| Net Cash Flow from Operating Activities | 36,22,685 | (6,79,583) |
| B. Cash Flow from Investing Activities: | | |
| Purchase of Fixed Assets | (1,30,35,971) | (1,85,78,653) |
| Proceeds from Diposal of Fixed Assets | 5,23,922 | 32,183 |
| Proceeds from Disposal of Long Term Investments | 54,00,000 | 1,00,00,000 |
| Interest Received | 1,47,81,387 | 1,29,43,221 |
| Net Cash Flow from Investing Activities | 76,69,338 | 43,96,751 |

Orient Beverages Limited

| | Year Ended 31st March, 2014 ₹ | Year Ended 31st March, 2013 ₹ |
|---|-------------------------------------|-------------------------------------|
| C. Cash Flow from Financing Activities : | | |
| Proceeds from Long Term Borrowings (Net) | (54,48,458) | 34,37,947 |
| Proceeds from Short Term Borrowings (Net) | 1,09,54,602 | 45,49,877 |
| Finance Costs | (1,23,57,411) | (1,06,17,767) |
| Dividend Paid (Including Tax on Dividend) | (12,64,424) | - |
| Net Cash Flow from Financing Activities | <u>(81,15,691)</u> | <u>(26,29,943)</u> |
| Net Increase/ (Decrease) in Cash and Cash equivalent | 31,76,332 | 10,87,225 |
| Cash and Cash equivalent at the Commencement of the Year | 50,68,823 | 39,81,598 |
| Cash and Cash equivalent at the end of the Year | 82,45,155 | 50,68,823 |

- 1 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statement prescribed under the Act.
- 2 Previous year's figures have been regrouped or rearranged, wherever found necessary.

This is the Cash Flow Statement referred to in our Report of even date.

For **TIWARI & COMPANY**
Chartered Accountants
Firm Regn. No. 309112E
P. TIWARI
Partner
Membership No. 16590
Kolkata, 29th day of May, 2014

N. K. Poddar - *Chairman*
Akshat Poddar - *Managing Director*
G. L. Agarwalla - *Director*
B. D. Mundhra - *Executive Director*
Gora Ghose - *Director*
A. K. Poddar - *Director*
A. K. Singhania - *Chief Financial Officer*
Jiyut Prasad - *Company Secretary*

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

Significant Accounting Policies :

1.01. System of Accounting :

Financial Statements have been prepared in accordance with the historical cost convention following accrual system of Accounting, Accepted Accounting Principles, Accounting Standards issued by I.C.A.I and relevant provisions of the Companies Act, 1956.

1.02. Revenue Recognition :

- Sales** : Sales are recognised in the accounts on passing the title of the goods.
- Rental Income** : Rental Income have been shown in the accounts as per the terms of Agreements with the tenants.
- Other Income / Expenses** : Other Income including sale of services and expenses are accounted for on accrual basis.

1.03. Investment :

Investments are stated at cost including the share stamp charges.

1.04. Fixed Assets :

Fixed Assets are stated at cost including direct expenses related thereto net of depreciation.

1.05. Depreciation :

The Company is providing depreciation on assets including assets acquired in amalgamation on written down value method on pro-rata basis as per the rates prescribed under Schedule XIV to the Companies Act, 1956. No depreciation has been provided on Silver Idol as rate of depreciation has not been prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on Building on Leasehold Land (Shown under the head Non-Current Investments) has been charged on proportionate basis over the period of Lease.

1.06. Inventories :

- | | | |
|-----------------------|---|---|
| Real Estate | - | Valued at lower of cost including other attributable expenses or market realisable value. |
| Shares | - | Valued at lower of cost or market value in case of quoted shares and at lower of cost or book value in case of unquoted shares. |
| Finished Goods | - | Finished goods has been valued at lower of cost or market realisable value. |
| Work-in-Progress | - | Work-in-progress has been valued at cost incurred up to the stage of completion. |
| Raw/ Packing Material | - | Valued at cost. |

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

1.07. Amortisation of Deferred Revenue Expenses :

The deferred revenue expenses are being amortised by 5 equal installments.

1.08. Employee Benefits :

I. Short Term Employee Benefits - All employee benefits payable within twelve months of rendering the service are recognised in the period in which the employee renders the related service.

II. Post Employment Benefits -

Defined Contribution Plans :

a) Gratuity Plans :

Gratuity is payable to all eligible employees of the Company on death, permanent disablement and resignation in terms of the provisions of the Payment of Gratuity Act, 1972 or as per the Company's Scheme, whichever is more beneficial. Benefit would be paid at the time of separation based on the last drawn basic salary.

b) Leave Encashment :

Eligible employees can carry forward and encash leave up to death, permanent disablement and resignation subject to maximum accumulation allowed up to 88 days or as per terms of employment with the individual employee.

In case of employees of Kolkata and Ranchi Division, the leave over and above accumulation allowed is liable to be lapsed. Benefits would be paid only at the time of separation based on the last drawn gross salary.

In case of employees of Howrah Division, accumulated leave in excess of 42 days or as per terms of employment with the individual employee are encashed in the next year based on gross salary drawn in the last year.

III. Termination Benefits :

Termination Benefits are charged to the statement of Profit and Loss in the year in which they are incurred.

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

| | As at 31st March, 2014 ₹ | As at 31st March, 2013 ₹ |
|--|--------------------------------|--------------------------------|
|--|--------------------------------|--------------------------------|

NOTE 2.1

SHARE CAPITAL

Authorised

| | | |
|---|-------------|-------------|
| 39,00,000 (Thirty Nine Lacs) Equity Shares of ₹ 10/- each | 3,90,00,000 | 3,90,00,000 |
| 10,000 (Ten Thousand) Preference Shares of ₹ 100/- each | 10,00,000 | 10,00,000 |
| | 4,00,00,000 | 4,00,00,000 |

Issued & Subscribed

| | | |
|--|-------------|-------------|
| 21,62,400 (Twenty One Lacs Sixty Two Thousand Four Hundred) Equity Shares of ₹ 10/- each | 2,16,24,000 | 2,16,24,000 |
|--|-------------|-------------|

Paid up

| | | |
|--|-------------|-------------|
| 21,61,500 (Twenty One Lacs Sixty One Thousand Five Hundred) Equity Shares of ₹ 10/- each fully paid up (including 40,000 shares allotted in pursuant to a contract without payment being received in cash) | 2,16,15,000 | 2,16,15,000 |
|--|-------------|-------------|

Shares Suspense Account

1,133 Equity Shares of ₹ 10/- each fully paid up to be issued to the erstwhile shareholders of Amalgamating Companies, namely
Jaypee Estates Pvt. Ltd. - 1100 Shares
Avni Estates Pvt. Ltd. - 33 Shares
and ₹ 21.10 payable in cash against Fractional Shares in pursuance to a scheme of Amalgamation duly approved by the Hon'ble High Court at Calcutta vide Orders dated 26.08.2002 & 14.10.2004 (Refer Note No. 2.31)
Share Forfeiture Account

| | |
|-------------|-------------|
| 11,351 | 11,351 |
| 2,625 | 2,625 |
| 2,16,28,976 | 2,16,28,976 |

- (a) Reconciliation of the number of shares outstanding as at 31st March, 2014 and 31st March, 2013 is set out below:

| | <u>As at 31st March, 2014</u> | <u>As at 31st March, 2013</u> |
|---|-------------------------------|-------------------------------|
| Number of shares outstanding at the beginning of the year | 21,61,500 | 21,61,500 |
| Number of shares outstanding at the end of the year | 21,61,500 | 21,61,500 |

- (b) **Terms/ rights attached to equity shares:**

The Company has only one class of issued shares i.e. equity shares having a face value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in the proportion of their shareholdings.

- (c) Details of shares held by shareholders holding more than 5 % of the aggregate share capital in the Company :

| <u>Name of the Shareholder</u> | <u>As at 31st March, 2014</u> | | <u>As at 31st March, 2013</u> | |
|--------------------------------|-------------------------------|-------------------|-------------------------------|-------------------|
| | Number of <u>Shares</u> | <u>Percentage</u> | Number of <u>Shares</u> | <u>Percentage</u> |
| Sri Narendra Kumar Poddar | 700,484 | 32.41 | 6,42,050 | 29.70 |
| Smt. Ruchira Poddar | 2,02,650 | 9.38 | 2,02,650 | 9.38 |
| Sri Shree Narayan Jalan | - | - | 1,25,000 | 5.78 |
| Smt. Manju Jalan | 1,50,000 | 6.94 | 25,000 | 1.16 |

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

| | As at 31st March, 2014 ₹ | As at 31st March, 2013 ₹ |
|---|--------------------------------|--------------------------------|
| NOTE 2.2 | | |
| RESERVES AND SURPLUS | | |
| Capital Reserve | | |
| As per Last Account | 4,00,00,000 | 4,00,00,000 |
| Less : Transferred to General Reserve (Refer Note No. 2.32) | <u>4,00,00,000</u> | <u>—</u> |
| | — | <u>4,00,00,000</u> |
| Capital Subsidy Reserve | | |
| As per Last Account | <u>41,060</u> | <u>41,060</u> |
| Securities Premium Reserve | | |
| As per Last Account | <u>96,12,000</u> | <u>96,12,000</u> |
| General Reserve | | |
| As per Last Account | 69,42,526 | 69,42,526 |
| Add : Transferred from Capital Reserve (Refer Note No. 2.32) | 4,00,00,000 | — |
| Add : Transfer from Surplus in Statement of Profit and Loss | <u>10,00,000</u> | <u>—</u> |
| | <u>4,79,42,526</u> | <u>69,42,526</u> |
| Surplus | | |
| At the Beginning of the year | 8,32,35,214 | 7,51,27,161 |
| Add: Profit/(Loss) for the year from continuing operations | 1,26,30,202 | 81,08,053 |
| Add: Profit/ (Loss) from discontinuing operations (after tax) | <u>(67,154)</u> | <u>—</u> |
| Amount available for appropriation : | <u>9,57,98,262</u> | <u>8,32,35,214</u> |
| Less : Appropriations | | |
| Proposed Dividend | 10,80,750 | — |
| Tax on Dividend | 1,83,674 | — |
| Transfer to General Reserve | <u>10,00,000</u> | <u>—</u> |
| Balance in Surplus | <u>9,35,33,838</u> | <u>8,32,35,214</u> |
| | <u>15,11,29,424</u> | <u>13,98,30,800</u> |
| NOTE 2.3 | | |
| BORROWINGS | | |
| Non Current Liabilities | | |
| (A) Long-Term Borrowings | | |
| Secured | | |
| Term Loans from Banks (Note 2.3.1) | 19,96,889 | 37,50,000 |
| Other Loans from Banks (Note 2.3.2) | 54,90,065 | 49,30,547 |
| Loans from entities other than Banks (Note 2.3.3) | <u>5,21,18,101</u> | <u>5,15,89,349</u> |
| | <u>5,96,05,055</u> | <u>6,02,69,896</u> |
| Unsecured | | |
| Loans from entities other than Banks | — | 47,83,617 |
| | <u>5,96,05,055</u> | <u>6,50,53,513</u> |
| Current Liabilities | | |
| (B) Short - Term Borrowings | | |
| Unsecured | | |
| Loans from entities other than Banks (Note 2.3.4) | <u>2,11,05,491</u> | <u>1,01,50,889</u> |
| | <u>2,11,05,491</u> | <u>1,01,50,889</u> |

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

- 2.3.1 Loan of ₹ 19,96,889/- (Previous year ₹ 37,50,000/-) from United Bank of India is Secured by assignment of rent receivable from the lender Bank itself and personal guarantee of a Director of the Company up to ₹ 37,50,000/-. The loan is repayable in 84 installments. The last installment is payable on 20th March, 2020.

- 2.3.2 Break up of Other loans from Banks is as under:

| | As at 31st March, 2014 ₹ | As at 31st March, 2013 ₹ |
|--------------------------|--------------------------------|--------------------------------|
| <u>Name of the Bank</u> | | |
| HDFC Bank Ltd. | 13,59,916 | 92,965 |
| United Bank of India | 28,276 | 1,20,978 |
| Indusind Bank Ltd. | 19,69,956 | 6,81,545 |
| Kotak Mahindra Bank Ltd. | 21,31,917 | 40,35,059 |
| | 54,90,065 | 49,30,547 |

Above loans are secured by hypothecation of vehicles and machineries financed by the respective banks. Loans are repayable in equated monthly installments. Last installment is payable on 7th November, 2016.

- 2.3.3 Loans from entities other than banks includes :

- (a) ₹ 44,44,187/- (Previous year ₹ 23,76,550/-) from Reliance Capital Ltd. is secured by hypothecation of certain machineries financed by them. Loans are repayable in equated monthly installments. Last installment is payable on 10th January, 2017.
- (b) ₹ 3,42,68,074/- (Previous year ₹ 4,92,12,799/-) from L&T Finance Ltd. is secured by mortgage of immovable properties of the Company situated at NH- 6, Salap More, Howrah, portion of premises Nos. 50, Chowringhee Road, Kolkata and 225C, A. J. C. Bose Road, Kolkata, hypothecation of raw materials, work-in-progress, finished goods, movable properties such as plant and machinery, equipments etc., book debts and personal guarantee of two Directors of the Company up to ₹ 6,00,00,000/-. Last installment is payable on 5th September, 2016.
- (c) ₹ 1,34,05,840/- (Previous year ₹ NIL) from Magma Fincorp Ltd. is secured by pledge of 8,25,000 equity shares of the Company held by Directors/ Promoters and personal guarantee of Director/ Promoters of the Company. The loan is repayable in equated monthly installments. Last installment is payable on 7th August, 2017.

- 2.3.4 Short term borrowings (unsecured) from entities other than banks are repayable on demand.

| | As at 31st March, 2014 ₹ | As at 31st March, 2013 ₹ |
|--|--------------------------------|--------------------------------|
|--|--------------------------------|--------------------------------|

NOTE 2.4

OTHER LONG - TERM LIABILITIES

| | | |
|--|-------------|-------------|
| Creditors for Materials / Services | 12,06,326 | 9,60,696 |
| Advance from Customers | 1,29,82,747 | 1,36,62,983 |
| Sundry Creditors for Expenses and Others | 11,64,075 | 20,02,342 |
| Deposits from Customers as Security | 3,67,65,223 | 4,00,66,800 |
| | 5,21,18,371 | 5,66,92,821 |

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

| | As at 31st March, 2014 ₹ | As at 31st March, 2013 ₹ |
|---|--------------------------------|--------------------------------|
| NOTE 2.5 | | |
| PROVISIONS | | |
| Non-Current Liabilities | | |
| (A) Long-Term Provisions | | |
| Provision for Employee Benefits | | |
| Provision for Gratuity | - | 6,37,245 |
| Provision for Leave Encashment | 16,62,053 | 14,25,640 |
| Total (A) | <u>16,62,053</u> | <u>20,62,885</u> |
| CURRENT LIABILITIES | | |
| (B) Short-Term Provisions | | |
| Provision for Gratuity | - | 67,642 |
| Provision for Leave Encashment | 1,16,336 | 17,438 |
| Provision for Dividend | 10,80,750 | - |
| Provision for Tax on Dividend | 1,83,674 | - |
| Provision for Income Tax (Net of Advance Tax) | 17,89,007 | - |
| Total (B) | <u>31,69,767</u> | <u>85,080</u> |
| NOTE 2.6 | | |
| TRADE PAYABLE | | |
| Creditors for Materials / Services | 2,11,94,736 | 2,36,66,320 |
| | <u>2,11,94,736</u> | <u>2,36,66,320</u> |
| NOTE 2.7 | | |
| OTHER CURRENT LIABILITIES | | |
| Advance from Customers | 38,36,998 | 27,10,450 |
| Creditors for Capital Goods | 1,16,051 | 3,87,849 |
| Accrued Salaries and Benefits | 34,09,742 | 18,14,016 |
| Government Statutory Dues | 3,31,87,826 | 2,94,32,685 |
| Sundry Creditors for Expenses and Others | 96,29,063 | 1,01,75,553 |
| | <u>5,01,79,680</u> | <u>4,45,20,553</u> |

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

NOTE 2.8

FIXED ASSETS :

(A) Real Estate Division :

| Nature of Fixed Assets | GROSS BLOCK | | | | DEPRECIATION | | | (Amount in ₹) | | |
|-----------------------------|---------------------|---------------------------------|--------------------------------|------------------------------|---------------------|-----------------|--------------------------------|---------------------------|---------------------|---------------------|
| | As at 31.03.2013 | Additions during the year | Sales and/or Adjustments | Total as on 31.03.2014 | Up to 31.03.2013 | For the year | Sales and/or Adjustments | Total up to 31.03.2014 | As at 31.03.2014 | As at 31.03.2013 |
| | | | | | | | | | | |
| (i) Tangible Assets: | | | | | | | | | | |
| Land Development | 12,49,093 | - | - | 12,49,093 | - | - | - | - | 12,49,093 | 12,49,093 |
| Landed Properties | 11,875 | - | - | 11,875 | 4,765 | 355 | - | 5,120 | 6,755 | 7,110 |
| <u>Leasehold Properties</u> | | | | | | | | | | |
| Own portion | 40,27,729 | - | - | 40,27,729 | 16,14,293 | 1,20,672 | - | 17,34,965 | 22,92,764 | 24,13,436 |
| Leibut portion | 26,56,745 | - | - | 26,56,745 | 21,42,897 | 25,692 | - | 21,68,589 | 4,88,156 | 5,13,848 |
| Electric Installation etc. | 1,48,08,442 | - | - | 1,48,08,442 | 1,02,09,390 | 6,39,728 | - | 1,08,49,118 | 39,59,324 | 45,99,052 |
| Generator | 54,97,429 | - | - | 54,97,429 | 40,65,383 | 1,99,198 | - | 42,64,581 | 12,32,848 | 14,32,046 |
| Lift | 2,737,647 | - | - | 2,737,647 | 10,49,072 | 2,34,881 | - | 12,83,953 | 14,53,694 | 16,88,575 |
| Silver Idol | 6,06,900 | - | - | 6,06,900 | - | - | - | - | 6,06,900 | 6,06,900 |
| Furniture and Fixtures | 78,52,430 | - | - | 78,52,430 | 59,42,994 | 3,45,608 | - | 62,88,602 | 15,63,828 | 19,09,436 |
| Office Equipments | 4,14,580 | 93,000 | - | 5,07,580 | 2,09,910 | 40,591 | - | 2,50,501 | 2,57,079 | 2,04,670 |
| Computer | 9,72,003 | - | - | 9,72,003 | 9,39,557 | 12,978 | - | 9,52,535 | 19,468 | 32,446 |
| Vehicles | 91,49,886 | 20,61,409 | 8,67,239 | 1,03,44,056 | 62,54,033 | 10,20,684 | 5,11,657 | 67,63,060 | 35,80,996 | 28,95,853 |
| Cycles | 14,352 | - | 14,352 | - | 14,189 | 9 | 14,198 | - | - | 163 |
| | 4,99,99,111 | 21,54,409 | 8,81,591 | 5,12,71,929 | 3,24,46,483 | 26,40,396 | 5,25,855 | 3,45,61,024 | 1,67,10,905 | 1,75,52,628 |
| (ii) Intangible Assets: | | | | | | | | | | |
| Goodwill | 21,96,833 | - | - | 21,96,833 | - | - | - | - | 21,96,833 | 21,96,833 |
| TOTAL : (A) | 5,21,95,944 | 21,54,409 | 8,81,591 | 5,34,68,762 | 3,24,46,483 | 26,40,396 | 5,25,855 | 3,45,61,024 | 1,89,07,738 | 1,97,49,461 |

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

(B) Packaged Drinking Water Division : (Amount in ₹)

| | GROSS BLOCK | | | DEPRECIATION | | | NET BLOCK | |
|-------------------------------|---------------------|---------------------------------|--|------------------------------|---------------------|--|---------------------------|--|
| | As at 31.03.2013 | Additions during the year | Sales and/or Adjustments 31.03.2014 | Total as on 31.03.2014 | Up to 31.03.2013 | For the year and/or Adjustments | Total up to 31.03.2014 | As at 31.03.2013 As at 31.03.2014 |
| Nature of Fixed Assets | | | | | | | | |
| (i) Tangible Assets : | | | | | | | | |
| Land | 39,26,824 | - | - | 39,26,824 | - | - | - | 39,26,824 39,26,824 |
| Building | 1,43,20,109 | 4,13,987 | - | 1,47,34,096 | 57,32,998 | 8,69,612 | 66,02,610 | 81,31,486 85,87,111 |
| Plant and Machinery | 5,21,31,533 | 51,35,684 | 1,85,949 | 5,70,81,268 | 2,02,65,465 | 47,67,197 | 61,186 2,49,71,476 | 3,21,09,792 3,18,66,068 |
| Electric Installation etc. | 72,08,801 | 9,58,713 | 44,574 | 81,22,940 | 25,93,528 | 6,87,693 | 11,362 32,69,859 | 48,53,081 46,15,273 |
| Generator | 40,12,234 | 17,000 | - | 40,29,234 | 10,17,591 | 4,17,125 | - 14,34,716 | 25,94,518 29,94,643 |
| Furniture and Fixtures | 4,89,371 | 2,800 | 1,62,053 | 3,30,118 | 2,61,932 | 25,936 | 62,438 2,25,430 | 1,04,688 2,27,439 |
| Office Equipments | 9,55,196 | 23,238 | 82,990 | 8,95,444 | 5,74,127 | 49,296 | 51,347 5,72,076 | 3,23,368 3,81,069 |
| Computer | 6,64,663 | 80,439 | 63,748 | 6,81,354 | 5,36,233 | 60,015 | 36,457 5,59,791 | 1,21,563 1,28,430 |
| Vehicles | 1,13,30,200 | 26,27,032 | 4,77,681 | 1,34,79,551 | 63,65,399 | 15,94,211 | 2,73,100 76,86,510 | 57,93,041 49,64,801 |
| Cycles | 2,400 | - | 2,400 | - | 2,400 | - | 2,400 | - - |
| TOTAL : (B) | 9,50,41,331 | 92,58,893 | 10,19,395 | 10,32,80,829 | 3,73,49,673 | 84,71,085 | 4,98,290 4,53,22,468 | 5,79,58,361 5,76,91,658 |
| Total (A + B) | 14,72,37,275 | 1,14,13,302 | 19,00,986 | 15,67,49,591 | 6,97,96,156 | 1,11,11,481 | 10,24,145 7,98,83,492 | 7,68,66,099 7,74,41,119 |
| Capital Work-in-Progress | - | 16,22,669 | - | 16,22,669 | - | - | - | 16,22,669 - |
| Grand Total | 14,72,37,275 | 1,30,35,971 | 19,00,986 | 15,83,72,260 | 6,97,96,156 | 1,11,11,481 | 10,24,145 7,98,83,492 | 7,84,88,768 7,74,41,119 |
| Figures for the Previous Year | 12,87,95,073 | 1,85,78,653 | 1,36,451 | 14,72,37,275 | 5,90,56,312 | 1,08,54,068 | 1,14,224 6,97,96,156 | 7,74,41,119 |

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

NOTES 2.9

NON - CURRENT INVESTMENTS

Long Term at Cost, unless otherwise specified

Investments (Unquoted) - Non Trade

| | As at 31st March, 2014 | | As at 31st March, 2013 | |
|---|------------------------|--------------------|------------------------|--------------------|
| | No. | Value ₹ | No. | Value ₹ |
| (A) Investments in Equity Shares | | | | |
| Fully paid up Equity Shares of ₹ 10/- each | | | | |
| (i) Associates | | | | |
| Jenny Christensen (S.A) Pvt. Ltd. | 1,150 | 11,500 | 1,150 | 11,500 |
| Vrishti Beveragess Pvt. Ltd. | 100,000 | 6,000,000 | 190,000 | 1,14,00,000 |
| (ii) Others | | | | |
| Allied Holdings Pvt. Ltd. | 1,25,000 | 50,00,000 | 1,25,000 | 50,00,000 |
| Avni Enterprises Pvt. Ltd. | 50,000 | 10,00,000 | 50,000 | 10,00,000 |
| Balaji Metal & Sponge (P) Ltd. | 5,30,000 | 53,00,000 | 5,30,000 | 53,00,000 |
| Beekay Steel & Power Ltd. | 25,000 | 10,00,000 | 25,000 | 10,00,000 |
| B. P. Poddar Hospital & Medical Research Ltd. | 5,10,000 | 51,00,000 | 5,10,000 | 51,00,000 |
| Candlewood Holdings Pvt. Ltd. | 3,00,000 | 60,00,000 | 3,00,000 | 60,00,000 |
| Flora Suppliers (P) Ltd. | 1,600 | 10,00,000 | 1,600 | 10,00,000 |
| Ishanika Traders (P) Ltd. | 2,000 | 12,50,000 | 2,000 | 12,50,000 |
| Jyotirmay Trading Pvt. Ltd. | 50,000 | 20,00,000 | 50,000 | 20,00,000 |
| Popular Commercial Pvt. Ltd. | 25,000 | 5,00,000 | 25,000 | 5,00,000 |
| Pricol Traders (P) Ltd. | 2,000 | 12,00,000 | 2,000 | 12,00,000 |
| Radice Ispat (India) Ltd. ** | 4,000 | 20,00,000 | 4,000 | 20,00,000 |
| Singh Wahini Moulders & Holdings Pvt. Ltd. | 50,000 | 20,00,000 | 50,000 | 20,00,000 |
| Sky-B (Bangla) (P) Ltd. | 8,00,000 | 80,00,000 | 8,00,000 | 80,00,000 |
| Total (A) | | <u>4,73,61,500</u> | | <u>5,27,61,500</u> |
| (B) Immovable Properties | | | | |
| Rented portion in the Building on Lease hold land at 50, Chowringhee Road, Kolkata (acquired on amalgamation). The Building will vest with the Lessor on expiry of lease of land. | | | | |
| As per Last Account | | <u>46,83,286</u> | | <u>46,83,286</u> |
| Less : Proportionate amount written off upto 31.03.2013 | | 42,55,121 | | 41,30,299 |
| For the Year 2013-2014 | | <u>1,24,822</u> | | <u>1,24,822</u> |
| | | <u>43,79,943</u> | | <u>42,55,121</u> |
| Total (B) | | <u>3,03,343</u> | | <u>4,28,165</u> |
| Aggregate amount of Investments (A+B) | | <u>4,76,64,843</u> | | <u>5,31,89,665</u> |

** 20,000 Equity Shares of ₹ 10/- each of M/s Gautam Estates Pvt. Ltd. converted in to 4,000 Equity Shares of ₹ 10/- each of M/s Radice Ispat (India) Ltd. pursuant to amalgamation.

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

| | As at 31st March, 2014 ₹ | As at 31st March, 2013 ₹ |
|--|--------------------------------|--------------------------------|
| NOTE 2.10 | | |
| DEFERRED TAX ASSETS (NET) | | |
| Deferred Tax Assets | | |
| Disallowance under Section 43B | 27,28,855 | 24,93,910 |
| Difference between Book & Tax Depreciation | <u>7,14,013</u> | <u>6,61,680</u> |
| | 34,42,868 | 31,55,590 |
| Deferred Tax Liabilities | - | - |
| Deferred Tax Assets (Net) | <u>34,42,868</u> | <u>31,55,590</u> |

NOTES :

- (a) The Deferred Tax Assets arising from timing difference are recognised to the extent there is reasonable certainty that these assets can be realised in future.
- (b) The deferred tax for timing difference between the book and tax profit for the year is accounted for, using the tax rates and tax laws that have been enacted or subsequently enacted as at the Balance Sheet date.

NOTE 2.11

NON-CURRENT ASSETS

(A) Long - Term Loans and Advances

Unsecured, Considered Good

| | | |
|---|--------------------|--------------------|
| Advance for Capital Goods | 60,000 | 60,000 |
| Advance to Suppliers for Materials / Services | 7,46,507 | 7,41,397 |
| Deposit with Government | 9,500 | 11,500 |
| Deposit with Others | 1,13,70,701 | 1,08,97,072 |
| Loans and Advances to Related Parties | 1,72,364 | 72,34,492 |
| Central Excise Duty deposited as per the Calcutta High Court Order [Refer Note No. 2.29(a)] | 20,46,303 | 20,46,303 |
| Others Advances | <u>13,20,220</u> | <u>39,48,231</u> |
| Total (A) | <u>1,57,25,595</u> | <u>2,49,38,995</u> |

CURRENT ASSETS

(B) Short-Term Loans and Advances

Unsecured, Considered Good

| | | |
|---|---------------------|---------------------|
| Loans to Bodies Corporate | 4,82,74,388 | 4,27,69,935 |
| (Including doubtful ₹ 2,90,000/-, Previous year ₹ 7,07,538/-) | | |
| Loans to Other Parties | 10,71,93,117 | 9,95,55,078 |
| Advance for Capital Goods | 49,12,360 | 1,13,149 |
| Advance to Suppliers for Materials / Services | 6,90,290 | 19,37,743 |
| Loans and Advances to Employees | 8,26,779 | 7,90,895 |
| Advance Income Tax (Net of provision) | - | 2,29,434 |
| Prepaid Expenses | 3,03,532 | 3,26,467 |
| Others Advances | <u>93,50,830</u> | <u>53,93,896</u> |
| Total (B) | <u>17,15,51,296</u> | <u>15,11,16,597</u> |

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

| | As at 31st March, 2014 ₹ | As at 31st March, 2013 ₹ |
|--|--------------------------------|--------------------------------|
| NOTE 2.12 | | |
| INVENTORIES | | |
| Taken valued and Certified by the Management (At cost or net relisable value whichever is lower) | | |
| Packaged Drinking Water | | |
| Raw / Packing Materials | 1,60,67,486 | 1,21,25,942 |
| Work - in - Progress | 1,84,739 | 2,93,787 |
| Finished Goods | 23,93,192 | 10,53,690 |
| Scrap | 10,27,540 | 7,67,214 |
| Others | | |
| Building (Part) | 9,64,342 | 9,64,342 |
| Shares | 30,00,000 | 31,10,000 |
| | <u>2,36,37,299</u> | <u>1,83,14,975</u> |
| NOTE 2.13 | | |
| TRADE RECEIVABLE | | |
| Outstanding for a period exceeding 6 months (Considered Good) | | |
| Secured | 55,67,694 | 39,09,222 |
| Unsecured | 72,44,671 | 71,84,368 |
| Other Debts (Considered Good) | | |
| Secured | 55,98,784 | 62,80,297 |
| Unsecured | 1,40,29,122 | 1,21,83,884 |
| | <u>3,24,40,271</u> | <u>2,95,57,771</u> |
| NOTE 2.14 | | |
| CASH AND BANK BALANCES | | |
| Cash-in-hand | 11,74,058 | 4,44,887 |
| Balance with Banks | | |
| In Current Accounts | 35,55,394 | 18,71,674 |
| In Fixed Deposit Accounts (Refer Note 1 & 2) | | |
| - With maturity of more than 12 months | 35,15,703 | 27,52,262 |
| | <u>82,45,155</u> | <u>50,68,823</u> |
| Notes | | |
| 1. Placed with United Bank of India against Bank Guarantee in favour of West Bengal State Electricity Distribution Company Ltd. for ₹ 29,14,881/- (Previous year ₹ 24,03,555/-) towards security deposit for bulk supply of power. | | |
| 2. Includes Accrued interest of ₹ 5,48,823/- (Previous year ₹ 2,96,709/-) | | |
| NOTE 2.15 | | |
| OTHER CURRENT ASSETS | | |
| Excise Duty / Service Tax CENVAT Receivable | 5,97,458 | 9,08,302 |
| | <u>5,97,458</u> | <u>9,08,302</u> |

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

| | Year ended 31st March, 2014 ₹ | Year ended 31st March, 2013 ₹ |
|---|-------------------------------------|-------------------------------------|
| NOTE 2.16 | | |
| REVENUE FROM OPERATIONS | | |
| (A) Sale of Products | | |
| Packaged Drinking Water | | |
| Own Manufactured Goods | 18,07,87,227 | 15,32,85,478 |
| Traded Goods | 2,47,08,492 | 2,50,04,244 |
| Raw Materials | 29,93,136 | 16,51,279 |
| Scrap | 5,77,939 | 77,517 |
| | <u>20,90,66,794</u> | <u>18,00,18,518</u> |
| Less : Excise Duty | 2,18,21,662 | 1,96,13,265 |
| | <u>18,72,45,132</u> | <u>16,04,05,253</u> |
| Shares | 1,01,000 | - |
| Total (A) | <u>18,73,46,132</u> | <u>16,04,05,253</u> |
| (B) Other Operating Revenue | | |
| Rental Income | | |
| Rent | 2,69,70,274 | 2,60,06,013 |
| (Including Arrear Rent ₹ 1,000/-, Previous Year ₹ 40,452/-) | | |
| (TDS ₹ 25,43,493/-, Previous Year ₹ 24,59,176/-) | | |
| Maintenance / Generator / Electricity Charges | 55,98,817 | 45,09,490 |
| (TDS ₹ 81,970/-, Previous Year ₹ 52,251/-) | | |
| Total (B) | <u>3,25,69,091</u> | <u>3,05,15,503</u> |
| TOTAL (A+B) | <u>21,99,15,223</u> | <u>19,09,20,756</u> |
| NOTE 2.17 | | |
| OTHER INCOME | | |
| Interest Income | 1,47,81,387 | 1,29,43,221 |
| (TDS ₹ 5,23,636/-, Previous Year ₹ 3,44,013/-) | | |
| Miscellaneous Receipts | 5,16,979 | 4,26,023 |
| Profit on Sale of Fixed Assets | 19,465 | 9,956 |
| Liabilities no longer required written back | 56,794 | 4,40,496 |
| | <u>1,53,74,625</u> | <u>1,38,19,696</u> |

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

| | Year ended 31st March, 2014 ₹ | Year ended 31st March, 2013 ₹ |
|--|-------------------------------------|-------------------------------------|
| NOTE 2.18 | | |
| COST OF MATERIALS CONSUMED | | |
| Raw/Packing Material Consumed | | |
| (Including cost of materials sold) | | |
| Opening Stock | 1,21,25,942 | 1,38,59,516 |
| Less : Stock of discontinuing operations adjusted | <u>5,59,878</u> | <u>-</u> |
| | 1,15,66,064 | 1,38,59,516 |
| Add:Purchase | <u>7,73,85,567</u> | <u>5,86,14,437</u> |
| | 8,89,51,631 | 7,24,73,953 |
| Less:Closing Stock | <u>1,60,67,486</u> | <u>1,21,25,942</u> |
| | <u>7,28,84,145</u> | <u>6,03,48,011</u> |
| NOTE 2.19 | | |
| PURCHASE | | |
| Packaged Drinking Water (Finished Goods) | 1,80,46,219 | 1,62,72,535 |
| Carriage Inward | 8,31,032 | 2,49,554 |
| Excise Duty on Stock Transfer | <u>6,48,635</u> | <u>1,98,419</u> |
| | <u>1,95,25,886</u> | <u>1,67,20,508</u> |
| NOTE 2.20 | | |
| CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS | | |
| Opening Balance | | |
| Packaged Drinking Water | | |
| Work-in-Progress | 2,93,787 | 1,78,932 |
| Finished Goods | 10,53,690 | 8,84,124 |
| Scrap | 7,67,214 | 1,68,660 |
| Building | 9,64,342 | 9,64,342 |
| Shares | <u>31,10,000</u> | <u>31,10,000</u> |
| | (A) <u>61,89,033</u> | <u>53,06,058</u> |
| Closing Balance | | |
| Packaged Drinking Water | | |
| Work-in-Progress | 1,84,739 | 2,93,787 |
| Finished Goods | 23,93,192 | 10,53,690 |
| Scrap | 10,27,540 | 7,67,214 |
| Building | 9,64,342 | 9,64,342 |
| Shares | <u>30,00,000</u> | <u>31,10,000</u> |
| | (B) <u>75,69,813</u> | <u>61,89,033</u> |
| Increase / (Decrease) in Cenvat Duty on Stock | (C) <u>1,17,261</u> | <u>53,930</u> |
| Net (Increase) / Decrease in Stock (A-B+C) | <u>(12,63,519)</u> | <u>(8,29,045)</u> |
| NOTE 2.21 | | |
| EMPLOYEE BENEFITS EXPENSE | | |
| Salary, Wages and other Allowances | 2,80,65,930 | 2,57,28,490 |
| Contribution to Provident and Other Funds | 28,01,087 | 24,00,741 |
| Directors' Sitting Fees | 2,000 | 3,750 |
| Staff Welfare Expenses | <u>27,18,499</u> | <u>23,73,696</u> |
| | <u>3,35,87,516</u> | <u>3,05,06,677</u> |

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

| | Year ended 31st March, 2014 ₹ | Year ended 31st March, 2013 ₹ |
|---|-------------------------------------|-------------------------------------|
| NOTE 2.22 | | |
| FINANCE COSTS | | |
| Interest Expense on : | | |
| Borrowings from Banks | 10,54,461 | 9,00,820 |
| Borrowings from Others | 1,05,79,401 | 95,57,741 |
| Other Borrowing Costs | 7,23,549 | 1,59,206 |
| | <u>1,23,57,411</u> | <u>1,06,17,767</u> |
| NOTE 2.23 | | |
| DEPRECIATION AND AMORTISATION EXPENSES | | |
| Depreciation | | |
| On Fixed Assets | 1,11,11,481 | 1,08,54,068 |
| Proportionate Value of Building on Leasehold Land written off | 1,24,822 | 1,24,822 |
| | <u>1,12,36,303</u> | <u>1,09,78,890</u> |
| NOTE 2.24 | | |
| OTHER EXPENSES | | |
| (a) Manufacturing Expenses | | |
| Production Expenses | 24,29,256 | 30,07,233 |
| Power, Fuel and Water | 1,26,13,512 | 1,14,76,625 |
| Repairs and Maintenance | | |
| Buildings | 86,452 | - |
| Plant and Machinery | 31,17,131 | 35,92,051 |
| Others | 94,162 | 1,00,113 |
| Total (a) | <u>1,83,40,513</u> | <u>1,81,76,022</u> |
| (b) Selling and Distribution Expenses | | |
| Vehicle Expenses | 20,79,611 | 25,92,228 |
| Other Selling Expenses | 57,93,800 | 54,48,390 |
| Royalty | 2,25,05,073 | 1,83,32,712 |
| Sales Promotion Expenses | 15,40,602 | 10,54,203 |
| Total (b) | <u>3,19,19,086</u> | <u>2,74,27,533</u> |

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

| | Year ended 31st March, 2014 ₹ | Year ended 31st March, 2013 ₹ |
|--|-------------------------------------|-------------------------------------|
| (c) Administrative Expenses | | |
| Advertisement and Publicity | 1,16,347 | 1,65,918 |
| Bank Charges | 1,14,222 | 1,27,773 |
| Books and Periodicals | 9,029 | 9,502 |
| Brokerage Paid | 4,40,000 | 1,05,000 |
| Delayed Payment Charges | 1,56,190 | 2,17,787 |
| Entertainment Expenses | 3,80,707 | 3,54,457 |
| Earlier Year Expenses (Net) | 41,866 | 1,67,492 |
| Insurance | 3,74,983 | 3,08,158 |
| Legal and Professional Charges | 8,64,136 | 3,12,266 |
| Loss on Sale of Fixed Assets | 17,057 | - |
| General Expenses | 11,14,261 | 9,19,695 |
| Office Maintenance | 14,29,870 | 13,98,851 |
| Payment to Auditors (Refer Note No. 2.38) | 1,66,740 | 1,41,942 |
| Printing and Stationery | 5,73,369 | 4,74,622 |
| Postage, Courier and Telephone | 7,46,919 | 8,05,534 |
| Rates, Taxes and Fees (Refer Note No. 2.39) | 28,18,960 | 29,18,410 |
| Rent (Including ₹ 2,58,217/-, Previous year ₹ 2,20,126/- on leasehold properties) | 16,92,217 | 8,64,126 |
| Repairs and Maintenance : | | |
| Buildings | 5,46,979 | 13,02,012 |
| Plant and Machinery | 9,07,623 | 7,95,935 |
| Others | 67,058 | 40,266 |
| Service Charges Paid | 37,576 | 95,512 |
| Sponsorship Expenses | - | 4,75,000 |
| Sundry Balance Irrecoverable written off | 9,44,651 | 20,96,986 |
| Travelling and Conveyance | 49,78,166 | 50,38,651 |
| Vehicle Upkeep Expenses | 9,52,404 | 10,07,852 |
| Total (c) | 1,94,91,330 | 2,01,43,747 |
| Total (a+b+c) | 6,97,50,929 | 6,57,47,302 |

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

| | Year ended 31st March, 2014 | Year ended 31st March, 2013 |
|----------------------------------|--------------------------------|--------------------------------|
| | ₹ | ₹ |
| NOTE 2.25 | | |
| TAX EXPENSES | | |
| Current Tax Expenses | | |
| Current Tax | 48,68,253 | 28,00,000 |
| Tax for Earlier Years | - | (36,755) |
| | <u>48,68,253</u> | <u>27,63,245</u> |
| Deferred Tax (Credit) / Expenses | (2,87,278) | (2,20,956) |
| | <u>45,80,975</u> | <u>25,42,289</u> |

NOTE 2.26

PROFIT/ (LOSS) FROM DISCONTINUING OPERATIONS

| | | |
|---|-----------------|----------|
| Miscellaneous Receipts | 51,809 | - |
| Profit on sale of Fixed Assets | 1,577 | - |
| Liabilities no longer required written back | 2,28,961 | - |
| | <u>2,82,347</u> | <u>-</u> |
| Loss on sale of Fixed Assets | 3,56,904 | - |
| Sundry Balances Irrecoverable written off | 24,850 | - |
| | <u>3,81,754</u> | <u>-</u> |
| | (99,407) | - |
| Less: Tax Expenses | (32,253) | - |
| Profit / (Loss) from discontinuing operations (after tax) | <u>(67,154)</u> | <u>-</u> |

NOTE 2.27

EARNINGS PER SHARE (EPS)

| | | |
|---|-------------|-----------|
| i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Amount in ₹) | 1,25,63,048 | 81,08,053 |
| ii) Numbers of Equity Shares | 21,61,500 | 21,61,500 |
| iii) Basic and Diluted Earnings per share (Amount in ₹) | 5.81 | 3.75 |
| iv) Face Value per equity share (Amount in ₹) | 10.00 | 10.00 |

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

- 2.28 Estimated amount of contracts remaining to be executed on capital account is ₹11,22,76,870/- (Previous Year ₹ 26,52,688/-) against which ₹ 49,72,360/- (Previous Year ₹ 4,63,149/-) has been paid as advance.
- 2.29 Contingent Liabilities not provided for:
- (a) Additional Excise Duty amounting to ₹ 26,98,597/- (Previous Year ₹ 26,98,597/-) demanded by the Excise Authorities has not been provided in the Books of Account although an amount of ₹ 20,46,303/- (Previous Year ₹ 20,46,303/-) has been deposited with the Central Excise Authorities as per High Court Order. The matter is subjudiced pending decision by the Central Excise Tribunal, neither adjustment for the amount deposited nor provision for additional Excise Duty has been made.
 - (b) Interest and penalty of ₹ 82,23,782/- (Previous Year ₹ 58,53,873/-) of Kolkata Municipal Corporation taxes of premises no. 50, Chowringhee Road, Kolkata, the valuation of which has been disputed by the Company and the matter is pending before Hon'ble High Court at Calcutta.
 - (c) Interest and penalty of ₹ 4,83,525/- (Previous Year ₹ 3,07,698/-) of Kolkata Municipal Corporation taxes of premises no. 225C, A. J. C. Bose Road, Kolkata, which has been disputed with Kolkata Municipal Corporation as the Company has paid certain amount in waiver scheme and decision of the same is pending.
- 2.30 (a) One of the tenants of the Company namely M/s Income Tax Appellate Tribunal is not paying Service Tax on Rent since the same has come in to effect. The Company is liable to collect a sum of ₹ 46,84,664/- (Previous Year ₹ 39,43,202/-) from said M/s Income Tax Appellate Tribunal towards Service Tax on Rent for the period 01.06.2007 to 31.03.2014 and remit the same to the Government account. The Company has duly provided the said Service Tax liability in its books of account. The Company has filed a writ petition before the Hon'ble High Court at Calcutta for recovery of Service Tax on Rent from M/s Income Tax Appellate Tribunal. The matter is subjudiced pending decision by the Hon'ble High Court at Calcutta.
- (b) Annual Value of one property of the Company situated at 50, Chowringhee Road, Kolkata was revised by the Kolkata Municipal Corporation with retrospective effect from 1st July, 2006 on 15.06.2010. The Company has disputed the said valuation by filing a writ petition before the Hon'ble High Court at Calcutta praying for a fresh valuation. The Company is not paying municipal tax and liability on this account of ₹ 1,25,42,889/- (Previous Year ₹ 1,06,00,390/-) up to 31.03.2014 has been duly provided in the books of account. The matter is subjudiced, pending decision by the Hon'ble High Court at Calcutta.
- 2.31 As per the Scheme of amalgamation M/s. Jaypee Estates Pvt. Ltd. and M/s. Avni Estates Pvt. Ltd. have been merged with the Company w.e.f. 01.04.2003 with all Assets and Liabilities including charges, liens, mortgages, interest, appeals etc. vide Order (s) dated 26.08.2002 and 14.10.2004 passed by the Hon'ble High Court at Calcutta. The Company is to issue 1133 Equity Shares of ₹ 10/- each fully paid up to the erstwhile shareholders of amalgamating Companies as purchase consideration.

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

Pending completion of certain legal formalities with the appropriate authorities, some of the assets and liabilities taken in the books are still in the name of amalgamating companies.

- 2.32 Capital Reserve amounting to ₹ 4,00,00,000/- (Rupees Four Crores only) carried forward since financial year 1998-99 has been transferred to General Reserve during the year as the required period of restriction of non competing the business has completed long back and specific purpose of creation of Capital Reserve has since fulfilled.
- 2.33 Purchases of Packaged Drinking Water have been shown net of input credit taken against Excise Duty & VAT. Similarly Sales have been shown net of output tax adjusted against VAT.
- 2.34 In the opinion of the management there is no requirement making any provision on account of impairment of Fixed Assets held by the Company, accordingly no provision has been made as required by AS - 28.
- 2.35 Since the demand of Central Excise and Interest/ Penalty on municipal taxes is contingent in nature and has been disputed by the Company before the Appropriate Authorities, the provision required as per AS - 29 has not been considered necessary.
- 2.36 Some Tenants have deposited rent in Rent Control Account and the Company is withdrawing the amount there from time to time.
- 2.37 Land of the Company at Kankulia measuring 5 (five) Bighas and 1 (one) Cottah was acquired by the West Bengal Government under the provisions of West Bengal Land (Requisition and Acquisition) Act, 1948. Compensation so far received, net of cost, has already been taken as Income. In case the Company gets any further compensation the same shall be adjusted in the year of receipt.

- 2.38 Auditors' Remuneration [Note No. 2.24(c)] includes :

| | 2013-14 ₹ | 2012-13 ₹ |
|--|--------------|--------------|
| (i) Payment to Statutory Auditors : (including Service Tax) | | |
| - As Audit Fees | 1,01,124/- | 1,01,124/- |
| - As Tax Audit Fees | 5,618/- | 5,618/- |
| - As reimbursement of expenses | 29,998/- | 5,200/- |
| (ii) Payment to Cost Auditors : | | |
| - As Audit Fees | 30,000/- | 30,000/- |
| | 1,66,740/- | 1,41,942/- |

- 2.39 Rates and Taxes have been charged to the accounts as net after adjusting ₹ 17,05,182/- (Previous year ₹ 17,05,182/-) recoverable from tenants on this account. Since the final assessment of certain taxes such as Excise Duty, VAT, CST, Profession Tax etc. was made during the year, a sum of ₹ 2,30,161/- (previous year ₹ 2,96,648/-), paid on account of demands relating to earlier years, has been charged to the current year.

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

- 2.40 (a) Sri N. K. Poddar was re-appointed as Chairman (being Whole Time Director) of the Company for a period of 5 (five) years w.e.f. 1st October, 2010. The Central Government approved the appointment and remuneration of Sri N. K. Poddar with effect from 01.10.2010 till next AGM i.e. 26.09.2011 and asked the Company to submit the shareholders resolution to consider the approval for the remaining period. The Company has submitted to the Central Government the Shareholders resolution approving the appointment and remuneration of Sri N. K. Poddar on 21.11.2011. The further approval is still awaited. The Company has paid a sum of ₹ 14,07,600/- (Previous Year ₹ 14,07,600/-) including value of non monetary benefits of ₹ 39,600/- to Sri N. K. Poddar as remuneration for the year ended 31st March, 2014.
- (b) The Central Government had approved appointment of Sri Akshat Poddar as Managing Director of the Company for a period of 5 (five) years w.e.f. 1st September, 2010 but approved payment of remuneration for a period of 3 (three) years only w.e.f. said date. The Company has made an application to the Central Government on 28.11.2013 for approval of remuneration for his residual term i.e. from 1st September, 2013 to 31st August, 2015 on the terms approved by the shareholders. The further approval is still awaited. The Company has paid a sum of ₹ 3,39,150/- including value of non monetary benefits of ₹ 59,850/- to Sri Akshat Poddar as remuneration for the period from 1st September, 2013 to 31st March, 2014.
- (c) Sri B. D. Mundhra was appointed as an Executive Director (being Whole Time Director) of the Company for a period of 5 (five) years w.e.f. 1st June, 2012. The shareholders have duly approved the appointment and remuneration of Sri B. D. Mundhra at the Annual General Meeting held on 27th September, 2012. Application for the approval of appointment and remuneration of Sri B. D. Mundhra has been rejected by the Central Government vide letter dated 28.01.2013 in the absence of certain clarification/ information asked by them from the Company. The letters asking the said clarification/ information were never received by the Company, so the Company has prayed the Central Government on 01.03.2013 to grant an opportunity of being heard. The said application is still pending with the Central Government. The Company has paid/ provided a sum of ₹ 4,78,801/- (Previous Year ₹ 3,41,334/-) as remuneration to Sri B. D. Mundhra for the year ended 31st March, 2014.
- 2.41 The Company has been advised that the Service Tax has become applicable w. e. f. 1st July, 2012 on Electricity Charges billed by it on its tenants on the basis of sub meters. However many tenants are disputing the said levy in the absence of specific notification from the concerned authority on this issue. The Company is charging Service Tax at the applicable rate on bills raised by it against Electricity Charges on its tenants with effect from 1st July, 2012 but the Company is remitting to the credit of Government Account only amount of Service Tax actually collected by it from the tenants. The Company is pursuing other tenants to make payment of Service Tax. The Company is to collect from its tenants and remit to the credit of Government Account a sum of ₹ 37,65,620/- (Previous Year ₹ 24,15,671/-) up to 31st March, 2014 on this account.
- 2.42 Previous year's figures have been rearranged / regrouped, wherever found necessary.
- 2.43 Income on account of Electricity Charges have been taken in the accounts as net after Adjusting ₹ 3,97,92,980/- (Previous year ₹ 4,07,99,139/-) paid on this account.

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

- 2.44 Amount due to Small Scale Industrial undertakings ₹ Nil (Previous Year ₹ Nil)
- 2.45 Amount due and outstanding to be credited to the Investor Education and Protection Fund ₹ Nil (Previous Year ₹ Nil).
- 2.46 (a) Earnings in Foreign Currency- ₹ Nil (Previous Year- ₹ Nil).
 (b) Expenses incurred in Foreign Currency:
 Travelling and other Expenses- ₹ 9,17,032/- (Previous Year- ₹ 25,05,842/-)
- 2.47 Consumption of Raw materials:

| Item Description | Unit | Quantity | Amount (₹) |
|--------------------------|------|------------------------------|------------------------------|
| Preform | Pcs | 1,43,62,157 (1,18,62,829) | 4,06,47,925 (3,35,98,803) |
| Cartons | Pcs | 9,64,774 (8,65,810) | 1,08,39,302 (98,56,299) |
| Sleeves/ Stickers/ Label | Pcs | 1,36,86,542 (1,14,66,643) | 28,02,367 (20,81,501) |
| Handle | Pcs | 42,12,680 (25,62,219) | 20,90,265 (12,14,073) |
| Caps | Pcs | 1,62,08,408 (1,58,86,915) | 84,99,805 (80,42,132) |
| BOPP Tape | Pcs | 13,073 (13,597) | 3,34,880 (3,55,524) |
| Co2 Gas etc. | Kgs | 6,703 (5,264) | 1,59,170 (91,185) |
| 20 Ltr. Empty Jar | Pcs | 61,579 (41,831) | 70,39,957 (48,70,850) |
| Miscellaneous materials | | | 4,70,474 (2,37,644) |
| Total | | | 7,28,84,145 (6,03,48,011) |

Previous year's figures have been given in the brackets.

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

| | | |
|--|----------------------------|----------------------------|
| 2.48 Disclosure as per AS-15 (Revised) : | As on 31.03.2014 (₹) | As on 31.03.2013 (₹) |
| (a) Defined Contribution Plans: | | |
| Contribution to recognised Provident Fund (Including Pension Fund) | 19,47,142 | 17,60,751 |
| (b) Defined Benefit Plans: | | |
| (i) Gratuity - Partly Funded: | | |
| The principle assumptions used in Actuarial valuation are as below: | | |
| - Discount Rate | 8.75% | 8% |
| - Expected Rate of Return on Assets | 8.75% | 8% |
| - Expected Rate of future salary increase | 6% | 5% |
| Change in the present value of Obligations | | |
| - Present value of the Obligations at the beginning of the year | 28,42,196 | 22,88,635 |
| - Interest Cost | 2,41,342 | 1,65,729 |
| - Current Service Cost | 4,08,282 | 3,41,894 |
| - Benefits paid | (1,67,999) | (4,34,030) |
| - Actuarial (Gain)/ Loss on Obligations | 3,39,886 | 4,79,968 |
| - Present value of Obligations at the end of the year | 36,63,707 | 28,42,196 |
| Change in the fair value of Plan Assets | | |
| - Fair value of Plan Asset at the beginning of the year | 21,37,309 | 15,34,175 |
| - Expected return on Plan Assets | 1,87,015 | 1,22,734 |
| - Contributions | 15,00,465 | 8,99,751 |
| - Benefits paid | (1,67,999) | (4,34,030) |
| - Actuarial Gain/(Loss) on Plan Assets | 45,464 | 14,679 |
| - Fair Value of Plan Asset at the end of the year | 37,02,254 | 21,37,309 |
| Liability recognised in the Balance Sheet | | |
| - Present value of Obligations at the end of the year | 36,63,707 | 28,42,196 |
| - Fair value of Plan Assets at the end of the year | 37,02,254 | 21,37,309 |
| - Funded Status | 38,547 | (7,04,887) |
| - Net Asset / (Liability) recognised in Balance Sheet | 38,547 | (7,04,887) |
| Expenses recognised in the Statement of Profit and Loss | | |
| - Current Service Cost | 4,08,282 | 3,41,894 |
| - Interest Cost | 2,41,342 | 1,65,729 |
| - Expected return on plan assets | (1,87,015) | (1,22,734) |
| - Net Actuarial (Gain)/ Loss recognised during the year | 2,94,422 | 4,65,289 |
| - Total expenses recognised in the Statement of Profit and Loss | 7,57,031 | 8,50,178 |

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

| : | As on 31.03.2014 (₹) | As on 31.03.2013 (₹) |
|--|----------------------------|----------------------------|
| (ii) Leave Encashment - Unfunded: | | |
| The principle assumptions used in Actuarial valuation are as below: | | |
| - Discount Rate | 8.75% | 8% |
| - Expected Rate of Return on Assets | - | - |
| - Expected Rate of future salary increase | 6% | 5% |
| Change in the present value of Obligations | | |
| - Present value of the Obligations at the beginning of the year | 14,43,078 | 14,78,536 |
| - Interest Cost | 1,03,568 | 97,931 |
| - Current Service Cost | 3,12,766 | 2,83,285 |
| - Benefits paid | (5,18,883) | (5,08,784) |
| - Actuarial (Gain)/ Loss on Obligations | 4,37,860 | 92,110 |
| - Present value of Obligations at the end of the year | 17,78,389 | 14,43,078 |
| Change in the fair value of Plan Assets | | |
| - Fair value of Plan Asset at the beginning of the year | N.A | N.A |
| - Expected return on Plan Assets | N.A | N.A |
| - Contributions | N.A | N.A |
| - Benefits paid | N.A | N.A |
| - Actuarial Gain/(Loss) on Plan Assets | N.A | N.A |
| - Fair Value of Plan Asset at the end of the year | N.A | N.A |
| Liability recognised in the Balance Sheet | | |
| - Present value of Obligations at the end of the year | 17,78,389 | 14,43,078 |
| - Fair value of Plan Assets at the end of the year | - | - |
| - Funded Status | (17,78,389) | (14,43,078) |
| - Net Asset / (Liability) recognised in Balance Sheet | (17,78,389) | (14,43,078) |
| Expenses recognised in the Statement of Profit and Loss | | |
| - Current Service Cost | 3,12,766 | 2,83,285 |
| - Interest Cost | 1,03,568 | 97,931 |
| - Expected return on plan assets | - | - |
| - Net Actuarial (Gain)/ Loss recognised during the year | 4,37,860 | 92,110 |
| - Total expenses recognised in the Statement of Profit and Loss | 8,54,194 | 4,73,326 |

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

2.49 Segment Reporting under AS - 17 :

| | | | | (Amount in ₹) |
|--|--------------------------------|--------------------------------|--------------------------|--------------------------------|
| Primary Segment | Packaged Drinking Water | Real Estate Division | Share Trading Business | Total |
| Segment Revenue | 18,80,43,808 (16,12,54,635) | 4,74,27,387 (4,34,85,817) | 1,01,000 (-) | 23,55,72,195 (20,47,40,452) |
| Segment Results (PBIT) | 70,66,323 (42,98,682) | 2,24,11,858 (1,69,69,427) | - 9,000 (-) | 2,94,69,181 (2,12,68,109) |
| Less : Finance Costs | | | | 1,23,57,411 (1,06,17,767) |
| <u>Provision for Taxation:</u> | | | | |
| Current Tax | | | | 48,36,000 (28,00,000) |
| Deferred Tax | | | | -2,87,278 (-2,20,956) |
| For earlier years | | | | - (-36,755) |
| Profit after Tax | | | | 1,25,63,048 (81,08,053) |
| Segment Assets | 10,80,10,145 (9,90,41,937) | 27,07,83,408 (26,15,39,900) | 30,00,000 (31,10,000) | 38,17,93,553 (36,36,91,837) |
| Segment Liabilities | 7,13,11,115 (7,23,24,542) | 31,04,82,438 (29,13,67,295) | - (-) | 38,17,93,553 (36,36,91,837) |
| Total Cost incurred during the period to acquire Segment Assets | 1,08,81,562 (1,79,09,335) | 21,54,409 (6,69,318) | - (-) | 1,30,35,971 (1,85,78,653) |
| Total amount of expenses included for depreciation and amortisation | 84,71,085 (80,14,114) | 27,65,218 (29,64,776) | - (-) | 1,12,36,303 (1,09,78,890) |
| Total amount of Significant non cash expenses other than depreciation and amortisation | 14,33,611 (9,33,122) | 18,31,444 (15,69,536) | - (-) | 32,65,055 (25,02,658) |

Previous year's figures have been given in the brackets.

Orient Beverages Limited

Notes on Financial Statements for the year ended 31st March, 2014

2.50 Related Party disclosures under AS - 18 :

- i) Key Management Personnel :
- | | |
|-------------------|----------------------|
| Sri N. K. Poddar | - Chairman |
| Sri Akshat Poddar | - Managing Director |
| Sri B. D. Mundhra | - Executive Director |

- ii) Associated Companies :
- M/s. Vrishti Beveragess Pvt. Ltd.

- iii) Transactions with the related parties :
- Associates / Relatives :

| Name | Nature of Transaction | Amount (₹) | Balance as on 31.03.2014 (₹) |
|---|--|--------------------------|------------------------------------|
| Sri N. K. Poddar, Chairman | Remuneration paid | 13,68,000 (13,68,000) | 71,209 Cr. (-) |
| Sri Akshat Poddar, Managing Director | Remuneration paid | 4,78,800 (4,78,800) | 24,714 Cr. (-) |
| Sri B. D. Mundhra, Executive Director | Remuneration paid | 4,78,801 (3,41,334) | 28,778 Cr. (-) |
| Smt. Ruchira Poddar, (Directors' Relative) | Remuneration paid | 6,00,322 (4,73,601) | 35,933 Cr. (-) |
| Smt. Avni Kandoi, (Directors' Relative) | Remuneration paid | 2,10,000 (2,10,000) | 13,810 Cr. (13,810) Cr. |
| Vrishti Beveragess Pvt. Ltd. | Sale of Raw Materials/ machinery | 45,540 (97,054) | 1,72,364 Dr. (6,34,492 Dr.) |
| | Purchase of Raw Materials/ Finished Goods | 2,07,668 (2,09,454) | - (-) |

Note : Remuneration paid / payable to the Directors includes salary, allowances, bonus etc. and company's contribution to provident fund. Value of non monetary perquisites has not been considered here.

Previous year's figures have been given in the brackets.

As per our Report of even date annexed

For **TIWARI & COMPANY**

Chartered Accountants

Firm Regn. No. 309112E

P. TIWARI

Partner

Membership No. 16590

Kolkata, 29th day of May, 2014

| | |
|-----------------|---------------------------|
| N. K. Poddar | - Chairman |
| Akshat Poddar | - Managing Director |
| G. L. Agarwalla | - Director |
| B. D. Mundhra | - Executive Director |
| Gora Ghose | - Director |
| A. K. Poddar | - Director |
| A. K. Singhania | - Chief Financial Officer |
| Jiyut Prasad | - Company Secretary |

Regd. Office: "Aelpe Court", 3rd Floor, 225C, A.J.C. Bose Road, Kolkata- 700 020, WB
Email: obl_investors@rediffmail.com, Website: obl.org.in
Ph-033 3052 7001/7002/7003, Fax No. 033-3052 2001
(Corporate Identification No. L15520WB1960PLC024710)

NOTICE

Notice is hereby given that 53rd Annual General Meeting of the members of ORIENT BEVERAGES LIMITED will be held at "GYAN MANCH", 11, Pretoria Street, Kolkata- 700 071, WB, on Monday, the 22nd September, 2014 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company including audited Balance Sheet as at 31st March, 2014 and Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Sri Ballabha Das Mundhra (holding DIN 01162223), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made there under and subject to ratification by the Shareholders at every Annual General Meeting, M/s. Tiwari & Co., Chartered Accountants (ICAI Firm Reg. No.309112E), be and are hereby appointed as the Auditors of the Company for a period of 3 (three) years and to hold office from the conclusion of this 53rd Annual General Meeting until the conclusion of the 56th Annual General Meeting of the Company and that their remuneration be decided by the Board of Directors in consultation with the said Auditors".

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, M/s. Sohan Lal Jalan and Associates, Cost & Management Accountants (CMA Firm Reg. No.101620) appointed by the Board of Directors of the Company as Cost Auditors to conduct audit of cost records of the Company for the year ending 31st March, 2015, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under, Dr. Gora Ghose (holding DIN 00217079) who was appointed as an Additional Director of the Company under Section 161 of the Companies Act, 2013 with effect from 12th February, 2014 by the Board of Directors to hold office up to the date of this Annual General

Meeting of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of 5 (five) consecutive years with effect from 1st April, 2014 and whose office shall not be liable to determination by retirement of Directors by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149 and 197 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Dr. Gora Ghose be paid such fees, commission and reimbursement of expenses as the Board may approve from time to time and subject to such limits as may be prescribed under the law for the time being in force.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under, Sri Anil Kumar Poddar (holding DIN 00304837) who was appointed as an Additional Director of the Company under Section 161 of the Companies Act, 2013 with effect from 29th May, 2014 by the Board of Directors to hold office up to the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of 5 (five) consecutive years with effect from 29th May, 2014 and whose office shall not be liable to determination by retirement of Directors by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149 and 197 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Sri Anil Kumar Poddar be paid such fees, commission and reimbursement of expenses as the Board may approve from time to time and subject to such limits as may be prescribed under the law for the time being in force. “

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

“RESOLVED THAT pursuant to provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, Articles of Association of the Company be and is hereby amended as under:

- (a) Existing Article 75 of the Articles of Association of the Company be and is hereby replaced by the following Article:

75. Unless otherwise determined by the Company in General Meeting, the number of Directors shall not be less than three and not more than fifteen.

- (b) Existing Article 77(1) of the Articles of Association of the Company be and is hereby replaced by the following Article:

77(1) Remuneration of the Directors shall be a Fee of Rs. 2500/- (Rupees Two thousand five hundred only) for each Director for each Meeting of the Board of Directors and Rs.1500/- (Rupees One thousand five hundred only) for each Meeting of the any Committee of the Board attended by him/ her. Fee for attending any meeting of the Board or Committee thereof may be increased/decreased by the Board of Directors, from time to time, subject to limit applicable as per law for the time being in force. However Managing/Executive Directors shall not be entitled to any fee for attending any meeting of the Board or Committee thereof. Independent Directors may be also paid remuneration by way of profit related commission approved by the members."

By Order of the Board,
For **ORIENT BEVERAGES LTD.**

Place: Kolkata
Date: 28th July, 2014

JYUT PRASAD
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. The instrument of Proxy, in order to be effective, should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Items No.5 to 8 is annexed hereto.
3. The Register of Members and the Share Transfer books of the Company will remain closed from Tuesday, 16th September, 2014 to Monday, 22nd September, 2014 (both days inclusive) for the purpose of Annual General Meeting and dividend.
4. Members may be aware that the Companies Act, 2013, permits service of the Notice of the Annual General Meeting through electronic mode. Electronic copy of the Annual Report along with Notice, Attendance Slip and Proxy Form of the Annual General Meeting of the Company are being sent to all the members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes. However, those members who desire to have a physical copy may send request for the same to the Company at its registered office. For members who have not registered their e-mail address, physical copies of the Annual Report along with Notice, Attendance Slip and Proxy Form of the Annual General Meeting of the Company are being sent in the permitted mode.
5. The Members who are holding shares in demat form and have not yet registered their e-mail IDs, are requested to register their e-mail IDs with their Depository Participant at the earliest, to enable the Company to use the same for serving documents to them electronically, hereinafter. Shareholders holding shares in physical form may register their email by sending their request at obl_investors@rediffmail.com. The Annual Report along with Notice, Attendance Slip and Proxy Form of the Annual General Meeting of the Company would also be made available on the Company's website www.obl.org.in.

6. The Board of Directors has recommended for consideration of the Members a final dividend of @ 5 % i.e. Re 0.50 per Equity share of the nominal value of Rs. 10/- each for the year ended 31st March, 2014.
7. Dividend as recommended by the Board of Directors, if approved, at the Annual General Meeting, will be paid as under:
 - a. To all Beneficial Owners in respect of shares held in dematerialized form as per the data made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on 15th September, 2014;
 - b. To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 15th September, 2014.
8. Members holding shares in electronic form (dematerialized mode) are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be informed only to the Depository Participant by the Members.

Members holding shares in physical form and desirous of either registering bank particulars or changing Bank particulars already registered against their respective folio(s) for payment of dividend are requested to write to the Company at its Registered Office.
9. 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.
10. Members/Proxies are requested to bring their copies of the Annual Report and Attendance Slips attached herewith duly filled in for attending the Meeting.
11. 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- INE247F01018.
12. Pursuant to the provisions of Section 205A and 205C of the Companies Act, 1956 (Corresponding new Section 124 and 125 of the Companies Act, 2013), 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.
13. Only bona fide members/proxy holders of the Company whose names appear on the Register of Members/List of proxy holders, in possession of valid attendance slip duly filled and signed will be permitted to attend the meeting. The Company reserves its rights to take all steps as may be deemed necessary to restrict unauthorised persons from attending the meeting.
14. Members who hold shares in dematerialized form are requested to bring their Depository ID Number and Client ID Number for easier identification of attendance at the Annual General Meeting.

15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants, with whom they are maintaining their demat accounts and Members holding shares in physical form are requested to submit their PAN details along with a Photocopy of PAN card, duly attested, to the Company's Registrars at M/s Niche Technologies Pvt. Ltd., D-511, Bagree Market, 71, B. R. B. B. Road, Kolkata – 700001.
16. Members holding shares in physical form can now avail the facility of nomination in respect of the share(s) held by them. The prescribed Form SH-13 [prescribed under Section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (share Capital and Debentures) Rules 2014] can be obtained/submitted (in duplicate) from/to the Registered office or Registrars of the Company.
- 17. Voting through Electronic means (E-Voting):**
- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer E- Voting facility as an alternative mode of voting which will enable members to cast their votes electronically on the resolutions mentioned in the notice of the Annual General Meeting of the Company as an alternative to vote physically at the Annual General Meeting, and the business may be transacted through E-voting services provided by the Central Depository Services (India) Ltd. (CDSL).
 - II. Similarly, Members opting to vote physically can do the same by remaining present at the meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall be only be taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid.
 - III. The instructions for shareholders voting electronically are as under:
 - (i) **The voting period begins on Tuesday, the 16th September, 2014 at 9.00 A.M. and ends on Thursday, the 18th September, 2014 at 6.00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, **as on the cut-off date (record date) of Friday, the 1st August, 2014, may cast their vote electronically.** The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website **www.evotingindia.com** during the voting period.
 - (iii) Click on "Shareholders" tab.
 - (iv) Now, select the Company Name **"ORIENT BEVERAGES LIMITED"** from the drop down menu and click on "SUBMIT"
 - (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
 - (vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below.

| For Members holding shares in Demat Form and Physical Form | |
|--|---|
| PAN | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Dept. (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company / Depository Participant are requested to enter in capital letters the PAN field of 10 characters as First 2 Characters of the First Holder Name followed by 8 characters consisting of Folio Number prefix by "0" (or 8 characters from right of BO-ID). No special characters or space will be taken from the name and folio number and name shall be excluded of titles like Mr / Mrs / Smt / Miss / Ms / M/s etc.</p> <p>Example:</p> <p>(1) Mr. V. N. Swami and Folio Number is S/0245, the PAN will be VN000S0245</p> <p>(2) M/s. 4-square Company Ltd. and Folio Number is C-0052 the PAN will be 4S000C0052</p> |
| DOB | Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format. |
| Dividend Bank Details | <p>Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Bank Account Number in order to login. If both the details are not recorded with the depository or company then please enter in the Dividend Bank Details field the Number of Shares held by you as on Cut-Off Date (Record Date) of 1st August, 2014. |

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant "ORIENT BEVERAGES LIMITED" on which you choose to vote.

- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolutions details.
 - (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
 - (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
 - (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
 - (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - (xix) **Note for Institutional Shareholders :**
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to **<https://www.evotingindia.com>** and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
 - After receiving the login details compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at **www.evotingindia.com** under help section or write an email to **helpdesk.evoting@cdslindia.com**.
18. The Voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 1st August, 2014.
19. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members/ depositories as at closing hours of business, on Friday, the 1st August, 2014.

20. The shareholders shall have one vote per equity share held by them as on the "Cut off date" (Record date) of Friday, the 1st August, 2014, the facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
21. The Company has appointed Sri Manoj Prasad Shaw of M/s Manoj Shaw & Co., Practising Company Secretaries, (Membership No.5517 Certificate of Practice No.4194) Commerce House, Room No. 8C, 8th Floor, 2A, Ganesh Chandra Avenue, Kolkata- 700013, W.B. as the scrutinizer for conducting the e-voting process in the fair and transparent manner.
22. The Scrutinizer will submit his final report to the Chairman of the Company or in his absence to any other person authorised by him, within three working days from the date of conclusion of e-voting period.
23. The results of Annual General Meeting shall be declared by the Chairman or his authorized representative or any one Director of the Company on or after Annual General Meeting within the prescribed time limits.
24. The results of e-voting will also be placed at the website of the Central Depository Services (India) Limited and on the website of the Company at www.obl.org.in
25. The scrutinizer's decision on the validity of e-voting will be final.

Annexure to Notice:

Explanatory statement pursuant to Section 102 of the Companies Act, 2013.

Item No. 5:

On the recommendations of the Audit Committee, the Board of Directors of the Company, at their meeting held on 29th May, 2014 has appointed M/s. Sohan Lal Jalan and Associates, Cost & Management Accountants (Firm Reg. No.101620), as Cost Auditors to audit cost accounting records of the Company for the year ending 31st March, 2015. M/s. Sohan Lal Jalan and Associates have conveyed their consent to act as cost auditors of the Company and has confirmed their eligibility to act as such. A sum of Rs.30,000/- (Rupees Thirty thousand only) has been proposed to be paid to the said Cost Auditors towards their audit fees for the financial year ending 31st March, 2015. In terms of Section 148 (3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors is required to be ratified by the shareholders.

The Board recommend the resolution(s) for approval of the members.

None of the Directors and the Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in this Resolution(s).

Item No. 6:

The Board of Directors at their meeting held on 12th February, 2014 appointed Dr. Gora Ghose (hereinafter referred to as "Dr. Ghose") as an Additional Director of the Company with effect from 12th February, 2014 in the category of an Independent Director. The Board of Directors again at their meeting held on 28th April, 2014, re-considered the appointment of Dr. Ghose as an Independent Director in terms of the new Act i.e. Companies Act, 2013 and appointed him as an Independent Director of the Company for a period of 5 (five) years with effect from 1st April, 2014. Dr. Ghose has confirmed that he fulfils criteria of Independence pursuant to Section 149(6) of the Companies Act, 2013 and rules made there under. Also in the opinion of the Board Dr. Ghose fulfils the conditions specified in the Companies Act, 2013 for appointment as an Independent Director.

Dr. Ghose, aged about 66 years, possesses various qualifications such as Ph.D. (Cal), MBA, LLB, M.B.I.M, F.B.I.M. He has very rich working experience in multinationals, foreign banks, the World Bank and in management consultancy. Dr. Ghose possesses skills, experience and knowledge in the various fields such as finance, law, administration, management etc. He holds Nil equity shares in the Company.

Dr. Ghose would hold office up to the date of ensuing Annual General Meeting in terms of provisions of Section 161 of the Companies Act, 2013. The Company has received Notice under Section 160 of the Companies Act, 2013 along with requisite deposit from a member signifying his intention to propose Dr. Ghose as a candidate for the office of the Director of the Company.

The Board is of view that Dr. Ghose's association would be of immense benefit for the Company. Dr. Ghose will be paid such commission, fees for attending meetings of the Board or Committee thereof, as may be approved by the Board from time to time, in addition to reimbursement of expenses incurred by him for participation in such meetings.

The Board recommend the resolution(s) for approval of the members.

Except Dr. Ghose, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in this Resolution(s).

Item No. 7:

The Board of Directors at their meeting held on 29th May, 2014 appointed Sri Anil Kumar Poddar (hereinafter referred to as "Sri Poddar") as an Additional Director of the Company with effect from 29th May, 2014 and also appointed him as an Independent Director of the Company for a period of 5 (five) years with effect from the said date in terms of the Companies Act, 2013. Sri Poddar has confirmed that he fulfils criteria of Independence pursuant to Section 149(6) of the Companies Act, 2013 and rules made there under. Also in the opinion of the Board Sri Poddar fulfils the conditions specified in the Companies Act, 2013 for appointment as an Independent Director.

Sri Poddar, aged about 59 years is a Commerce Graduate with Honours and has very good skills, knowledge and experience in various fields such as management and administration. Sri Poddar holds Nil equity shares in the Company.

Sri Poddar would hold office up to the date of ensuing Annual General Meeting in terms of provisions of Section 161 of the Companies Act, 2013. The Company has received Notice under Section 160 of the Companies Act, 2013 along with requisite deposit from a member signifying his intention to propose Sri Poddar as a candidate for the office of the Director of the Company.

The Board is of view that Sri Poddar's association would be of immense benefit for the Company. Sri Poddar will be paid such commission, fees for attending meetings of the Board or Committee thereof, as may be approved by the Board from time to time, in addition to reimbursement of expenses incurred by him for participation in such meetings.

The Board recommend the resolution(s) for approval of the members.

Except Sri Poddar, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in this Resolution(s).

Item No. 8:

The Articles of Association of Company is required to be suitably amended to incorporate the provisions required for day to day working of the Company in the proper manner. The existing Article 75 of the Company allows appointing maximum number of directors up to 9 (Nine). The Company may be required to appoint more than 9 directors for its smooth working and Companies Act, 2013 allows the Company to appoint maximum number of directors up to 15 (Fifteen). Hence the existing Article 75 is proposed to be amended suitably.

The existing Article 77(1) allows the Company to pay fee of Rs.250 (Rupees Two hundred fifty only) to each director for attending each meeting of the Board in addition to commission up to 3% of the net profit of the Company. The Article was adopted long back at the time of incorporation of the Company. Now, the Article 77(1) is proposed to be amended suitably to match the needs of the Company in the present time as well as applicable provisions of law.

The Board recommend the resolution(s) for approval of the members.

None of the Directors and the Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in this Resolution(s).

Inspection of documents:

Articles of Association of the Company together with proposed alterations and other documents referred to in the this notice and/ or explanatory statement are available for inspection at the Registered Office of the Company on any working day during business hours up to the date of Annual General Meeting.

By Order of the Board,
For **ORIENT BEVERAGES LTD.**

Place: Kolkata
Date: 28th July, 2014

JYUT PRASAD
Company Secretary

Regd. office: "Aelpe Court", 3rd Floor, 225C, A. J. C. Bose Road, Kolkata-700 020, W.B.

Website: www.obl.org.com Email: obl_investors@rediffmail.com

Corporate Identification No: L15520WB1960PLC024710

ATTENDANCE SLIP

I hereby record my presence at 53rd ANNUAL GENERAL MEETING of the Company held at "GYAN MANCH", 11, Pretoria Street, Kolkata-700 071, W.B. on Monday, the 22nd September, 2014 at 11.00 A.M.

Name of the Shareholder(In Block Letter) :

Registered Folio No. :

DP ID No. :

Client ID No. :

No. of Share held :

Name of the Proxy (in Block Letters)

In case the Proxy attends instead of the Shareholder(s)

| |
|--|
| |
|--|

Signature of the Shareholder or Proxy

Note: Shareholder/Proxy holder wishing to attend the meeting must complete this Attendance Slip and hand over the same at the entrance, duly signed.

ELECTRONIC VOTING PARTICULARS

| EVSN (E-Voting Sequence Number) | USER ID | PASSWORD |
|---------------------------------|--|----------|
| 140801014 | Please refer Note No.17-III of the Notice of the Annual General Meeting. | |

FORM NO. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and
Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Corporate Identification No. L15520WB1960PLC024710

Name of the Company: ORIENT BEVERAGES LIMITED

Regd. Office: "Aelpe Court", 3rd Floor, 225C, A.J.C. Bose Road, Kolkata- 700 020, W.B.

Email: obl_investors@rediffmail.com, Website: obl.org.in

Name of the member (s) :
Registered address :
E-mail Id :
Folio No/ Client Id :
DP ID :

I/We, being the member (s) of Orient Beverages Ltd. holding.....equity shares of Rs.10/- each hereby appoint:

1. Name:
Address:
E-mail Id:
Signature:....., or failing him
2. Name:
Address:
E-mail Id:
Signature:....., or failing him
3. Name:
Address:
E-mail Id:
Signature:....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 53rd ANNUAL GENERAL MEETING of the company, to be held on the Monday, 22nd September, 2014 At 11.00 A.M. at "GYAN MANCH", 11, Pretoria Street, Kolkata-700 071, W.B. and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No. | Particulars of business | Please (✓) tick the relevant resolution(s) |
|---------------------------|--|--|
| Ordinary Business: | | |
| 1. | Consideration and adoption the Financial Statements of the Company for the year ended 31 st March, 2014. | |
| 2. | Declaration of a dividend on equity shares. | |
| 3. | Appointment of a Director in place of Sri Ballabha Das Mundhra (holding DIN 01162223), who retires by rotation and being eligible offers himself for re-appointment. | |
| 4. | Appointment of Statutory Auditors and to fix their remuneration. | |
| Special Business: | | |
| 5. | Approval of remuneration of Cost Auditors for the financial year ending 31 st March, 2015. | |
| 6. | Appointment of Dr. Gora Ghose (holding DIN 00217079) as an Independent Director of the Company for a term of 5 (five) years w.e.f. 1 st April, 2014. | |
| 7. | Appointment of Sri. Anil Kumar Poddar (holding DIN 00304837) as an Independent Director of the Company for a term of 5 (five) years w.e.f. 29 th May, 2014. | |
| 8. | Amendment of Articles of Association of the Company. | |

Signed thisday of.....2014

Signature of shareholder

Affix
Revenue
Stamp

Signature of first Proxy holder

Signature of second Proxy holder

Signature of third Proxy holder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Bisleri

