



G. M. BREWERIES LIMITED

16th ANNUAL REPORT

AND

STATEMENT OF ACCOUNTS

For the Period 1-10-1997 to 31-3-1999

(18 Months)

Annual General Meeting

On 24th June, 1999 at 11.30 A.M. at

***Walchand Hirachand Hall, The Indian Merchant Chambers, 4th Floor,
Indian Merchant Chambers Marg, Opposite Churchgate Station,
Mumbai - 400 020***

Shareholders are requested to
bring their Copies of the Annual
Report to the Meeting

G. M. BREWERIES LIMITED

BOARD OF DIRECTORS

Mr. Jimmy William Almeida	- <i>Chairman & Managing Director</i>
Smt. Celina William Almeida	- <i>Whole-time Director</i>
Mr. John William Almeida	- <i>Director</i>
Smt. Jyoti Jimmy Almeida	- <i>Director</i>
Mr. Mukund Govind Diwan	- <i>Director</i>
Mr. Ashwin Pranlal Mehta	- <i>Director</i>

Company Secretary

T. Ravichandran

Auditors

M/s. V. P. Mehta & Company
Chartered Accountants
Mumbai - 400 003

Bankers

Central Bank of India
Prabhadevi, Mumbai - 400 025

Credit Agricole Indosuez
169, Backbay Reclamation
Mumbai - 400 020

Dena Bank
Santacruz (w), Mumbai - 400 054

The Catholic Syrian Bank Ltd
Chembur, Mumbai - 400 071

The Thane Janata Sahakari Bank Ltd.
Bhiwara Bhavan, Kopri, Thane (East).

Regd. Office

Ganesh Niwas, S. Veer Savarkar Marg,
Prabhadevi, Mumbai - 400 025

Factory

S. Veer Savarkar Marg, Virar (East),
Dist. Thane - 401303 State : Maharashtra (India)

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16th Annual Report 1997-99**NOTICE**

Notice is hereby given that the 16th Annual General Meeting of the Members of G.M. Breweries Limited will be held at Walchand Hirachand Hall, 4th Floor, The Indian Merchant Chambers, Indian Merchant Chambers Marg, Opposite Churchgate Station, Mumbai - 400 020 on Thursday, the 24th day of June, 1999 at 11.30 a.m. to transact the following business:

Ordinary Business :

1. To receive, consider and adopt the Balance Sheet as at 31st March, 1999 and Profit and Loss Account for the Eighteen Month Period Ended on that date, the Reports of Directors' and Auditors' thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr. Mukund G. Diwan, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

Special Business :

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

"RESOLVED THAT Mrs. Jyoti Jimmy Almeida, who was co-opted as an Additional Director on the Board of the Company with effect from 30th July, 1998 and who ceases to hold office at this Annual General Meeting and in respect of whom a notice under section 257 of the Companies Act, 1956 has been received from a member along with Deposit proposing her candidature for the office of a Director on the Board of the Company, be and is hereby appointed as an Additional Director on the Board, liable to retire by rotation."

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

"RESOLVED THAT Mr. John William Almeida, who was co-opted as Additional Director on the Board of the Company with effect from 29th April, 1999 under Article 116 of the Articles of Association of the Company and who ceases to hold office at this Annual General Meeting and in respect of whom a notice under section 257 of the Companies Act, 1956 has been received from a member along with Deposit proposing his candidature for the office of a Director on the Board of the Company, be and is hereby appointed as an Additional Director on the Board, liable to retire by rotation."

7. **Mr. John William Almeida - Wholetime Director.**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION** :

1. **"RESOLVED THAT** pursuant to the provisions of sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force) approval be and is hereby given to the appointment of Mr. John William Almeida as Whole-time Director (Designated as Director - Factory Operation) of the Company, liable to retire by rotation, on the terms and conditions including remuneration as are set out in the Agreement dated 28th April, 1999 entered into between the Company and Mr. John William Almeida, which Agreement is hereby specifically approved, with the liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or Agreement, so as not to exceed the remuneration limits as specified in Schedule XIII of the Companies Act, 1956 or any amendments thereto."

G. M. BREWERIES LIMITED

a) Salary :

Rs. 12,000/- in the scale of Rs. 12,000/- to Rs. 25,000/- per month.

b) Perquisites includes House Rent Allowance, Car, Electricity, Medical Expenses reimbursement for self and family, Leave Travel Concession for self and family, club fees, medical insurance etc., limited to Rs. 1.44 lacs per annum or the Annual Salary whichever is less.

ii) Provision of car for use on the Company's business and telephone at residence will not be considered perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company to the Whole-time Director.

iii) Company's Contribution to Provident Fund, Gratuity and encashment of leave as per the rules of the Company and the same shall not be included in the computation of the limits of Salary, or perquisites as aforesaid.

2. FURTHER RESOLVED THAT in the event of absence of or inadequacy of profit in any Financial year during the tenure of the Whole-time Director, the remuneration shall be governed as provided under Section II of Part II of Schedule XIII to the Companies Act, 1958.

3. RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform or cause to be done and performed, all such acts and deeds necessary to give effect to the foregoing resolution, including inter alia approving on behalf of the Company, any changes or modifications in the aforesaid Agreement from time to time."

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

1. **"RESOLVED THAT** pursuant to the provisions of sections 198, 269, 309, 310 Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such sanctions as may be necessary, approval and sanction of the Company be and is hereby accorded to the re-appointment of and payment of remuneration to Mr. Jimmy William Almeida as Managing Director of the Company for a period of 5 years with effect from April 1, 1998 upon the terms and conditions and payment of remuneration and other perquisites/ benefits to Mr. Jimmy William Almeida during the said period of 5 years; as set out in the draft agreement, copy whereof duly initialled by the Chairman for the purpose of identification is placed before this meeting, including inter alia payment and provision of the following remuneration, perquisites and benefits :

a) Salary :

Rs. 30,000/- in the scale of Rs. 30,000/- to Rs. 50,000/- per month.

b) Perquisites :

i) Perquisites includes House Rent Allowance, Car, Electricity, Medical Expenses reimbursement for self and family, Leave Travel Concession for self and family, club fees, medical insurance etc., limited to Rs. 6.00 lacs per annum or the Annual Salary whichever is less.

ii) Provision of car for use on Company's business and telephone at residence will not be considered perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company to the Managing Director.

iii) Company's Contribution to Provident Fund, Gratuity and encashment of leave as per the rules of the Company and the same shall not be included in the perquisites as aforesaid.

2. FURTHER RESOLVED THAT in the event of absence of or inadequacy of profit in any financial year during the tenure of the Managing Director, the remuneration shall be governed as provided under Section II of Part II of Schedule XIII to the Companies Act, 1956.

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3. **RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do and perform or cause to be done and performed, all such acts and deeds necessary to give effect to the foregoing resolution, including inter alia approving on behalf of the Company, any changes or modifications in the aforesaid Agreement from time to time."

9. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION** :

1. **"RESOLVED THAT** pursuant to the provisions of sections 198, 269, 309, 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such sanctions as may be necessary, approval and sanction of the Company be and is hereby accorded to the re-appointment of and payment of remuneration to Smt. Celina William Almeida as Whole-time Director of the Company for a period of 5 years with effect from April 1, 1998 upon the terms and conditions and payment of remuneration and other perquisites/benefits to Smt. Celina William Almeida during the said period of 5 years; as set out in the draft agreement, copy whereof duly initialled by the Chairman for the purpose of identification is placed before this Meeting, including inter alia payment and provision of the following remuneration, perquisites and benefits :

a) **Salary :**

Rs. 11,000/- in the scale of Rs. 11,000/- to Rs. 18,000/- per month.

b) **Perquisites :**

i) Perquisites includes House Rent Allowance, Car, Electricity, Medical Expenses reimbursement for self and family, Leave Travel Concession for self and family, club fees, medical insurance etc., limited to Rs. 2.16 lacs per annum or the Annual Salary whichever is less.

ii) Provision of car for use on Company's business and telephone at residence will not be considered perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company to the Whole-time Director.

iii) Company's contribution to Provident Fund, Gratuity and encashment of leave as per the rules of the Company and the same shall not be included in the computation of the limits of Salary, or perquisites as aforesaid.

2. **FURTHER RESOLVED THAT** in the event of absence of or inadequacy of profit in any Financial Year during the tenure of the Whole-time Director, the remuneration shall be governed as provided under Section II of Part II of Schedule XIII to the Companies Act, 1956.

3. **RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do and perform or cause to be done and performed, all such acts and deeds necessary to give effect to the foregoing resolution, including inter alia approving on behalf of the Company, any changes or modifications in the aforesaid Agreement from time to time."

10. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION** :

"RESOLVED THAT pursuant to the provisions of section 314 and all other applicable provisions if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to Shri Vipul P. Mehta, Proprietor of M/s. V. P. Mehta & Co., Chartered Accountants, relative of Shri Ashwin P. Mehta, a Director of the Company, to hold Office from the conclusion of this Annual General Meeting as Auditors of the Company and/or for rendering any other professional services on such remuneration and on such terms as may be agreed by the Board of Directors."

11. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION** :

G. M. BREWERIES LIMITED

RESOLVED THAT pursuant to bylaws/ listing agreement(s) entered into with Stock Exchanges and the guidelines issued by SEBI and other applicable approvals and procedures, the Company be and is hereby authorised to voluntarily apply for delisting of its Equity Shares from the Stock Exchanges at Chennai, Ahmedabad and Jaipur where the Equity Shares of the Company are/were also listed and that the Board of Directors of the Company or any persons specifically authorised by the Board in this regard be and is hereby authorised to sign, deliver and pursue and otherwise deal with all necessary applications and/or documents and to do all such other acts, deeds and things as may be deemed necessary in this regard."

By Order of the Board of Directors
For G. M. Breweries Ltd.,

Mumbai,
Date : 29th April, 1999

Registered Office :
Ganesh Niwas, S. Veer Savarkar Marg,
Prabhadevi, Mumbai 400 025.


Jimmy William Almeida
Chairman & Managing Director

NOTES:

- a) The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 in respect of the Special Business under item Nos. 5 to 11 as stated above is annexed hereto.
- b) **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. The proxies should, however, be deposited at the registered office of the Company not later than 48 hours before the commencement of the meeting.**
- c) The Register of Members and Transfer Books of the Company will remain closed from 21st June, 1999 to 23rd June, 1999 (both days inclusive).
- d) If dividend on shares, as recommended by the Directors is approved at the ensuing Annual General Meeting, payment of such dividend will be made to those members whose names appear on the Company's Register of Members at the close of working hours on 23rd June, 1999.
- e) Shareholders desiring any information as regards the Accounts are required to write to the Company at least seven days in advance of the meeting so that the information, to the extent practicable, can be made available at the meeting.
- f) The unclaimed dividend for the Financial Year of the Company ended on March 31, 1995 is transferred to the General Revenue Account of the Central Government in terms of the provisions of section 205A of the Companies Act, 1956. Shareholders who have not encashed the dividend warrants for the said period are requested to claim the amount from the Registrar of Companies, Maharashtra, Mumbai.
- g) Members are requested to notify immediately change, if any, in their registered addresses to the Company's Share Department at the Registered Office of the Company.

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956.****Item No. 5 :**

Mrs. Jyoti Jimmy Almeida was co-opted by the Board in its meeting held on 30th July, 1998 as an Additional Director of the Company pursuant to section 260 of the Companies Act, 1956. She ceases to hold office on the date of Annual General Meeting.

A Notice has been received along with requisite deposit from a member of the Company intending to propose Mrs. Jyoti Jimmy Almeida for appointment as a Director of the Company, liable to retire by rotation at the Annual General Meeting.

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Being relatives of Mrs. Jyoti Jimmy Almeida Shri Jimmy William Almeida, Smt. Celina William Almeida and Mr. John William Almeida are interested in this resolution set out under Item No. 5 of the accompanying Notice.

Item No. 6 & 7 :

Mr. John William Almeida was appointed as an Additional Director of the Company at the Meeting of the Board of Directors held on 29th April, 1999 pursuant to Article 116 of the Articles of Association of the Company. He holds office upto the date of this Annual General Meeting. As required by section 257 of the Companies Act, 1956, the Company has received a joint notice alongwith requisite deposit, from some members proposing the candidature of Mr. John William Almeida for the office of Director of the Company.

The Board has also recommended Mr. John William Almeida's appointment as the Whole Time Director of the Company designated as Director (Factory Operation) liable to retire by rotation upon terms and conditions including remuneration payable to him as contained in the Agreement dated 28th April, 1999 entered into between the Company and Mr. John William Almeida. This is subject to the approval of the Shareholders at the Annual General Meeting.

Being relatives of Mr. John William Almeida Shri Jimmy William Almeida, Smt. Celina William Almeida and Mrs. Jyoti Jimmy Almeida are interested in this resolution set out under Item Nos. 6 & 7 of the accompanying Notice.

Item No. 8 & 9 :

The Board of Directors at their Meeting held on 26th March, 1998 had sanctioned and approved the Appointment and Remuneration to Shri Jimmy William Almeida, as Managing Director and Smt. Celina William Almeida as Whole-time Director, subject to the approval of the Company at the Annual General Meeting under Schedule XIII of the Companies Act, 1956.

The remuneration/perquisites/benefits payable to the aforesaid Shri Jimmy William Almeida, Managing Director and Smt. Celina William Almeida, Whole-time Director of the Company from April 1, 1998 respectively shall be as follows :

1.	Name of the appointee	Mr. Jimmy W. Almeida	Mrs. Celina W. Almeida
2.	Designation	Managing Director	Whole-time Director
3.	Period from	Five (5) Years April 1, 1998 to March 31, 2003	Five (5) Years April 1, 1998 March 31, 2003
4.	Salary	Rs. 30,000/- p.m. in the scale of Rs. 30,000/- Rs. 50,000/- p.m.	Rs. 11,000/- p.m. in the scale of Rs. 11,000/- Rs. 18,000/-
5.	Perquisites	Perks as detailed hereunder subject to a maximum of Rs. 6 Lacs per annum	Perks as detailed hereunder subject to a maximum of Rs. 2.16 Lacs per annum

In the event of absence of or inadequacy of Profit in any Financial Year during their tenure, the remuneration shall be governed as provided under Section II of Part II of Schedule XIII to the Companies Act, 1956.

The Board of Directors be and are hereby authorised to alter and vary the terms and conditions and grant increment(s) and other perquisites to respective individuals so as not to exceed the maximum limits for the payment of remuneration specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto, as may be agreed to between the Board of Directors and the respective directors.

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The above mentioned explanatory statement read together with the resolutions specified under **SPECIAL BUSINESS** at Item no. 8 & 9 of the Notice convening the Annual General Meeting may be considered as an abstract, under section 302 of the Companies Act, 1956, of the terms of revised remuneration and perquisites payable to the aforesaid Managing/Whole-time Director with effect from 1st April, 1998.

MEMORANDUM OF INTEREST :

Being related to each other Shri Jimmy W. Almeida and Smt. Celina W. Almeida are mutually interested in the resolutions at Item Nos. 8 & 9 respectively. Mr. John William Almeida and Mrs. Jyoti Jimmy Almeida are also deemed to be concerned and interested in the resolutions at Item Nos. 8 & 9 as they are the relatives of Shri Jimmy W. Almeida and Smt. Celina W. Almeida.

Except the abovementioned Directors none of the Directors of the Company is concerned or interested in these resolutions.

Item No. 10 :

Shri Vipul P. Mehta, Proprietor of M/s. V. P. Mehta & Co., Chartered Accountants, the retiring Auditors of the Company, is a relative of Shri Ashwin P. Mehta, a Director of the Company. Pursuant to the provisions of section 314 of the Companies Act, 1956, the shareholder's approval by special resolution is required at the Annual General Meeting of the Company for his appointment.

M/s. V. P. Mehta & Co., Chartered Accountants have been one of the Auditors of the Company even prior to the appointment of Shri Ashwin P. Mehta, as a Director of the Company and it will be in the interest of the Company to reappoint them as Auditors of the Company.

Shri Vipul P. Mehta is related to Shri Ashwin P. Mehta, as a Director of the Company and to that extent Shri Ashwin P. Mehta may be deemed to be concerned or interested in the resolution.

None of the Directors are deemed to be concerned or interested in the resolution.

Directors recommend the resolution for your approval.

Item No. 11 :

SEBI vide its directive to all Stock Exchanges, has amended the bylaws/listing agreement of the Stock Exchange, to permit the delisting of securities on the Stock Exchange provided that the shareholders by a special resolution authorise the Company to make an application for delisting its Equity Shares. The Board of Directors has decided to take steps to have the Equity Shares of the Company delisted from the Stock Exchanges at Chennai, Ahmedabad and Jaipur on account of negligible transactions of the Company's Equity Shares in the market and also very few share holders residing at these places. However the shares will continue to be listed on the National Stock Exchange and Mumbai Stock Exchange.


None of the Directors are deemed to be concerned or interested in the resolution.

The Board of Directors of your Company recommend passing of the resolution set out under Item No. 11 as a Special Resolution.

Mumbai
29th April, 1999

Registered Office :
Ganesh Niwas, S. Veer Savarkar Marg,
Prabhadevi, Mumbai 400 025.

By Order of the Board of Directors
For G. M. Breweries Ltd.,


Jimmy William Almeida
Chairman & Managing Director