

## MOUNT EVEREST MINERAL WATER LIMITED

A **TATA** Enterprise

Annual Report 2013-2014

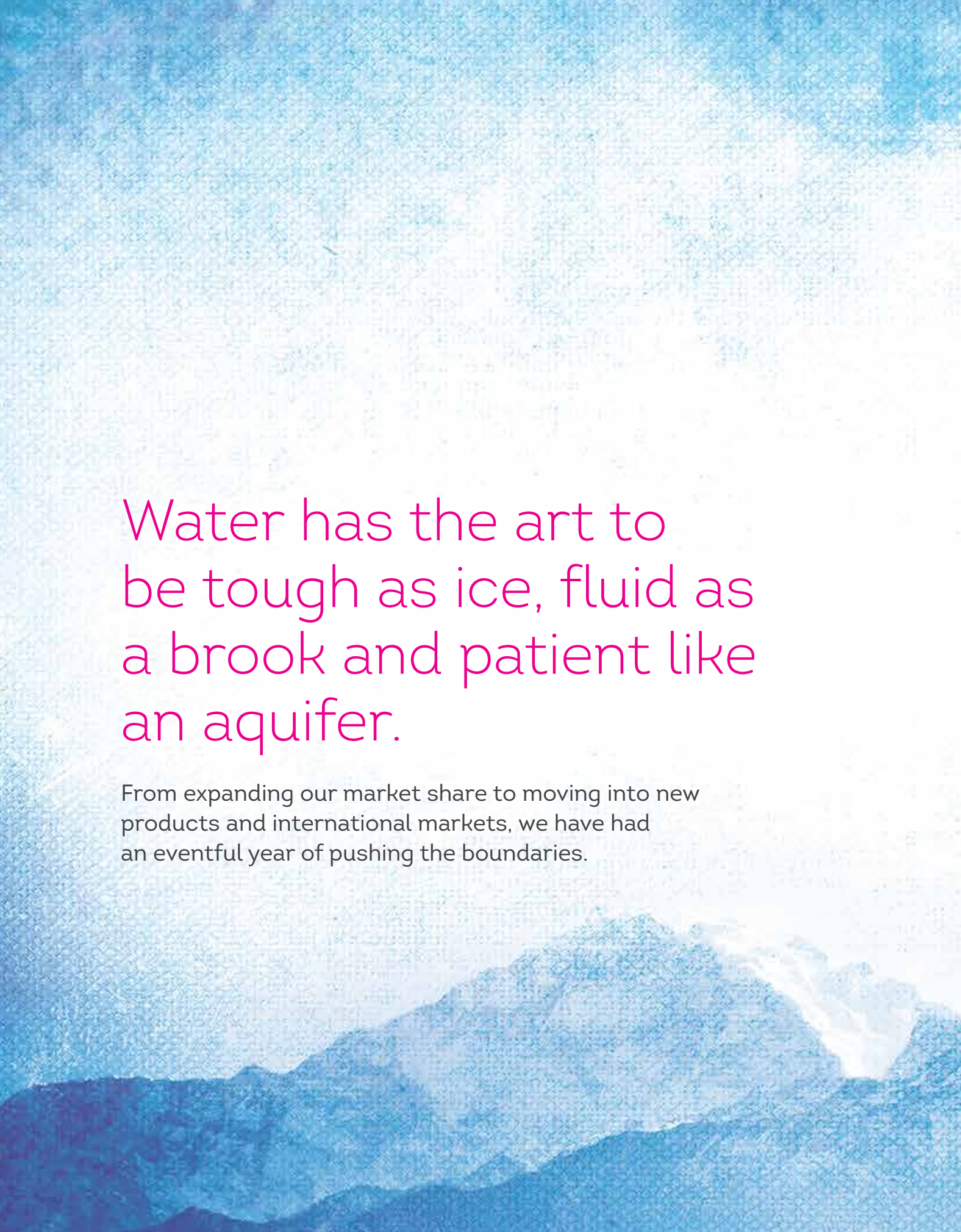
It is an art to create your own  
path as you flow.  
*Venturing into new territories*



It takes 20 years to make  
my way from Himalayan  
aquifer to you.



Live Natural

The background of the entire page is a blue-toned landscape. The top half shows a sky with a fine grid pattern, transitioning into a range of mountains. The mountains are rendered in various shades of blue, with some peaks appearing white or light blue, suggesting snow or a bright light source. The overall aesthetic is clean and modern, with a strong emphasis on the color blue.

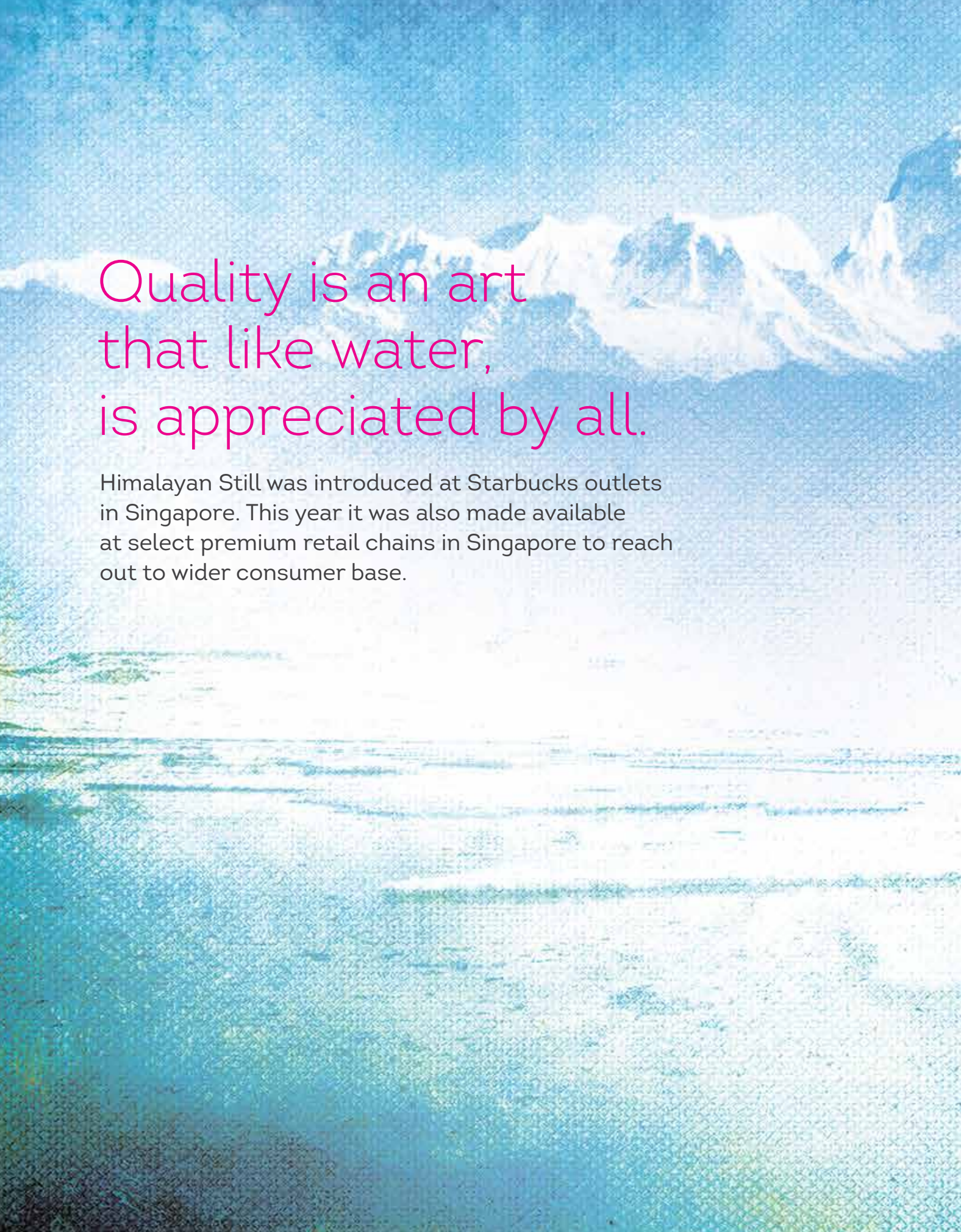
Water has the art to  
be tough as ice, fluid as  
a brook and patient like  
an aquifer.

From expanding our market share to moving into new products and international markets, we have had an eventful year of pushing the boundaries.

To be different and yet  
be the same. It's an art  
we learn from water.

Innovative products will soon be hitting the market shelves. Sparkling Natural Mineral Water and Flavoured Natural Mineral Water will build on the equity of Himalayan Natural Mineral Water and offer an exciting variety of options for our consumers.



A scenic view of a mountain range with snow-capped peaks and a body of water in the foreground. The sky is a clear, bright blue. The water in the foreground is a deep, vibrant blue, with some white foam from waves visible. The mountains in the background are rugged and covered in snow, with some greenery visible at their base. The overall scene is bright and clear, suggesting a high-altitude or alpine environment.

Quality is an art  
that like water,  
is appreciated by all.

Himalayan Still was introduced at Starbucks outlets in Singapore. This year it was also made available at select premium retail chains in Singapore to reach out to wider consumer base.



When nature is within  
you, inspiring a better  
quality of life is more  
art than science.

If it is healthy, can it be tasty? So goes conventional wisdom. Our range of new products combines the goodness of nature with cutting edge science and great taste. India's first micro nutrient water, enhanced waters with proprietary 'New Age' ingredients, exotic flavours and balanced calorie products are just some of the product innovations that we are ready to launch in the near future.

# Meet our board



## L KRISHNAKUMAR, Chairman

Mr L Krishnakumar is the Chairman of the Board of Directors of Mount Everest Mineral Water Ltd. He joined the board as a Non-Independent Director on April 1, 2014. Mr Krishnakumar has obtained professional qualifications in Chartered Accountancy, Cost Accountancy and Company Secretarial Services and has over 31 years experience in a variety of industries including consumer goods, hotels, manufacturing and consulting. Mr Krishnakumar has been with the Tata Group since 2000 - initially with The Indian Hotels Company Limited as its Vice President - Finance and since 2004 he has been with Tata Global Beverages and is currently its Executive Director. Mr. L Krishnakumar is also a Director on the Board of several overseas subsidiaries of Tata Global Beverages Ltd.



## PRADEEP PODDAR, Managing Director

Mr Pradeep Poddar is the Managing Director of Mount Everest Mineral Water Limited since August 22, 2007. Mr Poddar is a Chemical Engineer from UDCT, Mumbai and holds a Post Graduate Diploma in Management (PGDM) from IIM, Ahmedabad. He is a veteran of the consumer goods industry in India and has vast experience in top-level management at Glaxo, Heinz and Tatas. The Wisitex Foundation and Karnataka Government conferred on him the Udyog Ratna Award in the year 2001 for his distinguished contribution to the food industry. He crafted the vision and led Heinz successfully in India and South Asia for nearly a decade. He is leading the Tata's foray into Water and Functional Beverages globally. He is an active member on the Board of NourishCo Beverages Limited. - the Joint Venture Company with PepsiCo and Tata. He is also a trustee on the Board of United Way, Mumbai and has been playing a strategic role on the Board of Monsanto India from January 2006.



## AJOY K MISRA

Mr Ajoy K Misra joined the Board of Mount Everest Mineral Water Limited as a Non Independent Director on August 22, 2007.

Mr Misra has a Bachelors Degree in Civil Engineering from BITS, Pilani and a Masters Degree in Business Administration from the Faculty of Management Studies, Delhi University specialising in Marketing. He has also done the Advanced Management Program at Harvard Business School in 2008.

In a career spanning 32 years, all with the Tata Group, Mr Misra has worked in various departments of Taj Hotels from Sales and Marketing to Operations. He joined the Taj in 1980 in the Corporate Sales and Marketing Department through the Tata Administrative Services. Currently, Mr Misra is the MD and CEO at Tata Global Beverages Limited. Before joining TGB he was the Senior Vice President, Sales and Marketing of the Taj Group of Hotels worldwide. He is also on the Board of NourishCo Beverages Limited.



## AJIT C SHAH

Mr Ajit C Shah joined the Board of Mount Everest Mineral Water Limited as an Independent Director on September 26, 2008.

Mr Shah is an active and respected member of the Institute of Chartered Accountants of India.

His experience spans over three decades in the areas of audit, assurance and taxation. He is a corporate taxation specialist and also has an advisory practice including international taxation, cross border transactions, corporate restructuring, transfer pricing, valuations and appellate work.



## RANJIT BARTHAKUR

Mr Ranjit Barthakur joined the Board of Mount Everest Mineral Water Limited as an Independent Director on September 30, 2008.

Mr Barthakur is an entrepreneur with over 36 years of experience in managing and leading companies in a wide range of industries, including Fast Moving Consumer Goods, Telecommunications, Tourism, Technology, Outsourcing and Healthcare. He is the Chairman of Global Managed Service India Private Limited (GMS) and is the Chief Architect of the thought process of developing the theme of Naturenomics™ and co-founder of several initiatives, promoting agriculture and Nature First (focused on restoring the balance between nature through land, energy, waste, water, air and carbon) and River Journeys and Bungalows of India (nature based tourism business). GMS is currently engaged with various Tata Group Companies. He is in the process of incubating three independent verticals - Water, Legal Corporate Services, Jungle & Forest Management. He also serves as an advisor to several Government and Private Enterprises in pursuit of healthcare services, environmental issues, tourism and social transformation.



## V SUBRAMANIAN

Mr V Subramanian joined the Board of Mount Everest Mineral Water Limited as an Independent Director on September 30, 2008.

Mr V Subramanian retired as Secretary in the Ministry of New and Renewable Energy. Prior to this, he has held Secretarial & Advisory positions in the Ministries of Rural Development, Civil Aviation, Finance, Labour, Tourism and Culture, in the Central Government and various sectors of the West Bengal Government as well. Mr Subramanian was instrumental in the creation of the External Commercial Borrowings Division in the Ministry of Finance in the 80's and structured many innovative deals for Indian Public Sector Enterprises. He has held Advisory positions in various overseas Government bodies and Directorships in several Government Undertakings. He was on the Boards of Air India, Indian Airlines, Airports Authority of India, Helicopters Corporation of India, Indian Tourism Development Corporation and a host of other PSEs. Presently, he is the Secretary General of the Indian Wind Energy Association, a position he has occupied since October 2008. He is a well known speaker on Renewable Energy in various international conferences.



## SUMANTH BADIGA

Mr Sumanth Badiga has joined the Board of Mount Everest Mineral Water Limited as an Independent Director on March 26, 2013.

Mr Badiga is a Bachelor in Commerce and Business Administration from Sydenham College, Mumbai and Hofstra University, Hempstead, New York respectively. He is also a Post Graduate in Business Administration from the University of Rochester, New York. He has served with the American International Group (AIG) for eighteen years in different geographies around the world and in several capacities including being the first CFO of Tata AIG General Insurance Joint Venture in India and Director of Tata AIG Risk Management Services, a 50:50 joint venture between Tata Group and AIG Companies, before returning to India in 2010 to helm the family business as its third generation entrepreneur.





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## **MOUNT EVEREST MINERAL WATER LIMITED**

Twenty third annual report 2013-2014

# Contents

Corporate Information .....	02
Notice .....	03
Directors' Report & Annexures .....	11
Management Discussion & Analysis .....	16
Report on Corporate Governance .....	18
Auditors' Report .....	29
Balance Sheet .....	34
Statement of Profit & Loss .....	35
Cash Flow Statement .....	36
Notes forming part of the Financial Statements .....	38

# **MOUNT EVEREST MINERAL WATER LIMITED**

Twenty third annual report 2013-2014

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## **CORPORATE INFORMATION**

### **Board of Directors**

L Krishnakumar (*Chairman*)\*

Ajoy K Misra

Ajit C Shah

Ranjit Barthakur

V Subramanian

Sumanth Badiga

Pradeep Poddar (*Managing Director*)

Harish Bhat \*\*

\* *Appointed w.e.f. April 1, 2014*

\*\* *Resigned w.e.f. March 31, 2014*

A P K Chettiar (*General Manager - Legal & Company Secretary*)

### **Auditors**

SNB Associates

Chartered Accountants

### **Bankers**

HDFC Bank Limited

State Bank of India

The Hongkong & Shanghai Banking Corporation Limited

### **Registrar & Share Transfer Agent**

Skyline Financial Services Pvt. Ltd.

D-153A, 1st Floor, Phase I,

Okhla Industrial Area,

New Delhi 110 020

### **Registered Office & Works**

Village Dhaula Kuan,

District Sirmour 173 031,

Himachal Pradesh

### **Corporate Office**

New Excelsior Building, 4th Floor,

A K Nayak Marg, Fort,

Mumbai 400 001

## NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of Mount Everest Mineral Water Limited will be held on Friday, August 8, 2014 at 3.00 pm at the Registered Office of the Company at Village Dhaula Kuan, District Sirmour-173 031, Himachal Pradesh to transact the following business:-

### Ordinary Business

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2014 including the audited Statement of Profit and Loss for the year ended March 31, 2014 and the Balance Sheet as at that date together with the Reports of the Board of Directors' and the Auditors' thereon.
2. To appoint a Director in place of Mr Ajoy K Misra, (DIN 00050557) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s SNB Associates, Chartered Accountants as the Statutory Auditors of the Company and fix their remuneration.

### Special Business

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 the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr. Ajit C Shah (DIN: 02396765) a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company, with effect from August 8, 2014 up to August 7, 2019."
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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr Ranjit Barthakur (DIN: 00142239) a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company, with effect from August 8, 2014 up to August 7, 2019."
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, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr V Subramanian (DIN: 00357727) a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company, with effect from August 8, 2014 up to August 7, 2019."
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, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr Sumanth Badiga (DIN: 00583806) a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company, with effect from August 8, 2014 up to August 7, 2019."

# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

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

**“RESOLVED THAT** Mr L Krishnakumar, (DIN: 00423616) who was appointed by the Board of Directors as an Additional Director of the Company with effect from April 1, 2014, and who holds office up to the date of the forthcoming Annual General Meeting of the Company in terms of Section 161 (1) of the Companies Act, 2013 (“the Act”) and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and he is hereby appointed a Director of the Company whose office should be liable to retirement by rotation.”

BY ORDER OF THE BOARD

**A P K Chettiar**

General Manager (Legal)  
& Company Secretary

Place: Mumbai

Date : May 13, 2014

**Registered Office :**

Village Dhaula Kuan,  
District Sirmour 173 031, Himachal Pradesh  
CIN : L15543HP1991PLC019065  
Email : investor.relations@memw.com  
Website : www.himalayanmineralwater.com

**Corporate Office :**

New Excelsior Building, 4th Floor,  
A K Nayak Marg, Fort,  
Mumbai 400 001

NOTES

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Item Nos. 4 to 8 set out above and details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of Directors seeking appointment/re-appointment at the Annual General Meeting, are annexed hereto.
2. **A Member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a Member of the Company. Proxies, in order to be effective must be received at the Company’s Registered Office not less than forty eight hours before the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms etc. must be backed by appropriate resolution/authority as applicable, issued by the member organization.**  
**A person can act as a 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 a proxy for any other person or shareholder.**
3. The Register of Members and Share Transfer Book of the Company will remain closed from **August 2, 2014 to August 8, 2014** (both days inclusive).
4. Attendance Slip, Ballot form and Proxy form are enclosed.
5. Members holding shares in physical form are requested to advise any change of address immediately to Company’s Registrar and Share Transfer Agent, Skyline Financial Services Private Limited. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, change in name, etc. to their respective Depository Participant (DP). These changes will be automatically reflected in Company’s records, which will help the Company to provide efficient and better service to the Members.
6. Members holding shares in a single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination forms can be obtained from the Company’s Registrar and Share Transfer Agent.

7. Pursuant to SEBI notification no.MED/DOP/CIR-05/2009 dated May 20, 2009, it has become mandatory for the transferee(s) to furnish copy of PAN Card to the Company/RTA for transfer of shares in physical form.
8. Shareholders holding shares in physical form are requested to advise any change of address immediately to Company's Registrar and Share Transfer Agent. Shareholders holding shares in electronic form must advise their respective depository participants about any change in address and not to the Company or the Company's Registrar and Share Transfer Agent.
9. In accordance with the Companies Act, 2013 read with its Rules, the Annual Reports are sent by electronic mode to those members whose shareholding is in dematerialised format and whose email ids are registered with the Depository for communication purposes.
10. Members are requested to register their e-mail addresses and changes therein: those holding shares in physical form are requested to register/update their e-mail addresses with the Company's Registrars and Transfer Agent, Skyline Financial Services Private Limited, D-153 A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi-110 020. Shareholders holding shares in dematerialised form are requested to register their e-mail addresses and changes therein with the concerned Depository through their Depository Participant. In absence of e-mail address, the documents will be sent in physical mode.

**11. Process and manner for members opting for e-voting are as under:**

In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to the Members the facility to exercise their right to vote at the 23<sup>rd</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Ltd. (NSDL).

The instructions for e-voting are as under:

- A. In case a member receives an email from NSDL (for Members whose email IDs are registered with the Company/ Depository Participants):
  - (i) Open the email and open PDF file "MEMW e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/ PIN for e-voting. Please note that this password is an initial password.
  - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
  - (iii) Click on Shareholder – Login
  - (iv) Put User ID and password as initial password/ PIN noted in step (i) above. Click Login.
  - (v) You will now reach Password Change Menu, wherein you are required to mandatorily change your password/PIN with new password of your choice. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). On first login, the system will prompt you to change your password and update your contact details like mobile number, email ID, etc. in the user profile details of the folio, which may be used for sending future communications. You will also need to enter a secret question and answer of your choice to retrieve your password in case you forget it. Note your new password. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - (vi) You need to login again with the new credentials. Home page of e-voting will open. Click on e-voting > Active Voting Cycles.
  - (vii) Select the "EVEN" i.e. Mount Everest Mineral Water Limited. Now you are ready for e-voting as Cast Vote page will open.
  - (viii) The voting rights of the shareholders shall be in proportion to their share of the paid-up equity share capital of the Company as June 30, 2014 ("Cut-Off Date").
  - (ix) On the voting page, you may cast your vote by selecting an appropriate option "For" or "Against" and click "SUBMIT". A confirmation box will be displayed. Click "OK" to confirm or "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. Upon confirmation, the message "Vote Cast Successfully" will be displayed.

# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

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- (x) You can similarly vote in respect of all other resolutions forming part of the Notice of the Annual General Meeting. During the voting period, members can login any number of times till they have voted on all the Resolutions.
  - (xi) If you wish to log out after voting on a few resolutions and continue voting for the balance resolutions later, you may click on **"RESET"** for those resolutions for which you have not yet cast the vote.
  - (xii) Corporate/Institutional Members (i.e., other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the relevant Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s) who are authorized to vote, to the Scrutinizer through email to [memwevoting2014@bsamrindia.com](mailto:memwevoting2014@bsamrindia.com), with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). The scanned image of the above mentioned documents should be in the naming format: Corporate Name\_EVEN NO.
- B. In case of Members whose email IDs are not registered with the Company/Depository Participants, their User ID and initial password/PIN is provided on the Ballot Form sent with the Annual General Meeting Notice. Please follow all steps from Sr. No. (ii) to (xii) as mentioned in (A) above, to cast your vote.
- C. Members who are already registered with NSDL for e-voting can use their existing User ID and password/PIN for casting their votes.
- D. The e-voting period commences on July 29, 2014 (9.00 a.m IST) and ends on July 31, 2014 (6.00 p.m IST). During this period, Members holding shares in either physical or dematerialized form as on the Cut-Off Date of June 30, 2014, may cast their votes electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- E. In case of any query pertaining to e-voting, members may refer to the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- F. Mr Samrish Banja, Practicing Company Secretary has been appointed as Scrutinizer for scrutinizing the e-voting process in a fair and transparent manner.
- G. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- H. The Results shall be declared on or after the AGM of the Company. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website [www.himalayanmineralwater.com](http://www.himalayanmineralwater.com) and on the website of NSDL within two (2) working days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchange where the shares of the Company are listed, viz. BSE Ltd.
12. (a) For the benefit of Members who do not have access to e-voting facility, a Ballot Form is being sent along with the Notice of the Annual General Meeting, to enable them to send their assent or dissent by post. Detailed instructions on voting through post are given on the reverse of the Ballot Form.
- (b) The Scrutinizer will collate the votes downloaded from the e-voting system and votes received through post to declare the final result for each of the Resolutions forming part of the Annual General Meeting Notice.
- (c) A Member can opt for only one mode of voting, i.e. either by post or through e-voting. In case of Member(s) who cast their votes by both modes, then voting done through e-voting shall prevail and physical ballot shall be treated as invalid.
13. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company, a certified copy of the Board Resolution authorizing the representative to attend and vote on their behalf at the Meeting.
14. Members/Proxies should bring the enclosed Attendance Slip duly filled in, for attending the Annual General Meeting, along with their copy of the Annual Report. Copies of the Annual Report will not be distributed at the Meeting.

## **EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (“Act”)**

### **Item no. 4**

#### **Appointment of Mr Ajit Shah as an Independent Director**

Mr Ajit Shah joined the Board of Directors of the Company in September 2008, as a non-executive director and was considered an Independent Director under Clause 49 of the Listing Agreement. Mr Shah is the Chairman of the Audit Committee of the Board of Directors of the Company.

Mr Shah is an active and respected member of the Institute of Chartered Accountants of India. His experience spans over three decades in the areas of audit, assurance and taxation. He is a corporate taxation specialist and also has an advisory practice including international taxation, cross border transactions, corporate restructuring, transfer pricing, valuations and appellate work.

As per the provisions of Section 149 of the Act which has come into force with effect from April 1, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr Shah has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Mr Shah as Independent Director was placed before the Nominations & Remuneration Committee, which commends his appointment as an Independent Director up to August 7, 2019.

In the opinion of the Board, Mr Shah fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr Shah as Independent Director is now being placed before the Members in general meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the Company.

Mr Shah is interested and concerned in the Resolution mentioned at Item No 4 of the Notice. Other than Mr Shah, no other Director, key managerial personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No 4 of the Notice.

### **Item no. 5**

#### **Appointment of Mr Ranjit Barthakur as an Independent Director**

Mr Ranjit Barthakur joined the Board of Directors of the Company in September 2008, as a non-executive director and was considered an Independent Director under Clause 49 of the Listing Agreement. Mr Barthakur is the Chairman of the Corporate Social Responsibility Committee of the Board of Directors of the Company.

Mr Barthakur is an entrepreneur with over 36 years of experience in managing and leading companies in a wide range of industries, including Fast Moving Consumer Goods, Telecommunications, Tourism, Technology, Outsourcing and Healthcare. He is the Chairman of Global Managed Service India Private Limited (GMS) and is the Chief Architect of the thought process of developing the theme of Naturenomics™ and co-founder of several initiatives, promoting agriculture and Nature First (focused on restoring the balance between nature through land, energy, waste, water, air and carbon) and River Journeys and Bungalows of India (nature based tourism business). GMS is currently engaged with various Tata Group Companies. He is in the process of incubating three independent verticals – Water, Legal Corporate Services, Jungle & Forest management. He also serves as an advisor to several Government and Private Enterprises in pursuit of healthcare services, environmental issues, tourism and social transformation.

As per the provisions of Section 149 of the Act which has come into force with effect from April 1, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr Barthakur has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Mr Barthakur as Independent Director was placed before the Nominations & Remuneration Committee, which commends his appointment as an Independent Director up to August 7, 2019.

In the opinion of the Board, Mr Barthakur fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.



# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

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In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr Barthakur as Independent Director is now being placed before the Members in general meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the Company.

Mr Barthakur is interested and concerned in the Resolution mentioned at Item No 5 of the Notice. Other than Mr Barthakur, no other Director, key managerial personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No 5 of the Notice.

Mr Barthakur holds 17,819 Equity Shares in the Company.

## **Item no. 6**

### **Appointment of Mr V Subramanian as an Independent Director**

Mr V Subramanian joined the Board of Directors of the Company in September 2008, as a non-executive director and was considered an Independent Director under Clause 49 of the Listing Agreement. Mr Subramanian is the Chairman of the Nomination and Remuneration Committee and the Stakeholders and Investor Grievance Committee of the Board of Directors of the Company.

Mr V Subramanian retired as Secretary in the Ministry of New and Renewable Energy. Prior to this, he has held Secretarial & Advisory positions in the Ministries of Rural Development, Civil Aviation, Finance, Labour, Tourism and Culture, in the Central Government and various sectors of the West Bengal Government as well. Mr Subramanian was instrumental in the creation of the External Commercial Borrowings Division in the Ministry of Finance in the 80's and structured many innovative deals for Indian Public Sector Enterprises. He has held Advisory positions in various overseas Government bodies and Directorships in several Government Undertakings. He was on the Boards of Air India, Indian Airlines, Airport Authority of India, Helicopters Corporation of India, Indian Tourism Development Corporation and a host of other PSEs. Presently, he is the Secretary General of the Indian Wind Energy Association, a position he has occupied since October 2008. He is a well known speaker on Renewable Energy in various international conferences.

As per the provisions of Section 149 of the Act which has come into force with effect from April 1, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr Subramanian has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Mr Subramanian as Independent Director was placed before the Nominations & Remuneration Committee, which commends his appointment as an Independent Director up to August 7, 2019.

In the opinion of the Board, Mr Subramanian fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr Subramanian as Independent Director is now being placed before the Members in general meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the Company.

Mr Subramanian is interested and concerned in the Resolution mentioned at Item No 6 of the Notice. Other than Mr Subramanian, no other Director, key managerial personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No 6 of the Notice.

## **Item no. 7**

### **Appointment of Mr Sumanth Badiga as an Independent Director**

Mr Sumanth Badiga joined the Board of Directors of the Company in March, 2013, as a non-executive director and was considered an Independent Director under Clause 49 of the Listing Agreement.

Mr Badiga is a Bachelor in Commerce and Business Administration from Sydenham College, Mumbai and Hofstra University, Hempstead, New York respectively. He is also a Post Graduate in Business Administration from the University of Rochester, New York. He has served with the American International Group (AIG) for eighteen years in different geographies around the world and in several capacities including being the first CFO of Tata AIG General Insurance Joint Venture in India and Director of Tata AIG Risk Management Services, a 50:50 joint venture between Tata Group and AIG Companies, before returning to India in 2010 to helm the family business as its third generation entrepreneur.

As per the provisions of Section 149 of the Act which has come into force with effect from April 1, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr Badiga has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Mr Badiga as Independent Director was placed before the Nominations & Remuneration Committee, which commends his appointment as an Independent Director up to August 7, 2019.

In the opinion of the Board, Mr Badiga fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr Badiga as Independent Director is now being placed before the Members in general meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the Company.

Mr Badiga is interested and concerned in the Resolution mentioned at Item No 7 of the Notice. Other than Mr Badiga, no other Director, key managerial personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No 7 of the Notice.

#### **Item no. 8**

##### **Appointment of Mr L Krishnakumar as a Director**

The Board of Directors vide a Board Circular Resolution dated April 11, 2014 appointed Mr L Krishnakumar as the Additional Director of the Company, pursuant to Section 161(1) of the Act with effect from April 1, 2014 to hold office up to the date of the forthcoming Annual General Meeting.

The Company has received notice under Section 160 of the Act from a member along with prescribed deposit intimating its intentions to propose the candidature.

Mr Krishnakumar, Executive Director of Tata Global Beverages Limited (TGBL), is a B.Com Graduate and has obtained professional qualifications in Chartered Accountancy, Cost Accountancy and Company Secretarial Services. He has been with the Tata Group since 2000 – initially with The Indian Hotels Company Limited as its Vice President-Finance and since 2004 he has been with TGBL as the Group Chief Financial Officer, supervising the Finance, Governance and IT functions. He has over 31 years experience in a variety of industries including consumer goods, hotels, manufacturing and consulting. He is also a Director on the Board of several overseas subsidiaries of the TGBL.

Except Mr Krishnakumar, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No 8.

Keeping in view the experience and expertise of Mr Krishnakumar, the Board considers it desirable that the Company should receive the benefit of his valuable experience and advice and accordingly commends the resolution at Item 8 for approval by the members.

BY ORDER OF THE BOARD

**A P K CHETTIAR**

General Manager (Legal)  
& Company Secretary

Place: Mumbai  
Date: May 13, 2014

##### **Registered Office:**

Village Dhaula Kuan, District Sirmour 173 031  
Himachal Pradesh  
CIN: L15543HP1991PLC019065  
Email: investor.relations@memw.com  
Website: www.himalayanmineralwater.com

##### **Corporate Office:**

New Excelsior Building, 4th Floor,  
A K Nayak Marg, Fort,  
Mumbai 400 001

## MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

### DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THIS ANNUAL GENERAL MEETING (Pursuant to Clause 49 of the Listing Agreement)

Name of the Director	Mr Ajoy K Misra	Mr Ajit C Shah	Mr Ranjit Barthakur	Mr V Subramanian	Mr Sumanth Badiga	Mr L Krishnakumar
Date of Birth	25.04.1957	11.10.1946	08.08.1954	17.06.1948	19.03.1968	29.10.1958
Date of Appointment	22.08.2007	26.09.2008	30.09.2008	30.09.2008	26.03.2013	01.04.2014
Qualifications	BE (Civil), MBA	B.Com., FCA	B.A. (Economics)	B.Com., CAIIB, Member- Indian Administrative Service	B.Com., BBA, MBA	B. Com., ACA, ACS, CWA
No. of shares of the Company held	Nil	Nil	17,819	Nil	Nil	Nil
Expertise in Specific functional areas	Vast and rich experience in Corporate Strategies	Vast and rich experience in Audit, Assurance and Taxation	Vast and rich experience in Corporate strategies	Vast and rich experience in Civil Services, Management and Corporate Strategies	Vast and rich experience in Corporate Strategies	Vast and rich experience in Finance, Accounts and Corporate Laws
List of Directorships held	<ul style="list-style-type: none"> <li>• Tata Global Beverages Limited</li> <li>• NourishCo Beverages Limited</li> <li>• TRIL Constructions Limited</li> <li>• Tata Starbucks Limited</li> </ul>	Foseco India Limited	Nil	<ul style="list-style-type: none"> <li>• Rural Electrification Corporation Limited</li> <li>• Sundaram Clayton Limited</li> <li>• PTC Energy Limited</li> <li>• Bhoruka Power Corporation Limited</li> <li>• Titan Energy Systems Limited</li> </ul>	Nil	Tata Global Beverages Limited
Chairman/ Member of the Committees of the Boards of other companies in which he is Director as on March 31, 2014	<ul style="list-style-type: none"> <li>• NourishCo Beverages Limited</li> </ul>	Foseco India Limited	Nil	<ul style="list-style-type: none"> <li>• Rural Electrification Corporation Limited</li> <li>• Sundaram Clayton Limited</li> <li>• PTC Energy Limited</li> <li>• Titan Energy Systems Limited</li> </ul>	Nil	Nil

\* Other Directorships/Committee memberships exclude Directorships in private/foreign companies and companies incorporated under Section 8 of the Companies Act, 2013.

## DIRECTORS' REPORT

Your Directors are pleased to submit their report together with the audited results for the year ended March 31, 2014.

### 1. Financial Results

The financial results for the year ended on March 31, 2014, are as below:-

	2013-14 ₹ (Lacs)	2012-13 ₹ (Lacs)
<b>Income from Sales &amp; Services</b>		
- Mineral Water	1930.43	1716.92
- Product Development Fees	600.00	460.00
Other Income	410.81	296.62
Total Income	2941.24	2473.54
Profit/(Loss) before interest and depreciation	352.59	172.21
Depreciation and Amortisation	(113.28)	(118.16)
Exceptional Items	-	-
Profit before Tax	239.31	54.05
Tax	-	-
Profit/(Loss) after Tax	239.31	54.05
Profit/(Loss) brought forward from earlier years	(7685.53)	(7739.58)
Profit/(Loss) carried forward	(7446.22)	(7685.53)

### 2. Operating Results

#### Highlights

The year under review was the third full year of operations where NourishCo Beverages Limited (NBL), the 50:50 Joint Venture set up by Tata Global Beverages Limited (TGBL) and PepsiCo India Holdings Private Limited (PIH), handled the entire sales, marketing and distribution of 'Himalayan' through the PIH Go-To-Market (GTM) network. This enabled a higher visibility and availability of Himalayan.

The total volume of Himalayan sales for the year at 13.6 million litres was higher than 12.5 million litres in the previous year. The increase in volume is attributable to robust distribution and launch of various print media, relevant Brand Activations, merchandising and TV commercials by NBL.

The sales revenue at ₹ 1930 lacs during the year was higher than ₹ 1717 lacs during the previous year mainly on account of marginally higher volumes and better realization during the year which was at a transfer price which was cost plus margins as mutually agreed between the Parties.

In an inflationary environment, your Company was able to manage the cost increase within 5%. In addition, aggressive initiatives were undertaken to reduce corporate costs more so with front end marketing / sales activities transferred to NBL. As a result of the same your Company has reported a profit of ₹ 239 lacs for the year as compared to ₹ 54 lacs in the previous year.

The strength of the Brand 'Himalayan' was vindicated by NBL exploring an opportunity of increasing the price further from ₹ 45 per litre to take on the mantle of leadership in the emerging Natural Mineral Water category in India.

The improving price value equilibrium of the brand augurs well with the brand margin and future investments behind the brand.

# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

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This year Himalayan's Social Media Campaign saw more than 1.9 lakh fans on FB talking about the brand participating in contests and sharing our stories thus increasing interaction and creating awareness for the Brand.

The JV between Starbucks and TGBL have opened up significant volume opportunities for the brand as an exciting new alternate channel not only in India but also in other advanced markets across the globe. This also enabled Himalayan to be the only brand of water to be served/poured at all Tata Starbucks outlets in India. The first international foray with Starbucks Singapore, has ensured that Himalayan Water is now available across major Starbucks Outlets in Singapore. The Company's partnership with a leading business house in Singapore has also opened up the presence of Himalayan across Major Retail Chains in Singapore.

Your Company continued to work for TGBL on various assignments, straddling innovation, new product development and incubation in different food formats and received ₹ 600 lacs as Product Development fees from TGBL against ₹ 460 lacs received last year.

Your Company has been actively involved in the development of several non standardized new products that solicit statutory approvals from Specified Government appointed agencies. Your Directors wish to report that owing to a legal impasse, the regulatory approvals from the above agencies have been stayed. This has led to a delay in the processing of our applications for new products resulting in change of the launch plans of these products.

### 3. Preferential Issue

As on date, TGBL holds 50.07% of the shares in the Company and is the single largest shareholder of the Company. By virtue of this holding the Company is a subsidiary of TGBL.

During the year, there was a net increment of ₹ 64 lacs on the unutilized corpus mainly on account of profits made by the Company and its adjustment for various spends as per the objects earmarked in the preferential issue of 2007. The unutilized portion of the preferential issue as on March 31, 2014 amounting to ₹ 2526 lacs was placed as Inter Corporate Deposits and units of Mutual Funds.

### 4. Dividend

In view of the accumulated losses, your Directors do not recommend any dividend for the year.

### 5. Corporate Governance

Your Company has consistently adopted high standards of Corporate Governance and is committed to and firmly believes in practicing good governance.

A note on Corporate Governance as also the certificate from Company's Auditors confirming compliance of Corporate Governance norms, together with Management Discussion and Analysis are included in the Annual Report.

### 6. Amalgamation of the Company with Tata Global Beverages Limited (TGBL)

Your Directors at its meeting held on November 12, 2013 approved the scheme of merger of the Company with TGBL under a scheme of amalgamation under Sections 391-394 and other applicable provisions of the Companies Act, 1956. The Scheme would become effective after receipt of all requisite statutory and court approvals, including shareholders' approval. As per the directions of the Hon'ble High Court at Himachal Pradesh, a meeting of the shareholders of the Company is being convened on June 14, 2014, for seeking their approval to the scheme of amalgamation of the Company with TGBL with effect from the Appointed date, namely, 1st April 2013.

Additionally, as required under Clause 5.16 of the SEBI circular, approval to the said scheme of amalgamation is also being obtained from the shareholders by way of postal ballot in which the Company needs approval of majority shares from the public shareholders.

The merger of your Company with TGBL will actualize the credo of 'Live Natural' resonating with a significant consumer base around the world and open up opportunities in newer geographies in the coming year.

### 7. Directors Responsibility Statement

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956 ('the Act') and based on the representations received from the operating management, your Directors hereby confirm that:-

- i) in the preparation of the annual accounts for 2013-14, the applicable accounting standards have been followed and there are no material departures.
- ii) they have, in the selection of the accounting policies, consulted the Statutory Auditors and have applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit / loss of the Company for the financial year.
- iii) they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) they have prepared the annual accounts on a going concern basis.

## **8. Directors**

Mr Harish Bhat resigned from the Board with effect from the close of business hours on March 31, 2014 upon his induction as a member of the Group Executive Council of the Tata Group. He was also the Chairman of the Board of Directors. Your Directors wish to place on record their appreciation for the leadership and contributions made by Mr Bhat during his association with the Company.

The Board of Directors vide a Board Circular Resolution dated April 11, 2014 appointed Mr L Krishnakumar as the Additional Director of the Company with effect from April 1, 2014 to hold office upto the date of the forthcoming Annual General Meeting. Mr Krishnakumar was also appointed as the Chairman of the Board of Directors at the Board Meeting held on May 13, 2014. The Company has received notice from a member along with prescribed deposit intimating its intention to propose the candidature.

Resolution seeking approval of the Members for appointment of Mr L Krishnakumar as Director of the Company whose office shall be liable to retirement by rotation has been incorporated in the Notice of the forthcoming Annual General Meeting along with brief details about him.

Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, your Directors are seeking appointment of Mr Ajit C Shah, Mr Ranjit Barthakur, Mr V Subramanian and Mr Sumanth Badiga as Independent Directors for five consecutive years for a term upto August 7, 2019. Details of the proposal for appointment of Mr Ajit C Shah, Mr Ranjit Barthakur, Mr V Subramanian and Mr Sumanth Badiga are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the Twenty Third Annual General Meeting. Mr Ajoy K Misra shall retire at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchange.

None of the above mentioned Directors are disqualified from being appointed as a Director as specified in terms of Section 164 of the Companies Act, 2013.

## **9. Statutory Auditors**

The Members are requested to appoint the Statutory Auditors and fix their remuneration. M/s SNB Associates, Chartered Accountants, the retiring Auditors have furnished certificate of their eligibility for reappointment as required under the Act.

The Audit Committee and the Board of Directors recommends the re-appointment of M/s SNB Associates, Chartered Accountants as the Auditors of the Company.

## **10. Cost Auditors**

The Central Government has approved the appointment of M/s Deodhar & Associates as cost Auditors for the Company for conducting Cost Audit for the financial year 2012-13. The due date for filing the Cost Audit Report for the financial

# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

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year ended March 31, 2013 was September 30, 2013 and the Cost Audit Report was filed by the Cost Auditors on September 26, 2013. The due date for filing the Cost Audit Report for the financial year ended March 31, 2014 is September 30, 2014.

## 11. Certifications

Your Directors are happy to report that in addition to the existing certifications of Institute of Fresenius, ISO 9000 and HACCP, the Plant achieved the OHSAS 18000 (Operational Health & Safety Certification) from DNV and the NSF Certification enabling the use of their logo's on our product labels.

## 12. Particulars of Employees

Information as required under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, are given in the Annexure forming part of this report.

However, having regard to the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Annual Report excluding the aforesaid information is being sent to all the Members of the Company and others entitled thereto. Any Member interested in obtaining such particulars may write to the Company Secretary at the Corporate Office of the Company.

## 13. Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The statement pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is annexed to this report.

## 14. Insurance

All properties and insurable assets of the Company, including Building, Plant & Machinery and Stocks are adequately insured, wherever necessary, and to the extent required.

## 15. Concluding Remarks

Your Directors wish to convey their appreciation to all employees of the Company for their sincere and dedicated services during 2013-14, without which such a performance would not have been possible in a challenging environment.

On behalf of the Board of Directors

Mumbai,  
May 13, 2014

**L Krishnakumar**  
Chairman

## ANNEXURE TO THE DIRECTORS' REPORT

**Information in accordance with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of Directors' Report for the year ended March 31, 2014**

### A. CONSERVATION OF ENERGY

- |   |  |
|---|--|
| 1. Energy Conservation measures taken   | The use of Hydro-electricity in lieu of diesel generators at the plant have ensured cost effective reduction in usage of fossil fuels. |
| 2. Additional Investments and proposals if any, under implementation aimed at energy conservation | Nil  |
| 3. Impact of measures taken   | The effective use of Hydro-electricity at the Plant led to savings in the cost of operations & reducing Air and Noise pollution.       |

### B. RESEARCH & DEVELOPMENT

- |   |   |
|---|---|
| 1. Specific area                              | i) Flavoured Natural Mineral Water developed with natural flavours. Product is first of its kind in Indian Market.<br>ii) Carbonated Natural Mineral Water also first of its kind in Indian Market.   |
| 2. Benefits Derived                           | Developing a new Product range being extensions of the brand 'Himalayan'  |
| 3. Plan of action in-house                    | The new manufacturing line setup at the Plant utilizing the existing manpower for the manufacture of the new products.  |
| 4. Expenditure on R & D                       | ₹ 33.06 Lakhs   |
| 5. Other Technology absorption:               |   |
| a. Efforts made                               | 1. In consultation with design experts, developed bottle designs for the new products enabling the effective use of existing machines at the Plant.<br>2. The existing bottle designs of our products has been improved, enabling the strengthening of the bottle.<br>3. Installation of Racking system for the storage of finished goods, for proper utilization of space, ease of handling and identification of product. |
| b. Benefits                                   | Difficult to quantify   |
| c. Technology imported during last five years | None  |
| 6. Foreign Exchange Earnings and outgo        |   |

		Current year ended on 31.03.2014 (₹)	Previous year ended on 31.03.2013 (₹)
1.	Foreign Exchange earning		
	i) Value of Exports at FOB	608,205	263,500
	ii) Traveling Expenses	7,278	3,255
2.	Foreign Exchange used for expenses		
	i) Professional Fees	2,729,002	5,243,155
	ii) Traveling Expenses	428,569	480,482
	iii) Raw Materials	384,758	Nil
	iv) Stores & Spares	48,202	41,471
	v) Warehousing Charges	54,168	Nil
	Value of Imports in CIF Basis		
	i) Raw Material	707,647	Nil
	ii) Stores & Spares	61,615	47,218

For and on behalf of the Board

Mumbai  
Mumbai 13, 2014

**L Krishnakumar**  
Chairman



# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

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## MANAGEMENT DISCUSSIONS AND ANALYSIS

### Industrial Structure and Development

The Indian Bottling industry has continued to grow at a healthy space, at around 30%. The entire water category is estimated to be around ₹ 10,000 crores.

The Water Category is divided into 4 sub-categories – viz (i) Packaged Drinking Water, (ii) Natural Mineral Water (iii) Carbonated Water and (iv) Functional Water. In this, the Packaged Drinking Water is by far the largest category.

The bottled industry will continue to show a double digit growth in the coming years. The key brands in the packaged water are Bisleri – Parle Bisleri Ltd, Aquafina – PepsiCo India Holdings Pvt Ltd, Kinley – Coco-Cola India Pvt Ltd. These 3 brands together account for nearly 50% of the Indian bottled market.

### Opportunities, outlook, threats and risks

Natural Mineral Water though growing, continues to have a very small share of the entire Water industry, estimated at around ₹ 100 crores. In spite of entry of new players in this space, Himalayan continues to be the widely accepted and accredited brand in the category, and is placed at a premium pedestal and as an image driver. The brand Himalayan has been extended to Carbonated Natural Mineral Water, which shall be marketed as Himalayan Sparkling in the first half of the financial year 2014-15. Also, the flavored variants of Himalayan are in the advanced stage of development.

During the year, the Company has been actively considering the exports of Himalayan to different geographies across the globe, reflecting the international appeal of the brand. In the current year the Company continued its export consignments to Starbucks Singapore. Also, the Company has successfully introduced Himalayan in the Hyper Markets and reputed retail chain of markets in Singapore.

The crude based pet materials constitute up to 80% of the total material costs. Any increase in the global crude oil rate will directly impact the profitability. The impact on freight cost and the distribution challenges is typical to a single source bottler.

The Company which is part of the Tata Beverages Group is marketing, selling and distributing Himalayan water through NourishCo Beverages Limited, a 50:50 Joint Venture Company, set up by Tata Global Beverages Limited and PepsiCo India Holdings Private Limited for marketing, sale and distribution of a portfolio of 'good for you' beverages. This partnership has allowed wider and deeper market access for brand Himalayan, riding on Pepsi's deep and elaborate sales and distribution network and marketing expertise.

The continued legal impasse on the regulatory approvals by the Government appointed statutory agencies has impacted the Company and the industry at large. The early mitigation of this impasse will benefit everyone.

### Segment-wise or product wise performance

As stated in Notes to the Accounts for the year under review, Sales and Production of Natural Mineral Water in PET bottles and Sale of Services by way of Product Development Fees continues to be the core activities of the Company.

### Internal control systems

The Company is constantly monitoring and improving on its internal control systems to ensure that all Company's policies, procedures and guidelines are in place and also to make certain that all transactions are authorized, recorded and reported correctly.

### Financial & Operating performance

Improvement in the macro economic scenario is happening slowly and yet to convert to enhanced consumer spends in a sustained manner. This has had a rather deleterious effect on the overall business of the Company with major institutions

cutting back on their expenses and therefore, consumption of the Company's branded product. However, the last quarter of the current fiscal year have seen significant improvement in terms of volume offtake. As a result, the Turnover of the Company stood at ₹ 1930 lacs. Further, Product Development Fees received/receivable for the year was ₹ 600 lacs, which was higher than in previous year. The Profit before Tax was at ₹ 239 lacs as compared to a profit of ₹ 54 lacs in the previous year.

### **Treasury and Liquidity**

As at March 31, 2014, the Company has surplus funds of ₹ 2526 lacs, being the residual balance lying unutilized out of the Preferential Allotment made in 2007. The surplus funds were invested in Inter Corporate Deposits (ICD) and units of Mutual Funds.

### **Human Resources**

Your Company lays great emphasis on the importance of human resources and recognizes the fact that no organization can grow without a committed team of employees at all levels. Accordingly, it aims to retain and recruit quality professionals and provide them with a high performance environment. The employees are rewarded on the basis of their performance, longevity in the service, dedication, sincerity and loyalty. No man days were lost on account of strike or dispute during the year and over all relations with the employees and workers remained cordial and harmonious. The total number of employees and workers as on March 31, 2014 was 143 in all.

### **Cautionary Statement**

Statement in this report on Management's Discussions and Analysis describing the Company's objectives, projection, may be forward looking statements and are based on certain expectations. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference in the Company's operations include situation in the sub-continent affecting the tourist inflow in the country, cost of raw materials and other inputs, cost of transportation, change in Government policies and imposition of new duties, taxes or cess.

# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

## REPORT ON CORPORATE GOVERNANCE

### Investor Relations

#### 1. Company's Philosophy on Code of Governance

The Company's philosophy on Corporate Governance is to ensure transparency in all its dealings and in the functioning of the management and Board of Directors. These policies seek to focus on enhancement of long-term shareholder value without compromising on integrity, social obligations and regulatory compliances. The Company operates within accepted standards of propriety, fair play and justice and aims at creating a culture of openness in relationships between itself and its stake-holders. The Corporate Governance policy of the Company has been further strengthened through the Tata Code of Conduct and Tata Code for Prevention of Insider Trading and Code of Corporate Disclosure Practices adopted by the Company.

The Company is in compliance with mandatory provisions of Clause 49 of the Listing Agreement with the Stock Exchanges.

#### 2. Board of Directors

As on March 31, 2014 the Company had 07 Directors and the composition of the Board of Directors is given in the table below. The Chairman of the Board is a Non-Executive Director and 85.71% of the Board comprises of Non-Executive Directors. In terms of Clause 49 of the Listing Agreement with the Stock Exchange, atleast 50% of the Board should comprise of Non-Executive Independent Directors. The Non-Executive Independent Directors constituted 57.14% of the Board as at March 31<sup>st</sup>, 2014.

##### A. Composition of Directors as on March 31, 2014

Category	Number of Directors	Percentage
Non Executive Non-Independent Directors	2	28.57
Managing Director	1	14.29
Non-Executive Independent Directors	4	57.14
	7	100.00

During 2013-14, Mr Harish Bhat, Non-Executive Non Independent Director resigned from the Board of Directors of the Company with effect from the close of business hours on March 31, 2014 upon his induction as a member of the Group Executive Council of Tata Group.

Details of attendance of Directors at Board Meetings and at the last Annual General Meeting with particulars of their other Directorships and Chairman/Memberships of Board Committees showing the position as on March 31, 2014 are given in the following table:

Name of Director	Category	Attendance at		Directorships and Chairman/ Membership of Board Committees in other Companies @		
		Board Meetings/ Meetings Held	Last AGM	Director#	Committee Member	Committee Chairman
Mr Harish Bhat*	C, NED & NI	4/7	Yes	5	-	-
Mr Ajoy K Misra	NED & NI	5/7	No	4	1	-
Mr Ajit C Shah	NED-I	7/7	Yes	1	2	1
Mr Ranjit Barthakur	NED-I	4/7	Yes	-	-	-
Mr V Subramanian	NED-I	7/7	Yes	5	4	1
Mr Sumanth Badiga	NED-I	6/7	Yes	-	-	-
Mr Pradeep Poddar	MD	7/7	Yes	2	3	1

C: Chairman, NED: Non-Executive Director; I: Independent Director; MD: Managing Director; NI: Non Independent.

# Other Directorships do not include Alternate Directorships, Directorships of Private Limited Companies and of Companies incorporated outside India.

@ Committees pertain to other than those of the Company and include only Audit and Investors / Shareholder Grievance of Indian Public Limited Companies.

\* Resigned w.e.f. close of business hours on March 31, 2014

All Directors, except the Managing Director are liable to retire by rotation.

Minutes of the meetings of all the Board Committees are circulated to all the Directors.

Particulars about Directors who are retiring by rotation and eligible for re-appointment have been given in the attachment to the Notice and Explanatory Statement.

The Company has received declarations on seven criteria of independence as prescribed in clause 49.I.A (iii) of the Listing Agreement from the Non-Executive Directors of the Company who have been classified as Independent Directors.

No Director of the Company is related to any other Director of the Company.

**B. Non-Executive Directors' compensation and disclosures**

The Non Executive Independent Directors are paid sitting fees for attending the meetings of the Board and Committee of the Board. The Company pays a fee of Rs.10,000/- per meeting per Director for attending meeting of the Board and Audit Committee. For meetings of all other Committees of the Board, a sitting fee of Rs.5,000/- per meeting is paid.

**C. Other Provisions as to Board and Committees**

During 2013-14 the Board met 7 times on 17.05.2013, 05.07.2013, 24.07.2013, 22.10.2013, 12.11.2013, 23.01.2014 and 20.03.2014. The maximum time gap between any two board meetings was less than four months. As will be noted from the table given above, no Director is member of more than 10 Board Committees or Chairman of more than 5 Board Committees across all companies where he is a Director.

Chairmanship / Membership of Board Committees includes membership of Audit and Investors' Shareholders' Grievance Committees of Indian Public Limited Companies only as clarified by SEBI.

**D. Code of Conduct**

Tata Code of Conduct is a comprehensive written code which is applicable to all employees including the Managing Director. A condensed code of conduct applicable to the Non-Executive Directors was laid down by the Board. Both the Tata Code of Conduct and the Code of Conduct for Non-Executive Directors have been posted on the website of the Company.

In respect of the financial year 2013-14 all Board members and Senior Management personnel of the Company have affirmed compliance with the code as applicable to them.

**3. Audit Committee**

**i) Brief description of the terms of reference**

The role and terms of reference of the Audit Committee including its role and powers are specified in Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956. Apart from all these matters the Audit Committee reviews management accounting policies followed by the Company and deliberates upon suggestions of the Statutory Auditors and Internal Auditors for implementation as and when required.

**ii) Composition, name of members and Chairman**

As on March 31, 2014, the Audit Committee of the Board consisted of three Directors namely Mr Ajit C Shah, Mr V Subramanian and Mr Ajoy K Misra. Mr Ajit C Shah, the Chairman of the Committee, is a Chartered Accountant and has experience over three decades in the areas of audit, assurance and taxation. All members of the Audit Committee are Non-Executive Directors and two of them including the Chairman are Independent Directors. All the members of the Audit Committee are financially literate as defined in clause 49.II.(A) of the Listing Agreement.

The Chairman of the Audit Committee was present at the last AGM.

**iii) Attendance at meetings during the year**

During 2013-14, the Audit Committee met 5 times on 17.05.2013, 24.07.2013, 22.10.2013, 12.11.2013 and 23.01.2014. Invitees to the Committee meetings are Managing Director, Chief Financial Officer, the Statutory Auditors and Internal Auditors. The Company Secretary acts as the Secretary of the Audit Committee.

The attendance of the Committee Members at the meetings are listed below:

# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

Name of Members	17.05.2013	24.07.2013	22.10.2013	12.11.2013	23.01.2014
Mr Ajit C Shah	✓	✓	✓	✓	✓
Mr V Subramanian	✓	✓	✓	✓	✓
Mr Ajoy K Misra	X	✓	X	✓	X

## 4. Remuneration Committee

### i) Brief description of the terms of reference

The Board has set up a Remuneration Committee. This Committee is responsible for recommending to the Board, the remuneration package of Managing Director including his annual increment and Performance Bonus after reviewing his performance.

### ii) Composition, name of members and Chairman

The Remuneration Committee comprising of 4 Non-Executive Directors with Mr Ajit C Shah as Chairman, Mr Ranjit Barthakur, Mr Harish Bhat and Mr Ajoy K Misra as members. Two of the four Non-Executive Directors are Independent.

Mr Harish Bhat has resigned as a Director of the Company with effect from close of business hours on March 31, 2014. Consequent to his resignation, he has ceased to be the Member of the Remuneration Committee.

### iii) Attendance during the year

The Remuneration Committee met once during 2013-14 on May 30, 2013 which was attended by all the members except Mr Ajit C Shah.

### iv) Remuneration Policy

The remuneration policy followed by the Company takes into consideration performance of the Company during the year and of the Managing Director on certain parameters, such as state of the industry, achievement of budgeted targets, growth & diversification, benchmark remuneration in other companies of comparable size and complexity.

The Non Executive Independent Directors are paid fee of ₹ 10,000/- per meeting per Director for attending meeting of the Board and Audit Committee. For meetings of all other Committees of the Board, a sitting fee of ₹ 5,000/- per meeting is paid.

### Non-Executive Independent Directors' Remuneration paid in 2013-14

Name	Sitting Fee (₹ In lacs)	No. of shares held as on 31.03.2014
Mr Ajit C Shah	1.20	-
Mr Ranjit Barthakur	0.50	17,819
Mr V Subramanian	1.45	-
Mr Sumanth Badiga	0.65	-

### v) Service contract and Notice period of Managing Director

The remuneration structure of the Managing Director is based on the performance and defined criteria. The yearly increments are decided by the Board of Directors on the recommendation of the Remuneration Committee within the limits approved by the Members pursuant to the provisions of the Companies Act, 1956. The remuneration comprises of salary, variable compensation, commission, allowances, perquisites and benefits as per Company rules, contribution to provident fund, gratuity and superannuation fund.

The existing contract of Mr Pradeep Poddar as Managing Director is for the period from August 22, 2012 to August 21, 2017, terminable by 6 months' notice on either side. The details of remuneration to the Managing Director during the period April 1, 2013 to March 31, 2014 is given below:

Particulars	(₹ In lacs)
Salary & Variable Compensation	144.63
Allowances & perquisites	76.89
Contribution to Retiral funds	17.38
Commission for 2013-14	Nil
No. of shares held	Nil
Service Contract	5 years from August 22, 2012
Notice period	6 months

In line with the requirements of section 178 of the Companies Act, 2013 and the revised provisions of Clause 49 of the Listing Agreement (which will come into effect from October 1, 2014), the Board of Directors at its meeting held on May 13, 2014 reconstituted the existing Remuneration Committee and Nomination Committee as the Nominations and Remuneration Committee with effect from April 1, 2014. The reconstituted Committee consists of Mr V Subramanian as Chairman and Mr Ajit C Shah, Mr Ranjit Barthakur, Mr L Krishnakumar, Mr Ajoy K Misra and Mr Pradeep Poddar as members.

In terms of the merger of the Nomination and Remuneration Committees, the existing Nomination Committee stands dissolved.

## 5. Share Transfer-cum-Investors' Grievance Committee

### i) Composition, name of members and Chairman of the Committee

The Share Transfer cum Investors' Grievance Committee as on March 31, 2014 consists of 2 Directors with Mr V Subramanian as Chairman and Mr Pradeep Poddar as a Member.

The Committee has held 2 meetings during 2013-14 on May 17, 2013 and October 22, 2013. The Committee oversees the performance of Skyline Financial Services Private Limited, Registrar and Share Transfer Agent and recommends measures for overall improvement of the quality of investor services. To expedite the process of share transfers, the Board has delegated the power of share transfer to the Committee and share transfer formalities are approved by them on a fortnightly basis.

### ii) Name and designation of Compliance Officer

Mr A P K Chettiar, General Manager (Legal) & Company Secretary is the Compliance Officer.

### iii) Number of shareholders' complaints received so far, Number not solved to the satisfaction of shareholders and Number of pending complaints.

Given below are the position of queries/complaints and other correspondences received and attended to during 2013-14 in respect of equity shares.

For non-receipt of shares lodged for transfer	:	01
Queries/Complaints redressed	:	03
Pending queries as on 31.03.2014	:	Nil
Other Letters received from shareholders and replied	:	01

During 2013-14 the Company/Registrar had received 04 complaints from the shareholders, all of which have been resolved.

The response time for shareholders' correspondences during 2013-14 is shown in the following table:

	Number of letters	Percentage Weightage
Replied within 1 to 4 days of receipt	2	40%
Replied within 5 to 7 days of receipt	2	40%
Replied within 8 to 15 days of receipt	1	20%
Replied after 15 days of receipt	Nil	Nil
Total number of correspondence during the year	5	100%
Received in last week of March 2013 and replied in April 2013	Nil	Nil

# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

## Dematerialisation of Shares

97.20% of the issued share capital of the Company is held in dematerialized form as on March 31, 2014.

The shares of the Company are traded in dematerialized form. A table showing the requests received for dematerialisation/transfer during 2013-14 is given below:-

	Physical Transfers		Demat Transfers	
	No. of requests received	No. of shares	No. of requests received	No. of shares
Lodged	97	13100	61	468400
Processed	82	8200	52	166900
Objections	15	4900	9	1500
Pending as on 31.03.2014	Nil	Nil	Nil	Nil

In line with the requirements of Section 178 of the Companies Act, 2013, the existing Share-Transfer-cum-Investor Grievance Committee has been reconstituted as the Stakeholders' Relationship Committee with effect from April 1, 2014.

The reconstituted Stakeholders' Relationship Committee consists of Mr V Subramanian as Chairman and Mr Pradeep Poddar, member.

## 6. Other Board Committee

Name of the Committee	Members	Terms of reference
Executive Committee	Mr Harish Bhat – Chairman* Mr Pradeep Poddar Mr Ajit C Shah Mr Ajoy K Misra	Business and Strategy review. Long Term Financial Projections and Cash Flows. Capital and Revenue Budgets and Capital Expenditure Programmes. Acquisitions, Divestments and Business Restructuring Proposals. Senior Management Succession planning.
Nomination Committee**	Mr V Subramanian – Chairman Mr Ranjit Barthakur Mr Harish Bhat* Mr Pradeep Poddar	To identify independent Directors to be inducted to the Board from time to time. To take steps to refresh the composition of the Board from time to time.
Ethics & Compliance Committee	Mr V Subramanian – Chairman Mr Pradeep Poddar	To look into the requirements under Insider Trading Regulations including the Group guidelines on Insider Trading and Tata Code of Conduct.
Corporate Social Responsibility and Sustainability Committee	Mr Ranjit Barthakur – Chairman Mr Pradeep Poddar Mr V Subramanian Mr. Sumanath Badiga	To oversee the Corporate Social Responsibility and review the sustainability of the Water Resources / Aquifers, the important resource for all of its products, the effect of carbon foot print, etc.

\*Mr. Harish Bhat has resigned as a Director of the Company with effect from close of business hours of March 31, 2014. Consequence to his resignation, he has ceased to be the Member of the Remuneration Committee and Nomination Committee.

During 2013-14 two meetings of the Ethics & Compliance Committee and one meeting of Corporate Social Responsibility and Sustainability Committee were held, and no meetings of the Executive Committee and Nomination Committee were held.

\*\*In terms of Section 178 of the Companies Act, 2013, the Nomination Committee has since been merged with the Remuneration Committee.

## 7. General Body Meetings

### i) Location and time of General Meetings, whether any special resolutions passed in the previous AGM/EGMs

The details of General Meetings of the Company held during the last three years are as under:

Type	Year	Location	Date	Time	No. of Special Resolutions approved at the AGM/EGM	Subject of Special Resolutions
AGM	2010-11	Village Dhaula Kuan, District Sirmour, Himachal Pradesh.	August 5, 2011	4.00 PM	Nil	-
AGM	2011-12	Same as above	August 3, 2012	3.30 PM	1	Reappointment & Revision of Remuneration of Mr Pradeep Poddar, Managing Director
AGM	2012-13	Same as above	July 5, 2013	3.30 PM	2	Appointment of Mr Harish Bhat as a Director Appointment of Mr Sumanth Badiga as a Director

### ii) Whether any special resolution passed last year through postal ballot –

During 2013-14, no special resolution requiring Postal Ballot was passed.

## 8. Disclosures

### i) Disclosures on materially significant related party transactions that may have potential conflict with the interest of company at large.

There was no transaction of a material nature with any of the related parties which was in conflict with the interest of the Company.

Details of transactions of a material nature with related parties as specified in Accounting Standard 18 issued by the Institute of Chartered Accountants of India have been reported in the Notes to the Accounts.

### ii) Risk Management

The Company has in place a mechanism to inform the Board members about the Risk assessment and minimization procedures and periodical reviews to ensure that the critical risks are controlled by the management.

### iii) Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last three years.

There was no such instance in the last three years.

### iv) Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee.

The Board has approved a whistle blower policy which has been communicated to the employees. The policy provides a mechanism for employees to report their concern about unethical behavior, actual or suspected fraud or violation of Company's code of conduct and provides safeguards against victimization of employees who avail the mechanism. The policy permits reporting any concern relating to (i) financial/accounting matters and (ii) employees at the levels of Vice Presidents and above and the Ethics counselor directly to the Chairman of the Audit Committee. For all other matters the concern can be reported to the Ethics counselor of the Company. The policy with the name and address of Chairman of Audit Committee has been circulated to the employees. No employee has been denied access to the Chairman of Audit Committee.



# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

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**v) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.**

The Company is compliant with mandatory requirements of Clause 49 of the Listing agreement. As far as the seven non-mandatory requirements are concerned the Board has set up a Remuneration Committee as detailed in Clause 4 above. The Board has also adopted a Whistle Blower Policy which enables the employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's code of conduct. The policy provides direct access to the Chairman of the Audit Committee under certain circumstances. The policy has been communicated to the employees. Remaining non-mandatory requirements of Clause 49 are expected to be addressed in due course.

**9. CEO / CFO certification**

A certificate from the CEO and Manager (Finance) (in the absence of the CFO) on the financial statements of the Company was placed before the Board, as required by Clause 49 (V) of the Listing agreement.

**10. Means of Communication**

**i) Quarterly results**

Through publication in newspapers.

**ii) Newspapers wherein results normally published**

The quarterly results are generally published in Financial Express (English) and Jansatta (Hindi).

**iii) Any website, where displayed**

The quarterly results of the Company are put on the web site of the Company after these are submitted to the Stock Exchange. Our web site address is [www.himalayanmineralwater.com](http://www.himalayanmineralwater.com)

**iv) Whether it also displays official news releases**

No

**v) The presentations made to institutional investors or to the analysts.**

No

**11. General Shareholder Information**

**i) AGM – Date, Time and Venue, Financial Year, Date of Book Closure**

**Annual General Meeting**

Date and Time	: August 8, 2014; 3.00 p.m.
Venue	: Village Dhaula Kuan District Sirmour 173031 Himachal Pradesh
Financial Calendar (Tentative)	: April to March
Board Meeting for approval of Annual Accounts 2013-14	: May 13, 2014
Financial Results for 1 <sup>st</sup> Quarter 2013-14	: Last week of July 2013
Financial Results for 2 <sup>nd</sup> Quarter 2013-14	: Last week of October 2013
Financial Results for 3 <sup>rd</sup> Quarter 2013-14	: Last week of January 2014
Annual Accounts 2013-14	: Second week of May 2014
Book Closure Period	: August 2, 2014 to August 8, 2014

**ii) Listing of Equity Shares on Stock Exchange:**

Bombay Stock Exchange Limited, Mumbai

Stock Codes	:	BSE: 531096 Demat ISIN No. INE 690B01018
Listing fee	:	Annual Listing fee for 2014-15 have been paid to the Bombay Stock Exchange Limited where the shares of the Company are listed.

**iii) Registrar & Share Transfer Agent:**

Skyline Financial Services Pvt. Ltd.  
D-153A, Phase – I  
Okhla Industrial Area,  
New Delhi – 110 020  
Tel. 011-26812682-83  
Fax 011- 26812682  
E-Mail: [admin@skylinerta.com](mailto:admin@skylinerta.com)

**iv) Market Price Data:**

Monthly high/low and trading volumes during the last financial year on the BSE depicting liquidity of the Company's Equity Shares on the said exchange is given hereunder:

Month	High (₹)	Low(₹)	No. of Shares Traded
April 2013	131.70	102.25	43,0727
May 2013	148.00	122.25	1,198,954
June 2013	146.00	122.35	368,940
July 2013	142.00	105.60	360,017
August 2013	118.85	98.15	400,786
September 2013	113.45	99.85	456,231
October 2013	131.95	105.35	900,625
November 2013	130.00	99.10	944,029
December 2013	119.90	102.25	484,691
January 2014	117.25	100.00	258,352
February 2014	106.00	100.00	228,346
March 2014	108.70	99.00	555,094



# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

## v) Share Transfer System

Trading in Equity Shares of the Company is permitted in Demat form only. Work related to share transfer/other investor services are handled by Skyline Financial Services Pvt. Ltd., New Delhi. All share transfers/transmissions and related requests are normally processed and completed within 15 days of receipt of request.

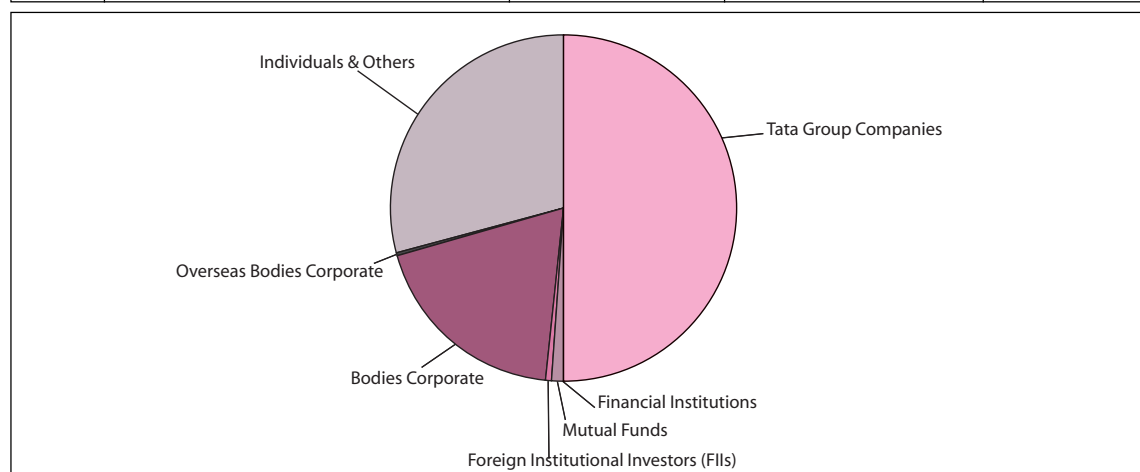
## vi) Distribution of Shareholding

### DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2014

Share holding of nominal value of		Share holders		Amount (nominal value of shares)	
₹	₹	Number	% to Total	In ₹	% to Total
Upto	5000	8440	96.04	33,862,350	9.96
5001	10000	151	1.72	11,426,120	3.36
10001	20000	92	1.05	13,298,110	3.91
20001	30000	31	0.35	7,810,430	2.30
30001	40000	20	0.23	7,033,290	2.07
40001	50000	19	0.22	8,715,610	2.56
50001	100000	17	0.19	12,807,600	3.77
100001	And above	18	0.20	245,006,200	72.07
<b>Total</b>		<b>8788</b>	<b>100.00</b>	<b>339,959,710</b>	<b>100.00</b>

### CATEGORIES OF SHAREHOLDERS AS ON MARCH 31, 2014

Sr.No.	Particulars	No. of Holders	Holding/Shares held	% to Capital
1	Tata Group Companies	3	17,081,092	50.24
2	Financial Institutions	3	7,100	0.02
3	Mutual Funds	9	335,845	0.99
4	Foreign Institutional Investors (FIIs)	3	192,582	0.57
5	Bodies Corporate	250	6,426,015	18.90
6	Overseas Bodies Corporate	5	68,100	0.20
7	Individuals & Others	8515	9,885,237	29.08
		<b>8788</b>	<b>33,995,971</b>	<b>100.00</b>



**viii) Dematerialisation of shares :**

33042887 Equity shares representing 97.20% of the total Equity Capital of the Company are held in dematerialized form with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) as on March 31, 2014.

**ix) Outstanding GDR/ADR/Warrants or any Convertible Instruments**

Conversion date and likely impact on equity : NIL

**x) Plant Location :** Village Dhaula Kuan, Paonta Sahib, District Sirmour – 173031, Himachal Pradesh.

**xi) Address for Investor Correspondence :** Skyline Financial Services Pvt. Ltd  
D-153A, 1<sup>st</sup> Floor, Phase – I,  
Okhla Industrial Area,  
New Delhi – 110 020  
Tel. : 011-2681 2682 / 83  
Fax : 011- 2681 2682  
E-Mail: [admin@skylinerta.com](mailto:admin@skylinerta.com)

**Contact :** Mr Subhash Agarwal  
Mr Virender Rana

**Shareholders' Relation Cell :** Mr A P K Chettiar, General Manager (Legal) & Company Secretary  
Mount Everest Mineral Water Limited  
New Excelsior Building, 4th Floor,  
A K Nayak Marg, Fort, Mumbai 400 001.  
Tel : 022 - 6636 6700 - 01  
Fax : 022 6615 7527  
Email : [apk.chettiar@memw.com](mailto:apk.chettiar@memw.com)  
Mrs Rupina Mistry  
Email: [rupina.mistry@memw.com](mailto:rupina.mistry@memw.com)

**12. Top Ten Shareholders**

As on March 31, 2014 the Top Ten shareholders of the Company were the following:

Sr. No.	Name of the Shareholder	No. of Shares	Percentage of shareholding
1.	Tata Global Beverages Limited	17,021,092	50.07%
2.	Kotak Mahindra Investments Limited	2,518,399	7.41%
3.	Gujarat Flurochemicals Limited	2,174,592	6.40%
4.	Rashmikant C Patel	394,605	1.16%
5.	Ashwin Kedia	368,571	1.08%
6.	DSP Blackrock Tax Saver Fund	277,045	0.81%
7.	Rahi Estates Private Limited	273,978	0.81%
8.	Parul R Patel	240,300	0.71%
9.	Systematix Fincorp India Limited	193,520	0.57%
10.	Haresh Tharani	155,578	0.46%

# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

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## 13. Auditors Certificate on Corporate Governance

As required under Clause 49 of the Listing Agreement, the Auditors' certificate on compliance with the corporate governance norms is attached.

## 14. Insider Trading Regulations

After the Securities and Exchange Board of India had amended the Insider Trading Regulations in February 2002, Tata Group has bought out the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure practices which your Company has adopted. The Chief Financial Officer of the Company is the Compliance Officer for the purpose of these regulations.

## 15. Declaration by the CEO on Code of Conduct as required by Clause 49.1.(D)(ii)

This is to declare that the Company has received affirmation of compliance with the applicable Code of Conduct from the Directors and Senior Management personnel of the Company in respect of the financial year 2013-14.

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## CERTIFICATE OF COMPLIANCE FROM AUDITORS AS STIPULATED UNDER CLAUSE 49 OF THE LISTING AGREEMENT OF THE STOCK EXCHANGES IN INDIA

To The Members of Mount Everest Mineral Water Limited

We have examined the compliance of conditions of Corporate Governance by Mount Everest Mineral Water Limited (the Company) for the year ended March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the guidance note on certification of Corporate Governance issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For SNB Associates**  
Chartered Accountants

**(S Lakshmanan)**  
Partner

Place: Mumbai  
Date: May 14, 2014

Membership No. 20045  
Firm Registration No. 015682N

## **AUDITORS' REPORT**

### **TO THE MEMBERS OF MOUNT EVEREST MINERAL WATER LIMITED.**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of Mount Everest Mineral Water Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). 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.

#### **Auditor's 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 misstatement.

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 entities 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**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and 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 Requirements**

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.

# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

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- 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 have been kept by the Company so far as appears 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, 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;
  - 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.

**For SNB ASSOCIATES**

Chartered Accountants

**(S. LAKSHMANAN)**

**Partner**

Membership No.20045

Firm Registration No. 015682N

Place: Chennai

Date: May 13, 2014

**The Annexure referred to in Paragraph 1 of “Report on Other Legal and Regulatory Requirements” section of our Independent auditors Report of even date for the year ended 31st March 2014:**

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) Physical verification of Fixed Assets is carried out by the management with a planned programme of verification, which, in our opinion, provides for physical verification of all Fixed Assets at reasonable intervals. The physically verified assets have been compared with the book records and discrepancies noticed on such verification were not material and have been properly dealt with in books of accounts.
- c) The Company has not disposed off substantial part of its fixed assets during the year.
- ii) a) The inventory of the Company has been physically verified by the management during the year. In our opinion, the frequency of physical verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management were found reasonable and adequate in relation to the size of the Company and nature of its business.
- c) On the basis of our examination of records of inventory, in our opinion, the Company has maintained proper records of inventory and the discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.
- iii) a) In our opinion and according to the information and explanations given to us, the Company has neither granted nor taken any loan, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under section 301 of the Act.
- b) As the Company has not granted or taken any loan, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act paragraph iii (b), iii(c) and iii(d) are not applicable.
- iv) In our opinion, and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchases of inventory, fixed assets and for the sale of goods. Further on the basis of our examinations and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major continuing weaknesses in the aforesaid internal control systems.
- v) a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) The Company has not accepted any deposit within the meaning of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.
- vii) In our opinion, the Company has an Internal Audit System commensurate with the size of the Company and nature of its business.



# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

- viii) The Central Government has prescribed maintenance of cost record under Section 209 (1) (d) of the Companies Act, 1956 . We have broadly reviewed the accounts and records of the company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, carried out a detailed examination of the same. We have been informed that the cost statements are under preparation.
- ix) a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Wealth tax, Service Tax, Sales Tax, Excise Duties, Custom Duty, Cess, and Other Statutory dues have been regularly deposited with the appropriate authorities. According to the explanations given to us, no undisputed arrears of Statutory dues were outstanding as at March 31, 2014 for a period of more than six months from the date they became payable.
- b) According to the records of the Company, there were no dues in respect of Sales Tax, Income Tax, Customs, Wealth Tax, Service Tax, Excise duty and other statutory dues which were not deposited on account of disputes except the following:

Name of the Statute	Nature of the dues	Period to which the amount relates	Amount (Rs)	Forum where dispute is pending
Income - Tax Act , 1961	Income Tax	AY 2008-09	5,97,829/-	Income Tax Appellate Tribunal, New Delhi.

- x) The Company has accumulated losses as at the March 31, 2014 which are more than 50% of its "net worth". The Company has not incurred cash losses during the financial year ended on that date and has not incurred cash losses in the immediately preceding financial year.
- xi) According to the information and explanations given to us, there were no dues payable to any financial institution or Banks or debenture holders during the year.
- xii) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The provisions of any special statute as specified under paragraph xiii (a), xiii(b), xiii(c) and xiii(d) of the Order are not applicable to the Company.
- xiv) In our opinion and according to the information and explanations given to us, the Company is not dealer or trader in securities. The Investments are held by it in its own name.
- xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or Financial Institutions.
- xvi) According to the information and explanations given to us, the Company has not taken any new term loans from Bank and/or Financial Institutions during the year hence paragraph xvii of the Order is not applicable to the Company.
- xvii) Based on the information and explanations given to us and on an overall examination of the balance sheet of the Company, in our opinion, there were no funds raised on a short term basis which have been used for long term investment.

- xviii) According to the information and explanations given to us, the Company has not made, any preferential allotment of shares covered in the register maintained under Section 301 of the Companies Act, 1956 during the year, hence paragraph xviii of the order is not applicable.
- xix) As the Company has no debentures outstanding at any time during the year, paragraph (xix) of the Order is not applicable to the Company.
- xx) The Company has not raised any money by public issue during the year hence, paragraph xx of the Order is not applicable.
- xxi) According to the information and explanations given to us, during the year, no fraud on or by the Company has been noticed or reported.

**For SNB Associates**

Chartered Accountants

**(S Lakshmanan)**

**Partner**

Membership No. 20045

Firm Registration No. 015682N

Place: Chennai

Date: May 13, 2014

# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

## BALANCE SHEET AS AT 31ST MARCH, 2014

Particulars	Notes	March 31, 2014 ₹	March 31, 2013 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	339,959,710	339,959,710
(b) Reserves and surplus	3	124,249,843	100,319,050
		<u>464,209,553</u>	<u>440,278,760</u>
<b>2 Non-current liabilities</b>			
(a) Long-term provisions	4	10,444,990	7,677,346
		<u>10,444,990</u>	<u>7,677,346</u>
<b>3 Current liabilities</b>			
(a) Trade payables		14,139,118	12,744,655
(b) Other current liabilities	5	35,424,408	35,983,454
(c) Short-term provisions	6	4,271,807	4,290,106
		<u>53,835,333</u>	<u>53,018,215</u>
<b>TOTAL</b>		<u><u>528,489,876</u></u>	<u><u>500,974,321</u></u>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets	7		
(i) Tangible assets		171,332,335	121,301,576
(ii) Capital work-in-progress		770,916	11,864,666
(iii) Intangible assets under development		1,814,156	1,662,246
		<u>173,917,407</u>	<u>134,828,488</u>
(b) Long-term loans and advances	8	44,158,696	37,403,524
(c) Other non-current assets	9	688,626	639,610
		<u>218,764,729</u>	<u>172,871,622</u>
<b>2 Current assets</b>			
(a) Current investments	10	22,642,449	11,203,599
(b) Inventories	11	17,744,015	17,686,371
(c) Trade receivables	12	30,815,425	40,180,710
(d) Cash and bank balances	13	1,038,648	1,129,241
(e) Short-term loans and advances	14	236,215,332	248,917,361
(f) Other current assets	15	1,269,278	8,985,417
		<u>309,725,147</u>	<u>328,102,699</u>
<b>TOTAL</b>		<u><u>528,489,876</u></u>	<u><u>500,974,321</u></u>
<b>III. Notes Forming Part of the Financial Statements</b>	1 - 30		

As per our report attached  
**For SNB ASSOCIATES**  
Chartered Accountants

For and on behalf of the Board

**S Lakshmanan**  
Partner  
M. No. 20045  
Firm Registration No. 015682N

**L Krishnakumar**  
Chairman

**Pradeep Poddar**  
Managing Director

Place : Mumbai  
Dated : May 13, 2014

**Ajoy K Misra**  
**Ajit Shah**  
**Ranjit Barthakur**  
**V Subramanian**  
**Sumanth Badiga** } Directors

**A P K Chettiar**  
GM - Legal & Company Secretary

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

Particulars	Notes	March 31, 2014 ₹	March 31, 2013 ₹
<b>IV. INCOME</b>			
Revenue from operations	16	264,507,138	220,493,580
Other income	17	29,616,876	26,861,236
<b>Total Revenue</b>		294,124,014	247,354,816
<b>V. EXPENSES</b>	18		
Cost of Material consumed		112,694,942	94,374,767
Changes in Inventories of Finished Goods		(393,692)	4,871,802
Manufacturing Expenses		21,691,293	19,599,474
Employee Benefits Expense		84,813,541	75,742,062
Depreciation		11,328,000	11,815,795
Other expenses		40,059,137	35,545,478
<b>Total Expenses</b>		270,193,221	241,949,378
<b>VI. Profit before tax (IV-V)</b>		23,930,793	5,405,438
<b>VII. Tax expense:</b>			
(1) Current tax		-	-
(2) Deferred tax		-	-
<b>Total Taxes</b>		-	-
<b>VIII. Profit after tax for the period (VI-VII)</b>		23,930,793	5,405,438
<b>IX Earnings per equity share:</b>			
(1) Basic		0.70	0.16
(2) Diluted		0.70	0.16
<b>III Notes Forming Part of the Financial Statements</b>	1 - 30		

As per our report attached  
**For SNB ASSOCIATES**  
Chartered Accountants

For and on behalf of the Board

**S Lakshmanan**  
Partner  
M. No. 20045  
Firm Registration No. 015682N

**L Krishnakumar**  
Chairman

**Pradeep Poddar**  
Managing Director

Ajoy K Misra  
Ajit Shah  
Ranjit Barthakur  
V Subramanian  
Sumanth Badiga } Directors

**A P K Chettiar**  
GM - Legal & Company Secretary

Place : Mumbai  
Dated : May 13, 2014

# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	March 31, 2014 ₹	March 31, 2013 ₹
<b>Cash flow from operating activities</b>		
Net Profit/(Loss) before Tax	23,930,793	5,405,438
	<u>23,930,793</u>	<u>5,405,438</u>
Adjustments For:		
Depreciation	11,328,000	11,815,795
Provision for doubtful deposits	-	(550,000)
Provision for Contingencies	-	85,317
Provision for inventory	125,043	-
Raw material Inventory written off	391,451	-
Sundry balances/Provisions written back	(8,452,011)	(1,352,329)
Provision for doubtful debts & Discount & Rebate written back	(704,340)	-
Loss on sale of assets	6,963	80,562
Assets written off	854,013	664,052
Income from sale/ switch of investments in mutual funds	(1,438,850)	(813,113)
Interest Income	(27,317,852)	(25,033,162)
	<u>(1,276,790)</u>	<u>(9,697,440)</u>
<b>Cash flow from operations before working capital changes</b>		
Adjustments for:		
(Increase)/Decrease in Long term loans and advances	(352,280)	(7,925,561)
(Increase)/Decrease in other non current assets	(49,016)	(500,000)
(Increase)/Decrease in Inventories	(449,095)	1,459,180
(Increase)/Decrease in Trade receivable	10,069,625	(7,822,096)
(Increase)/Decrease in Short term loans and advances	7,702,029	(2,515,811)
(Increase)/Decrease in Other Current assets	7,142,790	-
Increase/(decrease) in Trade payables	1,394,463	4,217,977
Increase/(decrease) in Other current liabilities	7,767,922	7,377,893
Increase/(decrease) in Provisions	2,749,345	2,482,139
<b>Cash generated from operations</b>	<u>34,698,993</u>	<u>(12,923,719)</u>
Taxes paid (Net)	(6,402,892)	(8,188,522)
<b>Net cash flow from Operating activities</b>	<u>28,296,101</u>	<u>(21,112,241)</u>
<b>Cash flow from Investment Activities</b>		
(Placement) / Redemption of intercorporate deposits (Net)	5,000,000	10,000,000
Acquisition of Fixed Assets/Intangibles/ Capital advances	(51,286,628)	(10,477,341)
Interest received	27,891,201	25,516,769
(Placement)/Redemption of Current Investments (Net)	(10,000,000)	(10,390,486)
Sale of fixed assets	8,733	36,456
<b>Net Cash Used in Investing Activities</b>	<u>(28,386,694)</u>	<u>14,685,398</u>

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	March 31, 2014 ₹	March 31, 2013 ₹
<b>Cash Flow from Financing Activities</b>	-	-
<b>Net Cash Used In Financing Activities</b>	-	-
<b>Net Increase / (Decrease) in cash and cash equivalents</b>	<b>(90,593)</b>	<b>(6,426,843)</b>
<b>Cash and Cash Equivalents as at 1st April 2013</b>	<b>1,129,241</b>	<b>7,556,084</b>
<b>Cash and Cash Equivalents as at 31st March 2014</b>	<b>1,038,648</b>	<b>1,129,241</b>
Cash and Cash equivalents	<b>1,038,648</b>	1,129,241
Add : Bank Balances and deposits not considered as cash	-	-
<b>Cash and Bank Balances as per Note no 13</b>	<b>1,038,648</b>	<b>1,129,241</b>

As per our report attached  
**For SNB ASSOCIATES**  
Chartered Accountants

**S Lakshmanan**  
**Partner**  
M. No. 20045  
Firm Registration No. 015682N

Place : Mumbai  
Dated : May 13, 2014

**For and on behalf of the Board**

**L Krishnakumar**  
**Chairman**

**Pradeep Poddar**  
**Managing Director**

**Ajoy K Misra**  
**Ajit Shah**  
**Ranjit Barthakur**  
**V Subramanian**  
**Sumanth Badiga** } **Directors**

**A P K Chettiar**  
**GM - Legal & Company Secretary**

# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 1. Significant Accounting Policies:

#### (a) Accounting Convention

The financial statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards, notified u/s 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared in accordance with the historical cost convention.

#### (b) Fixed Assets and Depreciation

Fixed Assets are stated at cost (net of taxes recoverable) less accumulated depreciation. Expenditure incurred up to the date of commencement of commercial production is allocated to the various qualifying assets on the basis of generally accepted accounting principles.

Depreciation on fixed assets is provided on straight line method in accordance with Schedule XIV to the Companies Act, 1956 except in respect of the certain assets where depreciation has been provided at the rate arrived by considering the balance useful life of the asset or schedule XIV rates whichever is higher. The details are as follows:

1. Aoki Machines: Depreciated based on balance 7 years of useful life.
2. Chiller/Filler/Moulds/Other accessories: Depreciated based on 4 years of useful life.
3. Visicoolers: Depreciated based on 5 years of useful life.

Expenditure on software and related implementation costs are capitalized where it is expected to provide enduring economic benefits and are amortized on a straight line basis over a period of five years.

Subsidies from government in respect of fixed assets are deducted from the cost of respective assets.

No amortization is done in respect of leasehold land in view of long tenure of lease.

#### (c) Investments

Investments of a long term nature are stated at cost, less adjustment for any diminution, other than temporary, in the value thereof. Current investments are stated at lower of cost and market value.

#### (d) Inventories

Inventories, other than stores and spares are stated at cost on FIFO basis or net realisable value whichever is lower. Stores and spares are carried at cost on FIFO basis, necessary provision is made and charged to revenue in case of identifiable obsolete and non-moving stock.

#### (e) Foreign Currency Transactions

Transactions in foreign currency are recorded at average weekly spot rates and exchange difference resulting from settled transactions is adjusted in the Profit & Loss Account. Current asset and liability balances in foreign currency at the Balance Sheet date are restated at the year end exchange rates and the resultant net gain or loss is adjusted in the Profit & Loss Account. Year-end balances of monetary assets are restated at the year-end exchange rates.

#### (f) Deferred Taxation

Deferred tax on timing difference between taxable income & accounting income is accounted for using tax rates and tax laws enacted or substantially enacted on balance sheet date.

Deferred tax assets are recognized only to the extent there is virtual certainty of realization.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### **(g) Revenue Recognition**

#### **(i) Sales & Services:**

Sales are recognized on passing of property in goods i.e. delivery as per terms of sale.

Revenue from services rendered is recognized on accrual basis.

#### **(ii) Other Income:**

Interest income and income from investments are accounted on accrual basis.

### **(h) Employee Benefits**

#### **(1) Post retirement employee benefits:**

Contribution required for Post retirement benefits like Provident Fund and Defined Contribution to Superannuation schemes, in the nature of defined contribution plans, are recognized in the Profit & Loss Account on an accrual basis.

Liabilities under the defined benefit schemes are determined through independent actuarial valuation at year end and charge recognized in the books. For schemes, where recognized funds have been set up, annual contributions determined as payable in the actuarial valuation report are contributed. Actuarial gains and losses are recognized in the Profit & Loss Account.

#### **(2) Other Employees Benefits:**

Other employee benefits are accounted for on accrual basis. Liabilities for Compensated absences are determined based on independent actuarial valuation at year end and charge recognized in the profit and loss account.

### **(i) Provisions, contingent liabilities and contingent assets :**

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

### **(j) Cash and cash equivalents :**

The Company consider all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalents.

### **(k) Impairment :**

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

Reversal of impairment loss is recognized immediately as income in the statement of profit and loss.



# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note 2 : SHARE CAPITAL

	March 31, 2014 ₹	March 31, 2013 ₹
<b>1 Authorised Share capital</b>		
Equity Shares 3,50,00,000 (Previous Year 3,50,00,000) Equity Shares of ₹ 10 each	350,000,000	350,000,000
	<u>350,000,000</u>	<u>350,000,000</u>
<b>2 Issued, Subscribed and Paid up</b>		
Equity Shares 3,39,95,971 (Previous Year 3,39,95,971) Equity Shares of ₹ 10 each fully paid	339,959,710	339,959,710
	<u>339,959,710</u>	<u>339,959,710</u>

#### a. Shareholders holding more than 5% shares in the Company

Name of the Company	March 31, 2014		March 31, 2013	
	No. of Shares	% holding	No. of Shares	% holding
Equity share of ₹10/- each fully paid				
Tata Global Beverages Limited	17,021,092	50.07%	17,021,092	50.07%
Kotak Mahindra Investments Limited	2,518,399	7.41%	2,202,161	6.48%
Gujarat Fluorochemicals Limited	2,174,592	6.40%	2,174,592	6.40%

#### b. Reconciliation of the shares outstanding at the beginning and at the end of reporting period

	March 31, 2014		March 31, 2013	
	No. of Shares	₹	No. of Shares	₹
Opening Balance	33,995,971	339,959,710	33,995,971	339,959,710
Add : Issued during the year	-	-	-	-
Less : Redeemed / Bought Back	-	-	-	-
Closing Balance	<u>33,995,971</u>	<u>339,959,710</u>	<u>33,995,971</u>	<u>339,959,710</u>

#### c. Shares in the Company held by its holding company including shares held by subsidiaries or associates of holding company

Name of the Company	March 31, 2014		March 31, 2013	
	No. of Shares	% holding	No. of Shares	% holding
Shares held by Holding Company				
Tata Global Beverages Limited	17,021,092	50.07%	17,021,092	50.07%
	<u>17,021,092</u>	<u>50.07%</u>	<u>17,021,092</u>	<u>50.07%</u>

d. The Company has one class of equity shares having a par value of ₹10/- per share. Each shareholder is eligible for one vote per share held.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	March 31, 2014 ₹	March 31, 2013 ₹
<b>Note 3 : RESERVES AND SURPLUS</b>		
<b>Securities Premium Reserve</b>		
Balance as per last Balance sheet	868,872,299	868,872,299
Add : Current Year Transfer	-	-
Closing Balance	<u>868,872,299</u>	<u>868,872,299</u>
<b>Surplus in Profit and loss account</b>		
Balance as per last Balance sheet	(768,553,249)	(773,958,687)
Add : Profit (Loss) For the current year	23,930,793	5,405,438
Closing Balance	<u>(744,622,456)</u>	<u>(768,553,249)</u>
Grand Total	<u><u>124,249,843</u></u>	<u><u>100,319,050</u></u>
<b>Note 4 : LONG TERM PROVISIONS</b>		
<b>Provision for employee benefits</b>		
Superannuation Fund	6,197,192	4,131,534
Leave Encashment	4,247,798	3,545,812
<b>Total</b>	<u><u>10,444,990</u></u>	<u><u>7,677,346</u></u>
<b>Note 5 : OTHER CURRENT LIABILITIES</b>		
<b>Other Payables</b>		
Statutory Liabilities	2,928,843	2,351,648
Others	32,495,565	33,631,806
<b>Total</b>	<u><u>35,424,408</u></u>	<u><u>35,983,454</u></u>
<b>Note 6 : SHORT TERM PROVISIONS</b>		
<b>Provision for Employee benefits</b>		
Superannuation Fund	1,640,224	1,640,224
Leave Encashment	2,631,583	2,649,882
<b>Total</b>	<u><u>4,271,807</u></u>	<u><u>4,290,106</u></u>

# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note 7 : FIXED ASSETS

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	1-Apr-2013	Additions	Deductions	31-Mar-2014	1-Apr-2013	Charge for the Year	Deductions	31-Mar-2014	31-Mar-2014	31-Mar-2013
<b>A TANGIBLE ASSETS</b>										
1. Leasehold Land	1,651,170	-	-	1,651,170	-	-	-	-	1,651,170	1,651,170
Previous Year	1,651,170	-	-	1,651,170	-	-	-	-	1,651,170	1,651,170
2. Freehold Land	2,323,104	-	-	2,323,104	-	-	-	-	2,323,104	2,323,104
Previous Year	2,323,104	-	-	2,323,104	-	-	-	-	2,323,104	2,323,104
3. Building	35,007,448	10,242,103	-	45,249,551	14,622,308	1,218,844	-	15,841,152	29,408,399	20,385,140
Previous Year	35,007,448	-	-	35,007,448	13,453,059	1,169,249	-	14,622,308	20,385,140	21,554,389
4. Plant & Equipment	229,992,495	50,490,345	-	280,482,840	141,017,356	9,020,927	-	150,038,283	130,444,557	88,975,139
Previous Year	225,354,036	6,480,602	1,842,143	229,992,495	133,826,460	8,955,294	1,764,398	141,017,356	88,975,139	91,527,576
5. Furniture & Fixtures	1,820,615	1,146,851	-	2,967,466	642,927	130,216	-	773,143	2,194,323	1,177,688
Previous Year	1,783,078	37,537	-	1,820,615	535,424	107,503	-	642,927	1,177,688	1,247,654
6. Office Equipments	6,537,048	349,169	1,741,267	5,144,950	2,501,683	508,260	871,558	2,138,385	3,006,565	4,035,365
Previous Year	7,230,681	1,024,964	1,718,597	6,537,048	2,848,840	668,115	1,015,272	2,501,683	4,035,365	4,381,841
7. Vehicles	4,757,158	-	-	4,757,158	2,003,188	449,753	-	2,452,941	2,304,217	2,753,970
Previous Year	4,757,158	-	-	4,757,158	1,551,258	451,930	-	2,003,188	2,753,970	3,205,900
Total (A)	282,089,038	62,228,468	1,741,267	342,576,239	160,787,462	11,328,000	871,558	171,243,904	171,332,335	121,301,576
Previous Year	278,106,675	7,543,103	3,560,740	282,089,038	152,215,041	11,352,091	2,779,670	160,787,462	121,301,576	125,891,634
<b>B INTANGIBLE ASSETS</b>										
Computer Softwares	2,318,516	-	-	2,318,516	2,318,516	-	-	2,318,516	-	-
Previous Year	2,318,516	-	-	2,318,516	1,854,812	463,704	-	2,318,516	-	463,704
Grand Total (A+B)	284,407,554	62,228,468	1,741,267	344,894,755	163,105,978	11,328,000	871,558	173,562,420	171,332,335	121,301,576
Previous Year	280,425,191	7,543,103	3,560,740	284,407,554	154,069,853	11,815,795	2,779,670	163,105,978	121,301,576	126,355,338
<b>C CAPITAL WORK IN PROGRESS</b>										
UNDER DEVELOPMENT	1,662,246	151,910	-	1,814,156	-	-	-	-	770,916	11,864,666
Previous Year	4,747,557	4,008,463	7,093,774	1,662,246	-	-	-	-	1,814,156	1,662,246

(Amount in ₹)

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	March 31, 2014 ₹	March 31, 2013 ₹
<b>Note 8 : LONG TERM LOANS AND ADVANCES (Unsecured, considered good)</b>		
Security deposit		
- Considered good	5,263,700	4,454,550
- Considered doubtful	-	215,450
Loans and advances to others	1,600,156	944,002
Capital Advances	-	1,113,024
Advance tax (Net of Provisions)	37,294,840	30,891,948
Less : Provision for doubtful deposits	-	(215,450)
<b>Total</b>	<b>44,158,696</b>	<b>37,403,524</b>
<b>Note 9 : OTHER NON CURRENT ASSETS</b>		
Interest receivable	116,352	67,336
Long term bank deposit with bank for more than 12 months*	72,274	72,274
Long term bank deposit with bank for more than 12 months# (Transferred from Note no. 13 - Cash and Bank balances)	500,000	500,000
<b>Total</b>	<b>688,626</b>	<b>639,610</b>

\*Given as security for Bank Guarantee favouring Sales Tax

#Given as security for Bank Guarantee favouring State Excise Authorities

	March 31, 2014		March 31, 2013	
	No. of Units	₹	No. of Units	₹
<b>Note 10 : CURRENT INVESTMENTS</b>				
<b>TRADE INVESTMENT AT COST</b>				
<b>INVESTMENTS - CURRENT NON TRADE (UNQUOTED)</b>				
<b>MUTUAL FUNDS (Units of ₹ 10/- each)</b>				
TFLG - Tata Floater Fund Growth	11851.112	22,642,449	6,439.990	11,203,599
	11851.112	22,642,449	6,439.990	11,203,599
1) Aggregate value of Cost of Unquoted Investments		22,642,449		11,203,599
2) Aggregate market value of Unquoted Investments		22,805,453		11,304,940

# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	March 31, 2014 ₹	March 31, 2013 ₹
<b>Note 11 : INVENTORIES</b>		
<b>Inventories *</b>		
(As taken valued & certified by the Management)		
Raw Materials	6,458,691	8,063,013
Packing Materials	3,478,664	2,130,677
Finished Goods	3,898,395	3,504,703
Stores, Spares & Consumables	3,908,265	3,987,978
<b>* Raw Materials, Packing Materials, Stores &amp; Spares are valued at Cost on FIFO basis, Finished Goods valued at cost or net realizable value, whichever is less</b>		
<b>Total</b>	<u><u>17,744,015</u></u>	<u><u>17,686,371</u></u>
<b>Note 12 : TRADE RECEIVABLES</b>		
<b>Trade receivables</b>		
Exceeding six months from due date		
Secured (considered good)	-	200,000
Unsecured		
Considered good	18,999	4,343,647
Considered doubtful	-	33,483,302
<b>Total (1)</b>	<u>18,999</u>	<u>38,026,949</u>
Others:		
Unsecured		
Considered good	30,796,426	35,637,063
<b>Total (2)</b>	<u>30,796,426</u>	<u>35,637,063</u>
<b>Total (1+2)</b>	<u><u>30,815,425</u></u>	<u><u>73,664,012</u></u>
Less : Provision for doubtful debts	-	33,483,302
<b>Grand Total</b>	<u><u>30,815,425</u></u>	<u><u>40,180,710</u></u>
<b>Trade Receivables includes amount due from Holding Company ₹5,168,600/- (Previous Year ₹10,893,404/-)</b>		

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	March 31, 2014 ₹	March 31, 2013 ₹
<b>Note 13 : CASH AND BANK BALANCES</b>		
<b>1 Cash and Cash equivalents</b>		
(i) Cash on hand	47,791	47,366
(ii) Balance with Banks in current accounts	990,857	1,081,875
<b>Total (1)</b>	<b>1,038,648</b>	1,129,241
<b>2 Other Bank balances</b>		
Long term Bank Deposit for more than 12 months#	500,000	500,000
Long term Bank Deposit for more than 12 months*	72,274	72,274
	572,274	572,274
Less: Long term deposit with bank for more than 12 months	572,274	572,274
(Transferred to Note no. 9 - Other Non Current Assets)	-	-
<b>Total (2)</b>	-	-
<b>Total (1)+(2)</b>	<b>1,038,648</b>	1,129,241
#Given as security for bank guarantee favouring State Excise Authorities.		
*Given as security for Bank Guarantee favouring Sales Tax		
<b>Note 14 : SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
Loans and advances to related parties	3,127,739	1,764,283
Inter Corporate Deposits	230,000,000	235,000,000
Loans and advances to others	3,087,593	12,153,078
<b>Total - Short-term loans and advances</b>	<b>236,215,332</b>	248,917,361
<b>Note 15: OTHER CURRENT ASSETS</b>		
Interest Receivable on Inter Corporate Deposits/Fixed Deposits with Bank	1,269,278	1,891,643
Expenses Recoverable	-	7,093,774
	<b>1,269,278</b>	8,985,417

# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	March 31, 2014 ₹	March 31, 2013 ₹
<b>Note 16 : REVENUE FROM OPERATIONS</b>		
<b>Sale of Goods</b>		
Sale of Packaged Natural Mineral Water	193,042,537	171,692,463
<b>Sale of Services</b>		
Product Development Fees	60,000,000	46,000,000
<b>Other Operating Revenue</b>		
Sale of Scrap	1,339,165	870,086
Liabilities and Provisions written back	8,452,011	1,352,329
Provision for doubtful debts & Discount & Rebate written back	37,937,104	
Less : Bad Debts written off	-37,232,764	
	704,340	
Other Income	969,085	578,702
	264,507,138	220,493,580
<b>Note 17 : OTHER INCOME</b>		
a) Profit on sale of Current Investments	1,438,850	813,113
b) Interest Income	25,824,530	25,033,162
Tax deducted at source: ₹ 2,581,643/- (Previous year: ₹ 2,501,799/-)		
c) Interest on Income tax refund	1,493,322	-
d) Miscellaneous Income	860,174	1,014,961
	29,616,876	26,861,236
<b>Sub-total</b>	29,616,876	26,861,236
<b>TOTAL</b>	294,124,014	247,354,816
<b>Note 18 : EXPENSES</b>		
a) <b>Cost of Materials Consumed</b>		
<b>Raw Material</b>		
Opening stock	8,063,013	3,052,172
Add: Purchases	76,175,504	69,301,809
Less: Closing Stock	6,458,691	8,063,013
	77,779,826	64,290,968
<b>Packing Material</b>		
Opening stock	2,130,677	1,823,331
Add: Purchases	36,263,103	30,391,145
Less: Closing Stock	3,478,664	2,130,677
	34,915,116	30,083,799
<b>TOTAL</b>	112,694,942	94,374,767
b) <b>Changes in Inventories of Finished Goods</b>		
Stock as at 1st April	3,504,703	8,376,505
Stock as at 31st March	3,898,395	3,504,703
	(393,692)	4,871,802

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note 18 : EXPENSES (contd.)

	March 31, 2014 ₹	March 31, 2013 ₹
<b>c) Manufacturing Expenses</b>		
Power & Fuel	15,089,241	11,849,868
Marking Fee	239,518	232,475
Store & Spare Consumed	3,551,057	2,907,066
Repairs & Maintenance		
- Plant & Machinery	623,493	1,035,165
- Building	261,256	1,622,106
Other Factory expenses	1,926,728	1,952,794
<b>Total</b>	<b>21,691,293</b>	<b>19,599,474</b>
<b>d) Employees benefit expenses *</b>		
(i) Salaries, Wages, Bonus etc.	77,286,187	68,474,272
(ii) Company's Contribution to Retirement Funds & Other Funds	5,139,539	4,299,230
(iii) Workmen / Staff Welfare Expenses	2,387,815	2,968,560
<b>Total</b>	<b>84,813,541</b>	<b>75,742,062</b>
<b>Total (a) + (b) + (c) + (d)</b>	<b>218,806,084</b>	<b>194,588,105</b>
<p>*Including ₹23,627,600/- for salary &amp; allowances and other perquisites of Managing Director (Previous Year ₹20,785,776/-) - Refer Note 25(B)</p> <p>*The above includes amounts paid to the Holding Company Associate Company for staff on Deputation.</p>		
<b>e) Other Expenses</b>		
Rent & Hire Charges	1,046,801	984,286
Legal & Professional Charges	19,998,517	20,387,479
Rates & Taxes	318,404	229,545
Office Maintenance & General Expenses	1,670,301	1,435,430
Travelling & Conveyance	4,302,511	2,928,895
Communication Expenses	1,538,810	1,329,014
Directors Travelling	1,806,638	1,085,476
Payments to Auditors		
i. As Auditor	430,000	390,000
ii. For Tax Audit	50,000	50,000
iii. For Certificate/Limited Review Fees	270,000	210,000
iv. For Service Tax & Expenses reimbursement	215,467	273,014
Directors Sitting Fees	416,899	281,540
Insurance	384,138	442,224
Miscellaneous Expenses	7,610,651	5,518,575
<b>TOTAL</b>	<b>40,059,137</b>	<b>35,545,478</b>
<b>GRAND TOTAL (a) + (b) + (c) + (d) + (e)</b>	<b>258,865,221</b>	<b>230,133,583</b>



# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	2013-14 ₹	2012-13 ₹
<b>19. Contingent liabilities and Commitments:</b>		
(i) Contingent Liability not provided for in respect of:		
Claims against the company not acknowledged as debt		
(a) Income Tax	597,829	6,930,083
(b) Others	1,562,455	2,422,071
(ii) Commitments :		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net off advances) ₹4,36,107 (Previous year ₹ 17,32,987)		
<b>20. Utilization of Funds received on preferential allotment</b>		
	2013-14 ₹	2012-13 ₹
Opening Balance invested in		
Mutual Funds	11,203,599	Nil
Inter Corporate Deposits	235,000,000	245,000,000
	<b>246,203,599</b>	<b>245,000,000</b>
Less: Utilised		
Fixed Assets	49,767,123	7,391,648
Modernization & Manufacturing Facilities	1,769,714	1,684,559
Developing overseas market	1,881,758	1,495,660
Developing New Product	1,821,177	3,240,641
Working Capital	(61,678,622)	(15,016,107)
	<b>(6,438,850)</b>	<b>(1,203,599)</b>
Balance: Invested in Mutual Funds	22,642,449	11,203,599
Invested in Inter Corporate Deposits	230,000,000	235,000,000
	<b>252,642,449</b>	<b>246,203,599</b>

**21.** In the opinion of the Board of Directors, Current Assets, Loans and Advances have realizable value at least equal to amount stated in Balance Sheet in the ordinary course of business.

**22. Amounts due to Micro, Small and Medium Enterprises**

Disclosure of amounts due to Micro, Small and Medium Enterprises under current liabilities is based on the information with the company regarding status of the supplier as defined under "Micro, Small and Medium Enterprises Development Act, 2006". As certified by the management, accounts overdue as on March 31, 2014 to Micro, Small and Medium Enterprises on account of principal amount together with interest aggregate to Rs. Nil (Previous Year Nil)

### 23. Deferred Taxation

No provision has been made for deferred tax assets in respect of carried forward business losses as there is no virtual certainty of having adequate taxable profit in the near future to realize such assets.

### 24. Earnings per share

	2013-14 ₹	2012-13 ₹
Profit after tax for the year (₹)	<b>23,930,793</b>	5,405,438
No. of shares at beginning of the year	<b>33,995,971</b>	33,995,971
Weighted Average No. of Shares as at Year end	<b>33,995,971</b>	33,995,971
Earnings (in ₹) per Share (Nominal Value of ₹10/- per share)	<b>0.70</b>	0.16
- Basic & diluted Earnings per share (₹)	<b>0.70</b>	0.16

The Earning per Share has been calculated based upon the Weighted Average number of shares in accordance with AS-20.

### 25. Related Party Disclosure under AS-18 :

Related parties with whom transactions have taken place during the year

Holding Company	: Tata Global Beverages Ltd
Key Managerial Personnel	: Mr. Pradeep Poddar, Managing Director & CEO

#### (A) Tata Global Beverages Limited

<b>Nature of relationship – Holding Company</b>	2013-14 ₹	2012-13 ₹
Opening Balance	<b>12,657,687</b>	15,533,831
Re-imburements	<b>10,084,707</b>	3,273,884
Product Development Fees	<b>67,416,000</b>	51,685,600
Amount Received	<b>(75,000,000)</b>	(53,600,000)
Expenses paid on our behalf	<b>(6,862,055)</b>	(4,235,628)
Closing Balance	<b>8,296,339</b>	12,657,687

#### (B) Remuneration/Reimbursement to the Managing Director

Amount in ₹

<b>Particulars</b>	<b>Mr Pradeep Poddar</b>
Salary including perquisites	<b>22,971,968</b> (20,194,944)
Contribution to Provident Fund	<b>655,632</b> (590,832)

The above table does not include the contribution to Gratuity, as the same is not separately available.

Note: (i) Relationships with Related parties are specified by the management and relied upon by the Auditors.

(ii) Figures in brackets are in respect of the previous year.

## MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

### 26. Applicable disclosures as per AS-15 (Revised).

The Company has calculated the various benefits provided to employees as under:

#### A) Defined Contribution Plans

##### Provident Fund including Employee pension scheme

During the year Company has recognized the following amounts in Profit & Loss Account for the year ended March 31, 2014

Employers' Contribution to Provident Fund ₹ 2,735,522/- (Previous Year ₹ 2,433,517/-)

#### B) Defined Benefit Plans

##### Defined Benefit Plans - Gratuity

	2013-14 ₹	2012-13 ₹
<b>I. Change in Benefit Obligation</b>		
Liability at the beginning of the year	5,346,134	4,128,515
Cost of Benefit increase	-	-
Interest cost	409,918	373,431
Current Service Cost	822,986	519,822
Benefit Paid	(932,565)	(424,969)
Actuarial (gain)/ loss	678,803	749,335
Liability at the end of the year	6,325,276	5,346,134
<b>II. Fair value of Plan Assets</b>		
Fair value of Plan Assets at the beginning of the year	6,298,685	5,437,987
Expected Return on Plan Assets	396,433	422,390
Contributions	2,183,454	811,708
Benefit Paid	(932,565)	(424,969)
Actuarial gain/ (loss) on Plan Assets	150,073	51,569
Fair value of Plan Assets at the end of the year	8,096,080	6,298,685
<b>III. Actual Return on Plan Assets</b>		
Actual Return on Plan Assets	546,506	473,959
Expected Return on Plan Assets	(396,433)	(422,390)
Actuarial gain/ (loss) on Plan Assets	150,073	51,569
Actuarial (gain)/ loss on obligation	678,803	749,335
<b>IV. Amount Recognized in the Balance Sheet</b>		
Liability at the end of the year	6,325,276	5,346,134
Fair Value of Plan Assets at the end of the year	(8,096,080)	(6,298,685)
Funded Status	-	-
Unrecognized Actuarial Gain/ (Loss)	170,648	8,549
Net (Assets)/Liability Recognized in the Balance Sheet	(1,600,156)	(944,002)
<b>V. Expenses Recognized in the Income Statement</b>		
Current Service Cost	822,986	519,822
Interest Cost	409,918	373,431
Cost of Benefit increased	-	-
Expected Return on Plan Assets	(396,433)	(422,390)
Net Actuarial (Gain)/ loss to be Recognized	528,730	697,766
Unrecognized Actuarial (Gain)/Loss	162,099	(84,676)
Expense Recognized in P&L	1,527,300	1,083,953
<b>VI. Actuarial Assumptions: For the year</b>		
Discount Rate Current	9.30%	7.95%
Rate of Return on Plan Assets Current	7.50%	7.50%
Salary Escalation Current	6.00%	6.00%

### Experience adjustment on

	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010
Plan Liability	<b>1,345,554</b>	93,158	(269,406)	(150,024)	(300,973)
Plan Assets	<b>150,073</b>	51,659	(23,456)	214,857	Nil

Gratuity liability is funded with the Life Insurance Corporation of India.

As per para 132 of AS-15 (R) no specific disclosures is required in respect compensated absence hence no details of the same have been given.

27. There is no separate reportable segment, as the company is predominantly engaged in only one segment i.e. "Natural Mineral Water". Therefore, the provisions of AS-17 issued by the Institute of Chartered Accountants of India, pertaining to Segment Reporting, is not applicable. Exports being less than 10% of total sales, Geographical Segment reporting is also not required.
28. Additional information ( Figures in brackets represent figures of Previous Year)

a) For Manufacturing activities

i) Details of Purchases and Consumption of Raw Materials

Particulars	Purchases ₹	Consumption ₹
Preform	<b>64,254,455</b> (59,774,162)	<b>66,416,068</b> (55,567,761)
Enclosures	<b>11,350,889</b> (9,404,488)	<b>11,167,216</b> (8,672,253)
Others	<b>570,160</b> (Nil)	<b>139,553</b> (Nil)
Pet Chips	<b>Nil</b> (123,159)	<b>56,989</b> (50,954)
Packing materials	<b>36,263,103</b> (30,391,145)	<b>34,915,116</b> (30,083,799)
<b>Total</b>	<b>112,438,607</b> (99,692,954)	<b>112,694,942</b> (94,374,767)

ii) Finished goods

Particulars	Sales Value ₹	Opening Stock ₹	Closing Stock ₹
Finished goods - Himalayan Natural Mineral Water	<b>193,042,537</b> (171,692,463)	<b>3,504,703</b> (8,376,505)	<b>3,898,395</b> (3,504,703)

iii) Sale of Services

Particulars	Value ₹
Product Development Fees	<b>60,000,000</b> (46,000,000)

b) Expenditure in Foreign Currency

Particulars	2013-14 ₹	2012-13 ₹
i) Professional Fees	<b>2,729,002</b>	5,243,155
ii) Travelling Expenses	<b>428,569</b>	480,482
iii) Stores & Spares	<b>48,202</b>	41,471
iv) Raw Materials	<b>384,758</b>	Nil
v) Warehousing Charges	<b>54,168</b>	Nil

# MOUNT EVEREST MINERAL WATER LIMITED

Twenty third annual report 2013-2014

c) Value of Imports on CIF basis :

Particulars	2013-14 ₹	2012-13 ₹
ii) Raw Material	707,647	Nil
iii) Stores & Spares	61,615	47,218

d) Value of Imported & Indigeneous Raw Materials, Packing material, Spare Parts & Components Consumed and percentage thereof to the total Consumption:

	Imported		Indigenous	
	Amount ₹	% of total consumption	Amount ₹	% of total consumption
Raw Materials	70,402 (Nil)	0.09% (Nil)	77,709,424 (64,290,968)	99.91% (100%)
Packing Materials	Nil (Nil)	Nil (Nil)	34,915,116 (30,083,799)	100% (100%)
Stores & Spares	61,615 (54,011)	1.70% (1.86%)	3,489,442 (2,853,055)	98.30% (98.14%)

e) Earnings in Foreign Exchange.:

Particulars	2013-14 ₹	2012-13 ₹
i) Value of Exports at FOB	608,205	263,500
ii) Others (Freight, Insurance etc)	7,278	3,255

Note: Figures in brackets represent those of previous year.

29. The Board of Directors of the Company in its meeting held on November 12, 2013 had approved the scheme of merger of the Company with Tata Global Beverages Limited (TGBL), in terms of a scheme of amalgamation under Section 391-394 and other applicable provisions of the Companies Act, 1956. The necessary approvals from the Stock exchange and SEBI have been obtained. The scheme is proposed to be placed at the Court convened meeting of the Equity Shareholders of the Company to be held on June 14, 2014 for their approval. The appointed date of the scheme is 1st April 2013. The Scheme would be effective on the receipt of necessary approvals and completion of formalities as laid down thereunder. As per the scheme, the business operations of the company are being carried out in trust on behalf of TGBL from the appointed date till the effective date.

30. The figures of the previous year have been regrouped / rearranged, wherever necessary, to conform to current year's presentation.

As per our report of even date annexed

**For SNB ASSOCIATES**  
Chartered Accountants

**For and on behalf of the Board**

**S Lakshmanan**  
Partner  
M. No. 20045  
Firm Registration No. 015682N

**L Krishnakumar**  
Chairman

**Pradeep Poddar**  
Managing Director

**Ajoy K Misra**  
**Ajit Shah**  
**Ranjit Barthakur**  
**V Subramanian**  
**Sumanth Badiga** } **Directors**

**A P K Chettiar**  
GM - Legal & Company Secretary

Place : Mumbai  
Dated : May 13, 2014

# MOUNT EVEREST MINERAL WATER LIMITED

**Registered Office :** Village Dhaula Kuan, District Sirmour 173 031, Himachal Pradesh  
CIN : L15543HP1991PLC019065, Email : investor.relations@memw.com  
Website : www.himalayanmineralwater.com, Tel No. 01704-645012

## ATTENDANCE SLIP

(To be presented at the entrance)

Registered Folio / DP ID and Client ID	
Name and Address of the Shareholder(s)	
Joint Holder 1	
Joint Holder 2	

I/ We hereby record my/ our presence at the TWENTY THIRD ANNUAL GENERAL MEETING of the Company at the Registered Office of the Company at Village Dhaula Kuan, District Sirmour 173 031, Himachal Pradesh, on Friday, August 8, 2014 at 3.00 p.m.

\_\_\_\_\_  
Member's Folio/ DP ID-Client ID No.

\_\_\_\_\_  
Member's/ Proxy's name in Block Letters

\_\_\_\_\_  
Member's/Proxy's Signature

- NOTES:**
1. Please complete the Folio/ DP ID-Client ID No. and name of the Member/ Proxy, sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.
  2. Shareholder/ Proxy holder desiring to attend the meeting should bring his/her copy of Annual Report for reference at the meeting.





# MOUNT EVEREST MINERAL WATER LIMITED

**Registered Office :** Village Dhaula Kuan, District Sirmour 173 031, Himachal Pradesh

CIN : L15543HP1991PLC019065, Email : investor.relations@memw.com

Website : www.himalayanmineralwater.com, Tel No. 01704-645012

## PROXY FORM

Name of the member(s) : \_\_\_\_\_

Registered Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Folio No./ DP ID-Client ID No. : \_\_\_\_\_

I/ We, being the member(s) holding ..... shares of the above named Company, 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: \_\_\_\_\_

as my/ our Proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Twenty Third Annual General Meeting of the Company at the Registered Office of the Company at Village Dhaula Kuan, District Sirmour 173 031, Himachal Pradesh, on Friday, August 8, 2014 at 3.00 p.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
<b>Ordinary Business</b>	
1.	Adoption of Statement of Profit and Loss, Balance Sheet, Reports of Board of the Directors and Auditors for the year ended March 31, 2014.
2.	Re-appointment of Mr Ajoy K Misra, who is retiring by rotation
3.	Appointment of Auditors and fix their remuneration
<b>Special Business</b>	
4.	Appointment of Mr Ajit C Shah as an Independent Director
5.	Appointment of Mr Ranjit Barthakur as an Independent Director
6.	Appointment of Mr V Subramanian as an Independent Director
7.	Appointment of Mr Sumanth Badiga as an Independent Director
8.	Appointment of Mr L Krishnakumar as an Additional Director

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Signature of Shareholder: \_\_\_\_\_

Signature of Proxy holder: \_\_\_\_\_



### NOTE:

1. This form of Proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, at Village Dhaula Kuan, District Sirmour-173 031, Himachal Pradesh not less than FORTY-EIGHT (48) HOURS before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Twenty Third Annual General Meeting.







MOUNT EVEREST MINERAL WATER LIMITED

A **TATA** Enterprise

Registered Office: Village Dhaula Kuan, District Sirmour - 173 031, Himachal Pradesh.



Untouched  
& unprocessed



Taste of pristine  
Himalayan water



Wellness of  
natural minerals

**Himalayan**  
The natural mineral water  
Live Natural

# MOUNT EVEREST MINERAL WATER LIMITED

**Registered Office :** Village Dhaula Kuan, District Sirmour 173 031, Himachal Pradesh  
CIN : L15543HP1991PLC019065, Email : investor.relations@memw.com  
Website : www.himalayanmineralwater.com, Tel No. 01704-645012

## BALLOT FORM

1. Name & Registered Address :  
of the sole/first named  
shareholder
  
2. Name(s) of the :  
joint holder(s)  
(if any)
  
3. Registered Folio No./  
DP ID No./ Client ID No.\* :  
\*(Applicable to investors  
holding shares in  
dematerialized form)
  
4. Numbers of share(s) held :
  
5. E-voting Event Number (EVEN) : 100501
  
6. User ID :
  
7. Password :
  
8. I/ We hereby exercise my/ our votes in respect of the Resolutions set out in the Notice of the 23<sup>rd</sup> Annual General Meeting (AGM) of the Company to be held on Friday, August 8, 2014 by sending my/ our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate box below:

Resolution No.	Resolution	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
<b>Ordinary Business</b>				
1.	Adoption of Statement of Profit and Loss, Balance Sheet, Reports of Board of the Directors and Auditor's for the year ended March 31, 2014.			
2.	Re-appointment of Mr Ajoy K Misra, who is retiring by rotation			
3.	Appointment of Auditors and fix their remuneration			
<b>Special Business</b>				
4.	Appointment of Mr Ajit C Shah as an Independent Director			
5.	Appointment of Mr Ranjit Barthakur as an Independent Director			
6.	Appointment of Mr V Subramanian as an Independent Director			
7.	Appointment of Mr Sumanth Badiga as an Independent Director			
8.	Appointment of Mr L Krishnakumar as a Director liable to retirement by rotation			

Place:

Date:

\_\_\_\_\_  
Signature of the Shareholder / Authorized Representative

**Notes:** Please read the instructions carefully before exercising your vote.

P.T.O.

## **GENERAL INSTRUCTIONS**

1. This Ballot Form is provided for the benefit of Members who do not have access to e-voting facility, to enable them to send their assent or dissent by post.
2. A Member can opt for only one mode of voting, i.e. either by post or through e-voting. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
3. For detailed instructions on e-voting, please refer to the notes appended to the Annual General Meeting Notice.
4. The Scrutinizer will collate the votes downloaded from the e-voting system and votes received through post to declare the final result for each of the Resolutions forming part of the Annual General Meeting Notice.

## **INSTRUCTIONS**

### **Process and manner for Members opting to vote by using the Postal Ballot Form:**

1. Please complete and sign the Ballot Form (no other form or photocopy thereof is permitted) and send it so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr Samrish Banja, Practicing Company Secretary, not later than the close of working hours (18.00 hours) on July 31, 2014. For this purpose, a self-addressed prepaid envelope is enclosed and postage will be paid by the Company, if posted in India. The envelope bears the name and address of the Corporate Office of the Company and is to the attention of the Scrutinizer. However, envelopes containing the Ballot Form(s), if deposited in person or sent by courier or registered/speed post at the expense of the Member, will also be accepted.
2. The Form should be signed by the Member as per the specimen signature registered with the Company/ Depository Participants. In case of joint holding, the Form should be completed and signed by the first named Member and in his/ her absence, by the next named joint holder. There will be one Form for every Folio/ Client ID irrespective of the number of joint holders. A Power of Attorney (POA) holder may vote on behalf of a Member, mentioning the registration number of the POA or enclosing an attested copy of the POA. Exercise of vote by ballot is not permitted through proxy.
3. For shares held by companies, bodies corporate, trusts, societies, etc. the duly completed Form should be accompanied by a certified true copy of the Board Resolution/ Authorization together with attested specimen signature(s) of the duly authorized signatory(ies).
4. Votes should be cast in case of each resolution, either in favour or against by putting the tick (✓) mark in the column provided for assent/ dissent. Members may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed the member's total shareholding. If the shareholder does not indicate either "FOR" or "AGAINST" in case of any resolution, it will be treated as "ABSTAIN" for that resolution and the shares held will not be counted under either head.
5. The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company on Monday, June 30, 2014 ("Cut Off Date") as per the Register of Members of the Company and as informed to the Company by the Depositories in case of Beneficial Owners.
6. Duly completed Forms should reach the Scrutinizer not later than the close of working hours (18.00 hours) on Thursday, July 31, 2014. Ballot Forms received after July 31, 2014 will be strictly treated as if the reply from the Members has not been received.
7. A Member may request for a duplicate Ballot Form, if so required. However, the duly filled in and signed duplicate Form should reach the Scrutinizer not later than the date specified at Sr. No.6 above.
8. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms will be rejected. A Form will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the Member or the number of votes or as to whether the votes are in favour or against or if the signature cannot be verified.
9. The Scrutinizer's decision on the validity of a Ballot will be final.
10. Members are requested not to send any other paper along with the Ballot Form in the enclosed self-addressed envelope as all such envelopes will be sent to the Scrutinizer and any other paper found in such envelope would be destroyed by him. They are also requested not to write anything on the Ballot Form except giving their assent or dissent and putting their signature.
11. The results of the voting shall be declared on or after the Annual General Meeting of the Company. The Results declared, along with the Scrutinizer's Report, shall be published in newspapers, placed on the Company's website **[www.himalayanmineralwater.com](http://www.himalayanmineralwater.com)** and communicated to the Stock Exchange where the Company is listed, viz. BSE Ltd.
12. Members may address any query to Mr APK Chettiar General Manager (Legal) & Company Secretary, at the Corporate Office of the Company, Tel. No. 022- 66366700-01, Fax No. 022-66157527 or by e-mail to [investor.relations@memw.com](mailto:investor.relations@memw.com)