

GMS COMPUTERS (INDIA) LIMITED

Chandra Mulya
GMS COMPUTERS (INDIA) LTD.

Director

11/07/98



5TH ANNUAL REPORT 1998-99

BOARD OF DIRECTORS,

S. K. Joshi	- Managing Director
V. M. Sharma	- Director
K. L. Sharma	- Director

AUDITORS,

Sanjay B. Sharma & Co.
Chartered Accountants
Mumbai

COMAPANY SECRETARY

P. R. V. Subramaniam

BANKERS

Oriental Bank of India
Bank of Rajasthan
Central Bank of India
United Western Bank

LEGAL ADVISOR

B. K. RAI
Advocate High Court.

REGISTERED OFFICE:

403-A, Birya House,
265 Perin Nariman Street
Fort, Mumbai- 400 001.

**SOFTWARE DEVELOPMENT &
CORPORATE OFFICE:**

Nand Bhavan,
S 76-77, Mahaveer Nagar,
Tonk Road,
Jaipur- 302 018.

MANAGEMENT TEAM

G.M. Ansari	- Management/Administration & Finance
V. Khanna	- Hardware & Machinery
G. S. Khanna	- Software Development Multimedia Graphics
K. R. Gorver	- Education & Softwares
Anil Sharma	- Education

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NOTICE

Notice is hereby given that the Fifth Annual General Meeting of the Members of GMS Computers (India) Limited, will be held at The Patio Conference Hall, J.V.P.D. Scheme Juhu, Vile-Parle (W), Mumbai-400 049 on Thursday, 30th Sept., 1999 at 12.30 P.M. to transact the following business:-

ORDINARY BUSINESS

1. To consider and adopt the Balance Sheet as at 31st March, 1999 and the Profit & Loss Account for the year ended on that date and the Auditors' and Directors' Report thereon.
2. To appoint a Director in place of Mr. S.K. Joshi who retire by rotation and being eligible offer himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

M/s SANJAY B. SHARMA & CO., Chartered Accountants, be and are hereby appointed Auditors of the Company on 31st July 1999 by Board of Directors on casual vacancy due to resignation of M/s. B. Saniya & Associates, Chartered Accountants of the company.

"Resolved that M/s SANJAY B. SHARMA & CO., Chartered Accountants, be and are hereby appointed Auditors of the Company to hold office from the conclusion of the Next Annual General Meeting of the Company and that Board of Directors be and are hereby authorised to fixed their remuneration for the period.

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 in pursuan to Sec. 293 (1) (d) of the Companies Act, 1956 the Board of Directors of the Company be and are hereby authorised to borrow from time to time all such sums of money as they may deem necessary for the purpose of business of the Company not withstanding that money to be borrowed together with the monies already borrowed by the Company may exceed the aggregate of the paid-up Capital of the Company and its free reserves i.e. to say reserves not set apart for any specific purpose provided that the total amount upto which monies be borrowed by the Board of Directors shall not exceed the sum of Rs. 60 Crores (Rupees Sixty Crores Only.)

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

"Resolved that in consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 to mortgaging and/or charging movable properties of the Board of Directors of the Company of all or the Company whosoever situated, both present and future, or the whole or substantially the whole of the undertaking or undertakings of the Company on such terms in such form and in such manner as the Board of Directors may think fit together with power to take over the management of the business and concern of the Company in certain events to or in favour of all or any of the following viz., financial institutions, state Financial Corporations/ Companies, Banks, Insurance Companies, Trustees for holders of debentures and Secured lenders (herein after referred to as Lenders) for securing and Loans (both Rupees Loans as well as foreign Currency (Loans) and/or advances already obtained or that may hereafter be obtain from any of the lenders and/or to secure any debentures issued that may be issued and all interests, Compound additional interest, Commitment charge Trustees remuneration Costs, Charges expenses and all other monies payable by the Company to the concerned lenders and/or Agents and Trustees for debentures in terms of respective Loan Agreements/Heads of Agreement/ Hypothecation Agreement/Trustees Agreements/ Letters of sanction entered or that may be entered upto a limit of Rs. 60 Crores (Rupees Sixty Crores Only).

"Resolved Further That the Board of Directors of the Company be and are hereby authorised to finalise with any of the Lenders, jointly or severally the documents for creating aforesaid mortgage/ charge and to do all such acts, deeds, matters and things as may be considered necessary desirable or expedient for implementing the Resolution and to resolve any question, difficulty or doubt which may arise in relation thereto or otherwise considered by the Board of Directors in the best interest of the Company".

6. To consider and if thought fit, to pass with or without modification, the following Resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to section 94 and all other applicable provisions if any, of the Companies Act, 1956 the Authorised Share Capital of the Company be and is hereby increased from Rs. 6,00,00,000 (Rupees Six Crores Only) divided into 60,00,000 (Sixty Lacs Only) equity shares of Rs. 10/- each.

to Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) divided into 2,50,00,000 (Two Crores Fifty Lacs Only) Equity Shares of Rs. 10/- each.

7. To consider and if thought fit, to pass with or without modification, the following Resolution as a SPECIAL RESOLUTION :

"RESOLVED THAT pursuant to section 94, 16 and all other applicable provisions, if any, of the Companies Act, 1956, the existing Clause V of the Memorandum of Association of the Company, relating to the Share Capital be and is hereby altered by deleting the same and substituting in its place, the following as new Clause V :

"V. The Authorised Share Capital of the Company is Rs. 25,00,00,000 (Rupees Twenty Five Crores Only) divided into 2,50,00,000 (Two Crores Fifty Lacs Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each, with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may, for the time being, be provided by the Articles of Association of the Company".

8. To consider and if thought fit, to pass with or without modification, the following Resolution as a SPECIAL RESOLUTION :

"RESOLVED THAT pursuant to section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and is hereby altered by deleting the existing Article 5 and substituting in its place, the following as new article 5 :

- "5. The Authorised Share Capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) divided into 2,50,00,000/- (Two Crores Fifty Lacs Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each, with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may, for the time being, be provided by the Articles of Association of the Company".

9. To consider and if thought fit, to pass with or without modification, the following Resolution as a SPECIAL RESOLUTION :

"RESOLVED THAT pursuant to section 81 and any other applicable provisions, if any, of the Companies Act, 1956 and relevant provisions of the Memorandum and Articles of Association of the Company and the listing Agreement entered into by the Company and subject to any necessary approval, consent, premission and/or sanction of Reserve Bank of India (RBI), Securities and Exchanges Board of India (SEBI) and any of them other appropriate authorities, Institutions or Bodies, and subject to such conditions as may be prescribed by any them in granting any such approval, consent, permission, or sanction, the consent and authority of the issue Equity Shares and/or partly or fully convertible/non-convertible Debentures of the Company for such an amount not exceeding Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) as deemed fit by the Board, in one or more series, whether at a time or at different times, in one or more branches, as may be deemed appropriate by it, with liberty to the Board to decide the method, terms, and conditions of any such issue and allotment including rate of interest pricing, redemption, conversion, number of equity shares to be allotted, the nature of security and all other matters relevant thereto.

"RESOLVED FURTHER THAT without prejudice to the generality of the powers conferred on the Board as above the said Shares and Debentures may be issued by way of Rights Issue, Bonus Issue, Public Issue, Private Placement, Preferential Allotment, Firm Allotment, Reserved allotment or in one or more of such methods to such persons (Whether or not such persons and Members of the company) in such proportion and manner as the Board may in its absolute discretion deem fit.

"RESOLVED FURTHER THAT for the purpose of giving effect to any such issue or allotment of Equity Shares and/or Debentures as described above, the Board be and are hereby authorised on behalf of the Company to do all such acts, deeds, matters and things, as it may at its discretion deem necessary or desirable for such purpose, with power on behalf of the Company to settle any questions (including those involving the interpretation of scope of powers conferred under this Resolution), difficulties or doubts that may arise in regard to any such issue or allotment as it may in its absolute discretion deem fit."

VISION

DEDICATION

INTEGRATION

SUCCESS

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxy / Proxies in order to be effective should be lodged at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. The relevant Explanatory Statement of material facts pursuant to section 173 (2) of the Companies Act, 1956 in respect of Item No. 4 to 9 of the notice is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Friday 24th September, 1999 to Thursday 30th September, 1999 (both days inclusive).
5. Members are requested to intimate any change in their address at the Company's Registered Office.
6. Member who attend the meeting are requested to complete the enclosed attendance slip and handover the same at the entrance of the meeting venue.
7. Members who would like to ask any questions in relating to the Accounts of the Company are requested to send their questions at the Registered Office of the Company Three Days before Annual General Meeting to enable the Company to reply the questions satisfactorily.

BY ORDER OF THE BOARD OF DIRECTORS OF
GMS COMPUTERS (INDIA) LIMITED.

S. K. JOSHI
Managing Director

Mumbai,
Dated: 2nd September, 1999

Registered office
403 A, Biry House,
265, Perin Nariman Street,
Fort, Mumbai- 400 001.

VISION**DEDICATION****INTEGRATION****SUCCESS**