



***G. M. BREWERIES LIMITED***

**30th Annual Report 2012-2013**

## **G. M. BREWERIES LIMITED**

### **BOARD OF DIRECTORS**

Shri. Jimmy William Almeida	- <i>Chairman &amp; Managing Director</i>
Smt. Jyoti Jimmy Almeida	- <i>Whole-Time Director</i>
Shri. Mukund Govind Diwan	- <i>Director</i>
Shri. Ashwin Pranlal Mehta	- <i>Director</i>
Shri. Paresh Nanubhai Trivedi	- <i>Director</i>

### **Chief Financial Officer**

Shri. S. Swaminathan

### **Company Secretary & Manager Accounts**

Shri. Sandeep Kutchhi

#### **Auditors**

M/s. V. P. Mehta & Company  
Chartered Accountants  
17, Hem Prakash, 90/92, Kazi Syed Street,  
Mumbai - 400 003.

#### **Bankers**

Citizen Credit Co-Op. Bank Ltd.  
Dadar, Mumbai 400 028.

Central Bank of India  
Prabhadevi, Mumbai - 400 025

IDBI Bank  
Prabhadevi, Mumbai - 400 025

#### **Regd. Office**

Ganesh Niwas, S. Veer Savarkar Marg,  
Prabhadevi, Mumbai - 400 025  
Phone : 24331150 / 51 / 24371805 / 41,  
24367005 / 24385540 / 41  
Telefax : 24331150 / 51  
E-mail : info@gmbreweries.com  
Website : www.gmbreweries.com

#### **Factory**

S. Veer Savarkar Marg, Virar (East),  
Dist. Thane - 401305 State : Maharashtra (India)  
Phone : 0250 - 2528728, 2528793, 2529127

#### **Share Transfer Agent**

Sharex Dynamic (India) Pvt. Ltd.  
Unit - 1, Luthra Indl. Premises, Safed Pool, Andheri Kurla  
Rd., Andheri (E), Mumbai - 400 072,  
Phone : 28515606, 28515644, Fax : 2851 2885.

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### NOTICE

Notice is hereby given that the 30th Annual General Meeting of the Members of G.M. Breweries Limited will be held at Joshi's Kohinoor Hall, 3rd Floor, Veer Savarkar Marg, Prabhadevi, Mumbai - 400025 on Tuesday the May 07, 2013 at 04.30 p.m. to transact the following business :

#### **Ordinary Business :**

1. To receive, consider and adopt the Balance Sheet as at March 31, 2013 and Profit and Loss Account for the year ended on that date, the Reports of Directors and Auditor's thereon.
2. To declare dividend on the equity shares.
3. To appoint a Director in place of Mrs. Jyoti Jimmy Almeida who retires by rotation and being eligible, offers herself for re- appointment.
4. To appoint a Director in place of Mr. Ashwin Mehta who retires by rotation and being eligible, offers himself for re- appointment.
5. 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:**

6. To consider and, if thought fit, to pass with or without modification, 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 appointment of and payment of remuneration to Mr. Jimmy William Almeida as "Chairman & Managing Director" of the Company for a period of 5 years with effect from April 1, 2013 upon the terms and conditions and payment of remuneration and other perquisites / benefits during the said period of 5 years as set out in the agreement, copy whereof duly initialed 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 & Perquisites:

Rs. 6,00,000/- in the scale of Rs. 6,00,000/- to Rs.11,00,000/- per month inclusive of all allowances and perquisites which will include House Rent Allowance, Electricity, Medical Expenses reimbursement for self and family, Leave Travel Concession for self and family, club fees, medical Insurance etc.
    - b) Provision of car for use on the Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company to the Chairman & Managing Director.
    - c) 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.
    - d) Leave on full pay as per the rules of the Company, subject to a maximum of one month's leave for every eleven months service.
  2. FURTHER RESOLVED THAT in the event of absence of or inadequacy of profit in any Financial Year during the tenure of the Chairman & Managing Director , the remuneration shall be governed as provided under Section II of Part II of Schedule XIII to the Companies Act, 1956 and any excess payment in this regard will be recovered by the company.
  3. RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do and perform

## G. M. BREWERIES LIMITED

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”.

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

**"RESOLVED THAT** pursuant to the provisions of sections 314 and other applicable provisions, if any, of the Companies Act, 1956, Consent of the Company be and is hereby accorded to Mr. Vipul P. Mehta, Proprietor of M/s. V.P. Mehta & Co., Chartered Accountants, relative of Mr. 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

Mumbai  
April 04, 2013

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

By Order of the Board of Directors  
For G.M.Breweries Limited



Jimmy William Almeida  
Chairman and 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 no 6 & 7 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/herself 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 April 30, 2013 to May 07, 2013 (both days inclusive) for the payment of dividend.
- d) The Dividend, after declaration, will be paid to those members of the Company whose names stand on the register of Members on May 07, 2013. However, the dividend in respect of shares held in dematerialized form in the depository system will be paid to the beneficial owners of shares as on April 29, 2013 as per the list provided by the depositories for this purpose.
- 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) Members are requested to notify immediately changes, if any, in their registered addresses to the Company's Registrar and Share Transfer Agents M/s. Sharex Dynamics (India) Pvt. Ltd., Unit -1, Luthra Indl. Premises, Safed Pool, Andheri Kurla Rd., Andheri (E), Mumbai, - 400 072. Members are also requested to furnish their Bank details to the company's Share Transfer Agents immediately for printing the same on the dividend warrants/ Cheques to prevent fraudulent encashment of the instruments.
- g) Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting and number of shares held by them.

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- h) Mrs. Jyoti Jimmy Almeida & Mr. Ashwin Mehta – directors retire by rotation and, being eligible, offer for re-appointment at the Annual General Meeting. A brief resume of the said directors is given below.

Name	Mrs. Jyoti Jimmy Almeida	Mr. Ashwin Mehta
Age	45 Years	53 Years
Qualification	B.Com.	B.Com., F.C.A
Expertise in Specific Area	Finance, Taxation, Audit & allied matters	Finance, Management Consultancy, Taxation, Audit & allied matters
Date of first Appointment on the Board of the Company	July 30, 1998	November 17, 1994
Name(s) of the Other Companies in which Directorship and Chairmanship held.	Refer to Report on CORPORATE GOVERNANCE	Refer to Report on CORPORATE GOVERNANCE

### ANNEXURE TO THE NOTICE

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

##### ITEM NO. 6 :

The Board of Directors in their meeting held on April 04, 2013 had reappointed Mr. Jimmy William Almeida as “Chairman & Managing Director” of the Company for a period of 5 years from April 01, 2013, subject to approval by the share holders of the Company under Schedule XIII of the Companies Act, 1956.

The Board has also, subject to approval of the share holders, fixed the remuneration / perquisites / benefits payable to the aforesaid Mr. Jimmy William Almeida, Chairman & Managing Director, from April 1, 2013 as under:

1. Name of the appointee- Mr. Jimmy William Almeida
2. Designation- Chairman & Managing Director
3. Tenure- Five(5) years From April 1, 2013
4. Salary & Perquisites
  - a) Rs. 6,00,000/- in the scale of Rs. 6,00,000/- to Rs.11,00,000/- per month inclusive of all allowances and perquisites which will include House Rent Allowance, Electricity, Medical Expenses reimbursement for self and family, Leave Travel Concession for self and family, club fees, medical Insurance etc.
  - b) Provision of car for use on the Company’s business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company to the Chairman & Managing Director.
  - c) 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.
  - d) Leave on full pay as per the rules of the Company, subject to a maximum of one month's leave for every eleven months service.

In the event of absence of or inadequacy of Profit in any Financial Year during the 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

## **G. M. BREWERIES LIMITED**

increment(s) and other perquisites to respective individual 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 director.

The above mentioned explanatory statement read together with the resolutions specified under **SPECIAL BUSINESS** as item no 6 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 Chairman & Managing Director with effect from April 01, 2013.

### **MEMORANDUM OF INTEREST**

Mr. Jimmy William Almeida and Mrs. Jyoti Jimmy Almeida (being related to Mr. Jimmy William Almeida), are deemed to be concerned and interested in the resolution at Item No 6.

Except the above mentioned Directors none of the directors of the Company is concerned or interested in this resolution.

### **ITEM NO.7**

Mr. Vipul P. Mehta, Proprietor of M/s. V. P. Mehta & Co., Chartered Accountants, the retiring Auditors of the Company, is a relative of Mr. 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 General Meeting of the Company for his appointment.

M/s. V.P. Mehta & Co., Chartered Accountants have been the Auditors of the Company even prior to the appointment of Mr. 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.

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

No other Director of the Company is concerned or interested in this resolution.

By Order of the Board of Directors  
For G. M. Breweries Limited

Mumbai,  
April 04, 2013



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

Jimmy William Almeida  
Chairman & Managing Director

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### DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting their 30th Annual Report together with the Audited Accounts of the Company for the Year ended March 31, 2013.

#### Financial Results:

(Rs. in Lacs)

Particulars	March 31, 2013	March 31, 2012
Gross Sales	93,880.06	87,334.09
Less: State Excise & Vat	65,104.17	61,635.94
Net Sales	28,775.89	25,698.15
Other Income	141.33	331.76
Total	28,917.22	26,029.91
Profit before depreciation & taxation	2,504.03	2,470.13
Less: Depreciation	408.25	382.24
Less: Provision for taxation	703.38	704.73
Less: Prior period adjustment (Taxation)	114.99	-
Profit after taxation	1,277.41	1,383.16
Add: Balance brought forward from previous year	2,539.72	1,729.37
Surplus available for appropriation	3,817.13	3,112.53
Appropriations		
General reserves	300.00	300.00
Proposed Dividend	233.95	233.95
Tax on Dividend	37.95	38.86
Balance carried to Balance sheet	3,245.23	2,539.72
Total	3,817.13	3,112.53

#### **DIVIDEND:**

Your Directors have pleasure in recommending for approval of the members at the Annual General Meeting a dividend of 25 % (at par with the previous year). The Dividend of 25 %, if approved at the forth coming Annual General Meeting, will result in the out flow of Rs. 233.95 lacs to the company in addition to Rs. 37.95 lacs by way of dividend distribution tax.

#### **OPERATIONAL REVIEW:**

Gross revenues increased to Rs. 93,880.06 Lacs, a growth of around 7.50 % against Rs. 87,334.09 Lacs in the previous year. Profit before depreciation and taxation was Rs. 2504.03 lacs against Rs. 2,470.13 Lacs in the previous year. After providing for depreciation and taxation of Rs. 408.25 & Rs 818.37 Lacs (Including current & earlier years taxation) respectively, the net profit of the Company for the year under review was placed at Rs. 1,277.41 Lacs as against Rs 1383.16 lacs in the previous year.

Inspite of tough market conditions, exorbitant levels of taxation and huge increase in the price of main raw material i.e. Rectified Spirit and packing materials, your Company has managed to achieve satisfactory performance during the year under review. Even though there was about 12% increase in net sales the profits have remained stagnant. The drop in profitability is mainly due to inordinate increase in the prices of Rectified Spirit and packing materials almost for the entire year.

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### **DISCLOSURE OF SPECIAL PARTICULARS:**

Information as per Clause (e) of sub-section (1) of Section 217 of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 for the Year ended March 31, 2013 is given below :

### **CONSERVATION OF ENERGY:**

- a) Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilisation and maximum possible savings of energy is achieved.
- b) No specific investment has been made in reduction in energy consumption.
- c) As the impact of measures taken for conservation and optimum utilisation of energy are not quantitative, its impact on cost cannot be stated accurately.
- d) Since the Company does not fall under the list of industries, which should furnish this information in Form A annexed to the aforesaid Rules, the question of furnishing the same does not arise.

### **TECHNOLOGY ABSORPTION:**

Company's products are manufactured by using in-house know how and no outside technology is being used for manufacturing activities. Therefore no technology absorption is required. The Company constantly strives for maintenance and improvement in quality of its products and entire Research & Development activities are directed to achieve the aforesaid goal.

### **FOREIGN EXCHANGE EARNINGS AND OUT-GO :**

During the period under review there was no foreign exchange earnings or out flow.

### **PARTICULARS OF EMPLOYEES:**

The provisions of section 217(2A) of the Companies Act, 1956 are not applicable as no Employee was in receipt of remuneration to the extent laid down therein.

### **FIXED DEPOSITS:**

Your Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules made there under.

### **INDUSTRIAL RELATIONS:**

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

### **DIRECTOR'S RESPONSIBILITY STATEMENT**

In terms of Section 217 (2AA) of the Companies Act, 1956, the directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or loss of the Company for the year under review.
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The directors have prepared the annual accounts on a going concern basis.

### **SUBSIDIARY COMPANIES:**

The Company does not have any subsidiary.



**AUDITOR'S REPORT :**

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence, do not call for any further comments under Section 217 of the Companies Act, 1956.

**DIRECTORS:**

Mrs. Jyoti Jimmy Almeida & Mr. Ashwin Mehta retire by rotation and, being eligible, offer themselves for re-appointment. The Directors recommend Mrs. Jyoti Jimmy Almeida & Mr. Ashwin Mehta for re-appointment.

**AUDITORS:**

The Auditors M/s. V. P. Mehta & Co., Chartered Accountants, Mumbai, retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

**CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS**

The Corporate Governance and Management Discussion & Analysis Report, which form an integral part of this Report, are set out as separate Annexures, together with the Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

**ACKNOWLEDGEMENTS:**

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous co-operation and assistance.

For and On Behalf of The  
Board of Directors



Jimmy William Almeida  
Chairman & Managing Director

Mumbai  
April 04, 2013

# **G. M. BREWERIES LIMITED**

## **AUDITORS' REPORT**

### **TO THE MEMBERS OF G.M. BREWERIES LIMITED**

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

We have audited the accompanying financial statements of G.M.Breweries Limited ('the Company') which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

#### **Managements 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.

#### **Auditors Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material 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. 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:

- (i) in the case of the Balance sheet, of the state of affairs of the company as at March 31, 2013;
- (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) 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"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

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- 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; and
- e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For V.P. Mehta & Company  
Chartered Accountants  
Firm Registration No.106326W

Vipul P. Mehta  
Proprietor  
Membership No : 035722

Mumbai  
04 April, 2013

## **G. M. BREWERIES LIMITED**

### **ANNEXURE TO THE AUDITORS' REPORT**

(Referred to in paragraph 1 of our report of even date)

1. a) The Company has maintained proper records to show full particulars including quantitative details and situations of fixed assets.  
b) As per the information and explanations given to us, the fixed assets of the Company have been physically verified by the management at reasonable intervals and no serious discrepancies between the book records and physical verification were noticed.  
c) During the year the Company has not disposed off any substantial /major part of fixed assets.
2. a) As per the information and explanations given to us, the inventories have been physically verified by the management at reasonable intervals during the year.  
b) In our opinion and as per the information and explanations given to us, procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.  
c) The Company is maintaining proper records of inventories. In our opinion, discrepancies noticed on physical verification of inventory were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
3. As per information furnished, the company has not granted any loans to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956. The company had taken loan from director which was paid back during the year.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods. During the course of audit, no major weakness has been notice in the internal controls.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under sec 301 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 sec 301 and exceeding the value of five lakh rupees 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.
6. As the company has not accepted any deposits from the public within the meaning of the provisions of Sec 58A and 58AA of the Companies Act, 1956 and rules made there under, clause (vi) of the order is not applicable.
7. In our opinion, the company has an internal audit system commensurate with the size of the Company and nature of its business.
8. The maintenance of cost records has not been prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956.
9. (a) According to information and explanations given to us and the records examined by us, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, value added tax, wealth tax, custom duty, excise duty, cess and other statutory dues wherever applicable.  
(b) According to information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at March 31, 2013, for a period of more than six months from the date they became payable.  
(c) According to the records of the Company, there are no dues outstanding in respect of income tax, MVAT, customs duty, wealth-tax, service tax, excise-duty, cess, etc, on account of any dispute.

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10. There are no accumulated losses of the Company as on March 31, 2013. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. The Company has not defaulted in repayment of dues to Banks and payments have been made as per the repayment schedule sanctioned by the banks. The Company has no borrowings from financial institutions or by way of debentures.
12. Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and/ or advances on basis of security by way of pledge of shares, debentures and other securities.
13. Clause (xiii) of the order is not applicable to the Company as the Company is not a Chit fund company or nidhi/ mutual benefit fund/ society.
14. Clause (xiv) of the order is not applicable to the Company as the Company is not dealing or trading in shares, securities, debentures and other investments.
15. According to information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The company has applied funds from term loans raised during the year only for the purpose for which those term loans were raised .The Company has raised during the year term loans, which has been used for long term funding of capital assets of the Company.
17. During the year under purview the Company has not made any long term Investments out of funds raised on short-term basis or vice versa.
18. The Company has not made any preferential allotment of shares during the year.
19. Clause (xix) of the order is not applicable to the company, as the Company has not issued any debentures.
20. The Company has not raised any money by public issues during the year covered by our report.
21. As per the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For V. P. Mehta & Company  
Chartered Accountants  
Firm Registration No.106326W

Vipul P. Mehta  
Proprietor  
Membership No : 035722

Mumbai : April 04, 2013

## G. M. BREWERIES LIMITED

### CORPORATE GOVERNANCE:

#### 1. PHILOSOPHY:

The Company's philosophy on Corporate Governance has been developed with a tradition of fair and transparent governance even before they were mandated by the legislation. Transparency, integrity, professionalism and accountability - based values form the basis of the Company's philosophy for Corporate Governance. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations. Your company has fulfilled all the existing guidelines under clause 49 of the listing agreement.

#### 2. BOARD OF DIRECTORS:

##### a) Composition, Category of Directors and their other and their other directorship as on March 31, 2013.

Name of The Director	Category of Directorship	No. of Directorship in other Public & Pvt. Ltd. Companies
Shri. Jimmy William Almeida	Executive (Chairman & Managing Director)	1
Smt. Jyoti Jimmy Almeida	Executive (Whole Time Director)	1
Shri. Mukund G. Diwan	Non-Executive (Independent Director)	6
Shri. Ashwin P. Mehta	Non-Executive (Independent Director)	2
Shri. Paresh N. Trivedi	Non- Executive (Independent Director)	1

##### b) Number of Board Meetings

During the year ended March 31, 2013, **FIVE** Board Meetings were held on April 03, July 12, September 06, October 11, 2012 and January 03, 2013.

##### c) Directors' attendance record:

Name of The Director	Board Meetings Attended during the year	Whether attended Last AGM
Shri. Jimmy William Almeida	5	YES
Smt. Jyoti Jimmy Almeida	5	YES
Shri. Mukund G. Diwan	5	NO
Shri. Ashwin P. Mehta	5	NO
Shri. Paresh N. Trivedi	4	YES

#### 3. COMMITTEES OF THE BOARD

##### a) Audit Committee

##### i) Terms of Reference:

Apart from all the matters provided in clause 49 of the listing agreement and sec 292-A of the Companies Act 1956, the Audit committee reviews reports of the internal auditor, meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the company.

##### ii) Composition:

The Audit committee consists of three independent directors, Shri. Mukund G. Diwan, Shri. Ashwin P. Mehta and Shri. Paresh N. Trivedi, Shri Ashwin P.Mehta had been designated as chairman of the committee. The committee met **4** times during the financial year ended March 31, 2013. The attendance record of the members at the meeting were as follows

Name of The Member	No of Meetings Attended
Ashwin P. Mehta	4
Mukund G. Diwan	4
Paresh N Trivedi	3

##### b) Remuneration Committee and policy:

The remuneration committee for fixing the remuneration of Executive Directors Comprises of the following

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Independent Non – Executive Directors.

Name of The Member	Designation
Ashwin P. Mehta	Chairman
Mukund G. Diwan	Member
Paresh N. Trivedi	Member

The details of remuneration for the year ended March 31, 2013 to the Executive Directors are as follows

Name	Salary
Jimmy William Almeida	60.00 Lakhs
Jyoti J Almeida	12.00 Lakhs

The Company has paid sitting fees of Rs 20,000/- per meeting to Non-Executive Directors during the financial year 2012-13

#### c) Shareholders/ Investors' Grievance Committee:

During the year 2012-13 the Shareholders/Investors Grievance committee that also acts as Share Transfer Committee met 9 times.

The attendance at the Shareholders/Investors Grievance Committee is given below

Name of The Member	No. of Meeting Held	No. Of Attended
Ashwin P. Mehta ,Chairman	9	7
Jyoti Jimmy Almeida, Member	9	9
Paresh N. Trivedi, Member	9	8

During the year 2012-13, 5 complaints were received from shareholders and investors. All the complaints have generally been resolved to the satisfaction of the complainants except for disputed cases and sub-judice matters, if any, which would be solved on final disposal by the courts/ forums where they are pending.

#### Management discussion and analysis report forms part of this Annual Report

#### 4. SHAREHOLDERS:

##### (a) (i) Means of Communication :

The Quarterly Un-Audited (Provisional) Results and the Annual Audited Financial results of the company are sent to the stock exchanges immediately after they are approved by the Board and are also published in one vernacular news paper viz. "Nava Shakti" and one English news paper viz. "Free Press Journal". The results are published in accordance with the guidelines of the Stock Exchanges.

(ii) In line with the exiting provisions of the Listing Agreement, the Company has created a separate e-mail address viz. investors\_complaints@gmbreweries.com to receive complaints and grievances of the investors.

#### b. Share Transfers Agents:

M/s. Sharex Dynamics(India) Pvt. Ltd. , Unit -1 , Luthra Indl. Premises Safed Pool Andheri Kurla Road., Andheri(E), Mumbai - 400 072.

#### c. Share Transfer System:

All physical share transfers are effected within 30 days of lodgment, subject to the documents being in order. The Board has delegated the authority for approval of transfer, transmission etc. to a committee comprising of three Non Executive Directors and a summary of transfer/transmission of shares so approved by the committee is placed before the Board.

#### d. General Body Meetings :

Details of last three Annual General meetings are as under.

Financial Year	Date	Time	Venue
2011-12	10-05-2012	11.30 A.M.	Joshi's Kohinoor Hall, 3 <sup>rd</sup> Flr, S.Veer Savarkar Marg, Prabhadevi, Mumbai – 400 025.
2010-11	10-05-2011	11.30 A.M.	Joshi's Kohinoor Hall, 3 <sup>rd</sup> Flr, S.Veer Savarkar Marg, Prabhadevi, Mumbai – 400 025.
2009-10	06-05-2010	11.30 A.M.	Joshi's Kohinoor Hall, 3 <sup>rd</sup> Flr, S.Veer Savarkar Marg, Prabhadevi, Mumbai – 400 025.

#### e) Postal Ballot:

For the year ended March 31, 2013 there have been no ordinary or special resolutions passed by the Company's Shareholders through postal ballot.

#### 5. Additional shareholders information :

##### a) Annual General Meeting

**Date :** May 07, 2013

**Venue:** Joshi's Kohinoor Hall, 3rd Flr, S.Veer Savarkar Marg,Prabhadevi, Mumbai - 400 025.

**Time :** 4.30 P.M.

## G. M. BREWERIES LIMITED

**b) Financial Calendar**

Financial Year: April 01 to March 31 For the financial year 2013-14, the tentative dates for declaration of Quarterly unaudited results will be by July 31, 2013, October 31, 2013, January 31 2014 and April 30, 2014.

**c) Book Closure:**

The register of Members and Share Transfer Books of the Company shall remain closed from April 30, 2013 to May 07, 2013 (both days inclusive) for payment of dividend.

**d) Dividend Payment Date:**

Dividend will be paid within 30 days of the approval of the same in the Annual General Meeting.

**e) Listing in stock exchanges and stock codes**

The names of stock exchanges at which the equity shares are listed and respective stock codes are as under :

Name of the Stock Exchanges	Stock Code No.
The Bombay stock Exchange	507488
The National Stock Exchange	GMBREW

The ISN number allotted to the company for demat of shares are as under.

**NSDL : INE075D01018**

**CDSL : INE075D01018**

**f) Stock data :**

High/Low of Market price of Company's equity shares traded on the **Bombay Stock Exchange Ltd.** during the financial year ended on March 31, 2013 was as follows:

Month	High	Low
April 2012	81.00	62.60
May 2012	74.90	62.15
June 2012	74.30	56.60
July 2012	83.65	68.60
August 2012	78.00	70.25
September 2012	83.50	70.60
October 2012	95.65	74.00
November 2012	101.40	77.55
December 2012	92.20	77.20
January 2013	86.50	70.05
February 2013	75.90	63.95
March 2013	73.80	60.10

**g) Stock data:**

High/Low of Market price of Company's equity shares traded on **National Stock Exchange.** During the financial year ended on March 31, 2013 was as follows:

Month	High	Low
April 2012	81.80	69.50
May 2012	77.00	62.65
June 2012	78.20	64.10
July 2012	84.60	68.50
August 2012	77.45	70.10
September 2012	85.05	71.50
October 2012	96.00	72.70
November 2012	102.00	77.30
December 2012	92.90	77.30
January 2013	70.00	87.00
February 2013	73.50	64.20
March 2013	70.50	60.00

**h) Distribution of shareholding as on March 31, 2013.**

Size of Holdings	No. of Share Holders	Percentage %	No. of Shares	Percentage %
Up to 100	4090	57.71	276767	2.96
101 to 200	1121	15.82	207247	2.22
201 to 500	1134	16.00	438381	4.68
501 to 1000	455	6.42	385873	4.12
1001 to 5000	244	3.44	504359	5.39
5001 to 10000	24	0.34	174788	1.87
10001 to 100000	15	0.21	405369	4.33
100001 to above	4	0.06	6965316	74.43
<b>Total</b>	<b>7087</b>	<b>100.00</b>	<b>9358100</b>	<b>100.00</b>

**Share Holding Pattern:**

Sr. No.	Category	No. of Shares	% of Share holding
1.	Promoters (Out of the Promoters' Share holding 1,22,400 Shares have been offered as collateral security to CitizenCredit Co-Op Bank Ltd, Dadar – Mumbai from 20-08-2003 for the loans advanced to The Company.)	6965316	74.43
2.	Residential Individual	2047205	21.88
3.	Private Corporate Bodies	133658	1.44
4.	Financial Institutions/Banks and Mutual Funds	-	-
5.	FII	2259	0.02
6.	NRI's and OCB	168727	1.80
7.	Clearing Member	40935	0.43
	<b>Total</b>	<b>9358100</b>	<b>100.00</b>



i) **Shares held in physical and dematerialized form:**  
As on March 31, 2013 94.83 % of shares were held in dematerialized form and the rest in physical form.

j) **Outstanding GDR's/ADR's/Warrant's/Convertible instruments and their impact on equity.**  
NIL.

k) **Plant Location**  
Village Narangi, S.Veer Savarkar Marg, Virar (East)  
Dist Thane- 401 305. Maharashtra State.

l) **Address for correspondence**  
Ganesh Niwas, Veer Savarkar Marg, Prabhadevi,  
Mumbai- 400 025 Telephone : 022- 24331150/51  
E-Mail: investors\_complaints@gmbreweries.com  
Website : www.gmbreweries.com

m) **Shares held in electronic form**  
Shareholders holding shares in the electronic form may give instruction regarding bank details, which they wish to incorporate on their dividend to their depository participants. As per the regulations of NSDL and CDSL the company is required to print the bank details on the dividend warrants, as furnished by these depositories to the Company.

### 6. Disclosures:

The company has not entered into any transaction of a material nature with the Promoters, the Directors or the Management, their relatives etc. that may have any potential conflict with the interests of the company.

The company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years. There were no penalties imposed nor any strictures issued on the Company by the Stock Exchanges, SEBI or any other statutory authority relating to the above.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the management discussion and analysis report for the year ended on March 31, 2013.

### A) INDUSTRY STRUCTURE AND DEVELOPMENT

G.M.Breweries Limited (GMBL) is engaged in the manufacture of alcoholic liquor. Though the company

has got the facility to blend and bottle both Indian made foreign liquor and country liquor, the concentration has been mainly on country liquor during this year also due to competitive market conditions in the IMFL segment. The Company has been achieving impressive progress both in terms of value and volume in the production of country liquor during the past five years.

Even though not much official statistics are available about the production of country liquor by various manufacturers, the data gathered from The State Excise Department shows that the company contributes about 20 to 25 % of the total Excise duty for country liquor in the whole of Maharashtra.

### B) OPPORTUNITIES, THREATS AND CONCERNS.

The Company's products have been enjoying consistently good brand image from the consumers for the past several years and the company enjoys virtual monopoly in country liquor in the districts of Mumbai and Thane. It is the single largest manufacturer of country liquor in the State of Maharashtra. The company has capacity to process 13.76 crore bulk litres of country liquor per annum out of which only about 47.13 % has been utilized last year. The company has got tremendous potential to utilise the balance capacity by penetrating into interior districts of Maharashtra taking advantage of its brand image.

Even though stringent steps have been taken by the various Government agencies, the parallel duty evaded market which eats into Company's market share as well as Government's revenue continues to be the main threat to the Company. The company continues to make representations at various levels of the Government to take effective steps to curb the illicit market in the interest of the industry, revenue of the state as well as the public health.

The Company has been facing difficulty also due to very high levels of taxation and frequent changes in laws. In fact the exorbitant rates of taxation is one of the factors, which breeds duty evasion. The high level of fluctuations in the prices of its main raw material namely Rectified Spirit and as well as acute shortage in the availability of Spirit are the constraints faced by the Company during the past several years.

To overcome the problem of shortage, wide price fluctuation and heavy breakages in glass bottles, the

## **G. M. BREWERIES LIMITED**

Company has started marketing all sizes of country liquor in PET bottles which is slowly gaining acceptance from the consumers. However, during the last year the company faced the problem of huge fluctuation in the prices of PET bottles also due to increase in petroleum prices in the international market. During the year under review about 43% of the company's total production & sale consisted of PET bottles. Company's all bottling lines have been designed to handle both glass and PET bottles.

During the past two years, the Company has started using 180 MI Glass bottles embossed with its Registered Logo and also taken adequate legal steps to ensure that, these bottles are not used by other liquor manufacturers. These measures have resulted in larger inflow of recycled bottles which has in turn helped the Company to cut overall cost of packing materials.

### **C) OUT LOOK**

Barring the aforesaid deterrents, the company does not foresee any major threats to its growth and market share in the coming years. The existing capacity should take care of the company's requirement at least for the next Five years and the Company does not foresee any technological obsolescence for its products.

### **D) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has engaged the services of an independent Chartered Accountant to carry out the internal audit and ensure that recording and reporting are adequate and proper, the internal controls exist in the system and that sufficient measures are taken to update the internal control system. The system also ensures that all transaction are appropriately authorised, recorded and reported. Exercises for safeguarding assets and protection against unauthorised use are undertaken from time to time. All these measures are continuously reviewed by the management and as and when necessary improvements are effected.

### **E) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The financial performance during the year under reference has been satisfactory. Even though there has

been a good increase in the net turnover, the volume of profits has remained stagnant at the previous year's level. The drop in profitability is due to very high prices of rectified spirit and packing materials almost during the entire year. However, this fluctuation in the spirit prices are cyclic in nature and it is hoped by the industry that prices of spirit will ease down next year. The Company will also continue its efforts to cut down the costs in all possible manner and improve the profitability in the coming years.

### **(F) CORPORATE SOCIAL RESPONSIBILITY.**

The management of your company is of the opinion that the company's contribution to the society should be on its own volition and not out of compulsion. Hence, even though it has not been mandated by law, the company has initiated measures, for the past several years, to help the poor and downtrodden section of the society by contributing to the "Feeding and other philanthropic activities" of Sant Shree Gulabbaba Charitable Trust.

### **(G) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.**

As on March 31, 2013 the company had 172 permanent employees at its manufacturing plants and administrative office.

The company recognises the importance of human value and ensures that proper encouragement both moral and financial is extended to employees to motivate them.

The company has provided rent free accommodation to all its staff & workers adjacent to the factory premises of the company. The company enjoyed excellent relationship with workers and staff during the last year.

### **Cautionary Statement**

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

**DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT**

In terms of the requirements of Clause 49 of the Listing Agreement, this is to confirm that all the members of the Board and the Senior Management personnel have affirmed Compliance with the Code of Conduct for the year ended March 31, 2013.

For G.M.Breweries Limited

Jimmy William Almeida  
Chairman & Managing Director

Mumbai, April 04, 2013

**CERTIFICATE OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER ON CORPORATE GOVERNANCE**

The Board of Directors  
M/s. G.M.Breweries Limited

We have reviewed the financial statements and the cash flow statement of G.M.Breweries Limited for the financial year 2012-13 and certify that:

- a) These statements to the best of our knowledge and belief:
  - I. Do not contain any materially untrue statements or omit any material facts or contain statements that might be misleading:
  - II. Present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, there are no transactions entered into by the Directors and Senior Management Personnel during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company for such reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls, of which we are aware of and the steps taken and/or proposed to be taken to rectify these deficiencies.
- d) We have also indicated to the Auditors and the Audit Committee.
  - (i) Significant changes in Internal Controls with respect to financial reporting during the year.
  - (ii) Significant changes in accounting policies during the Year and these have been disclosed in the notes to the financial statements.
- e) To the best of our knowledge and belief, there are no instances of significant fraud involving either the management or employees having a significant role in the Company's internal control systems with respect to financial reporting.

Jimmy William Almeida  
Chairman & Managing Director  
Mumbai, April 04, 2013

S.Swaminathan  
Chief Financial Officer

**AUDITORS' COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

**The Members of G.M.Breweries Limited.**

We have examined the compliance of conditions of Corporate Governance by G.M.Breweries Limited for the year ended March 31, 2013 stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of condition of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company to ensure Compliance with the condition of Corporate Governance. It is neither an audit nor an expression of an 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 fully complied with all the mandatory conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement.

For V. P. Mehta & Company  
Chartered Accountants - Firm Reg. No. 106326W  
Vipul P. Mehta  
Proprietor - Membership No: 035722

Mumbai, April 04, 2013



## 30th Annual Report 2012-2013

### PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

(Rs. in Lacs)

PARTICULARS	Note No.	Figures as at the end of current reporting period 31.03.2013	Figures as at the end of previous reporting period 31.03.2012
I. Revenue from Operations	N	28,775.89	25,698.15
II. Other Income	O	141.33	331.76
III. Total Revenue (I+II)		28,917.22	26,029.91
IV. Expenses			
Cost of Material Consumed	P	23,417.90	20,992.42
Purchase of stock-in-Trade		-	-
Changes in inventories of finished goods- work-in-progress and stock-in-trade	Q	154.44	(144.19)
Employee benefits expenses	R	593.32	498.16
Finance Costs	S	248.10	272.63
Depreciation & amortisation expenses	G	408.25	382.24
Other Expenses	T	1,999.43	1,940.76
Total Expenses		26,821.44	23,942.02
V. Profit before exceptional and extraordinary items and tax (III-IV)		2,095.78	2,087.89
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V-VI)		2,095.78	2,087.89
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII-VIII)		2,095.78	2,087.89
X. Tax Expense:			
(1) Current Tax		671.00	678.39
(2) Deferred Tax		32.38	26.34
XI. Profit/(Loss) for the period from continuing operations (IX-X)		1,392.40	1,383.16
XII. Profit/(Loss) for the period from discontinuing operations		-	-
XIII. Tax Expense of discontinuing operations		-	-
XIV. Profit/(Loss) from discontinuing operations (After Tax) (XII-XIII)		-	-
XV. Profit/(Loss) for the period (XI+XIV)		1,392.40	1,383.16
Add: Balance brought forward from Last Year		2,539.72	1,729.37
(Short)/Excess provision for Income Tax for earlier years (provided)/written back.		(114.99)	-
Profit available for Appropriation		3,817.13	3,112.53
Earning per share Basic & Diluted		14.88	14.78
Notes forming part of the Accounts	A to T		
Standard Accounting Policies	1		
Additional Notes forming part of accounts	2 (1 to 15)		

As per our report of even date attached  
for V. P. Mehta & Company  
Chartered Accountants  
Firm Registration No. 106326W

Vipul P. Mehta  
Proprietor  
Membership No. 035722

Chairman & Managing Director

Wholetime Director

Directors

Chief Financial Officer

Company Secretary & Manager Accounts

Jimmy W. Almeida

Jyoti J. Almeida

Ashwin P. Mehta

Mukund G. Diwan

Paresh N. Trivedi

S. Swaminathan

Sandeep Kutchhi

Mumbai, April 04, 2013

Mumbai, April 04, 2013

## G. M. BREWERIES LIMITED

### Notes A to T annexed to and forming part of the Balance Sheet & Profit and Loss Statement

Note A – Share Capital	Current Year March 31, 2013	(Rs.in Lacs) Previous Year March 31, 2012
Authorised :		
1,75,00,000 Equity Shares of Rs.10/- each	1,750.00	1,750.00
75,00,000 Unclassified Shares of Rs.10/- each	750.00	750.00
	2,500.00	2,500.00
Issued, Subscribed and Paid-up :		
93,58,100 Equity Shares of Rs.10/- each fully paid up	935.81	935.81
Add : Shares forfeited	0.85	0.85
	936.66	936.66

- a) There are No ( Previous year - No) rights, preference and restriction attaching to each class of shares including restriction on the distribution of dividend and the repayment of capital.
- b) There are nil number of shares ( Previous year Nil) in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiary or associates of the holding company or the ultimate holding company in aggregate.
- c) Shares in the company held by each shareholders holding more than 5% shares

Name of the Shareholder	No. of Shares Held	Percentage (%)
Mr. Jimmy William Almeida	5,774,091	61.70
Almeida Holdings Private Limited	999,548	10.68

- d) There are nil number of shares ( Previous year Nil) reserved for issue under option and contracts/commitment for the sale of shares/disinvestment including the terms and amounts.
- e) For the period of five years immediately preceding the date as at which the balance sheet is prepared

Particulars	No of Shares
Aggregate number and class of shares allotted as fully paidup pursuant to contract(s) without payment being received in cash	Nil
Aggregate number and class of shares allotted as fully paidup by way of bonus shares.	Nil
Aggregate number and class of shares bought back	Nil

- f) There are no securities ( Previous year No) convertible into Equity/ Preferential Shares.
- g) There are no calls unpaid ( Previous year No )including calls unpaid by Directors and Officers as on balance sheet date.

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### NOTE B – Reserve & Surplus

(Rs. in Lacs)

Particulars	Current Year Ended 31.03.2013	Previous Year Ended 31.03.2012
a) Securities Premium Reserve	351.95	351.95
b) Other Reserves		
General Reserve		
As per Last Balance Sheet	4,739.00	4,439.00
Add : Transfer from Profit and Loss Account	300.00	300.00
	<u>5,039.00</u>	<u>4,739.00</u>
Less:	-	-
Balance	<u>5,039.00</u>	<u>4,739.00</u>
c) Surplus :		
As per Last Balance Sheet	2,539.72	1,729.37
Add : Surplus for the current year	1,392.40	1,383.16
Excess Provision of the previous year written back	-	-
	<u>3,932.12</u>	<u>3,112.53</u>
Less: Transferred to General Reserve	300.00	300.00
Proposed Dividend	233.95	233.95
Tax on Dividend	37.95	38.86
Short Provision of the previous year Provided	114.99	-
	<u>686.89</u>	<u>572.81</u>
Balance	<u>3,245.23</u>	<u>2,539.72</u>
Gross Total	<u>8,636.18</u>	<u>7,630.67</u>

i) There is no reserve specifically represented by earmarked investments which can be termed as fund.

### NOTE C – Secured Long Term Borrowings

(Rs. in Lacs)

Particulars	Current Year Ended 31.03.2013	Previous Year Ended 31.03.2012
a) Term loans from Banks		
Term Loans from		
- Citizen Credit Co-operative Bank Ltd.	542.43	22.48
Secured by Charge on land bearing Plot 1 to 8 and Plot 9,10,11 located at Village Narangi, Virar, along with structures thereon , plot 1 to 11 and plot A to F located at Village Palsai, Wada along with Structures thereon,		
AND		
Flat at Prathamesh Co-Operative Housing Society Ltd, Prabhadevi, Mumbai		
Further Secured by hypothecation of Raw Materials, Stock in Process, Finished Goods and Book Debts		
Guaranteed by Directors Mr. Jimmy William Almeida & Mrs. Jyoti Jimmy Almeida		
	<u>542.43</u>	<u>22.48</u>

## G. M. BREWERIES LIMITED

### NOTE D – Short Term Borrowings

(Rs. in Lacs)

Particulars	Current Year Ended 31.03.2013	Previous Year Ended 31.03.2012
a) Secured repayable on demand from banks		
Overdraft From Citizen Credit Co op Bank (Secured by Charge on land bearing Plot 1 to 8 and Plot 9,10,11 located at Village Narangi, Virar, along with structures thereon, plot 1 to 11 and plot A to F located at Village Palsai, Wada along with Structures thereon, AND Flat at Prathamesh Co-Operative Housing Society Ltd, Prabhadevi,Mumbai  Further Secured by hypothecation of Raw Materials, Stock in Process,Finished Goods and Book Debts Guaranteed by Directors Mr. Jimmy William Almeida & Mrs. Jyoti Jimmy Almeida)	1,717.77	1718.09
Overdraft from Central Bank of India	-	109.56
Overdraft from IDBI Bank (Secured by lien on fixed deposit certificates)	-	499.73
Unsecured repayable on demand from others Security Deposits From Customers & Others	5.55	5.55
Gross Total	1,723.32	2,332.93

### NOTE E – Other Current Liabilities

(Rs. in Lacs)

Particulars	Current Year Ended 31.03.2013	Previous Year Ended 31.03.2012
a) Current maturities of longterm debts	21.13	156.69
b) Unpaid Dividends	36.38	32.56
c) Other payables		
Creditors for Expenses / Assets	18.44	22.05
Other Liabilities	389.32	60.13
Statutory Liability	2,130.27	2,157.86
Advance received from Customers & others	63.67	348.14
	2,659.21	2,777.43

### NOTE F – Short Term Provisions

(Rs. in Lacs)

Particulars	Current Year Ended 31.03.2013	Previous Year Ended 31.03.2012
a) Provision for employees benefit	-	-
b) Others		
Provision for Tax	2,506.10	2,034.78
Proposed Dividend	233.95	233.95
Tax on Dividend	37.95	38.86
	2,778.00	2,307.59



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### Note G : Fixed Assets

(Rs. in lacs)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01/04/12	ADDI- TIONS	DEDUC- TIONS	AS AT 31/03/13	AS AT 01/04/12	FOR THE YEAR	WRITTEN BACK	AS AT 31/03/13	AS AT 31/03/13	AS AT 31/03/12
Tangible Assets										
Freehold Land at Virar	255.60	-		255.60	-	-	-	-	255.60	255.60
Freehold Land at Wada	136.03	-	-	136.03	-	-	-	-	136.03	136.03
Leasehold Land Deposit	900.00	-	500.00	400.00	-	-	-	-	400.00	900.00
Factory Building	3,631.90	63.39	-	3,695.29	730.19	121.73	-	851.92	2,843.37	2,901.71
Building at Wada	728.98	-	-	728.98	241.92	24.35	-	266.27	462.71	487.06
Godown	75.25	-	-	75.25	25.10	2.51	-	27.61	47.64	50.15
Residential & Commercial Premises	1,336.93	745.86	82.83	1,999.96	13.40	2.78	-	16.18	1,983.78	1,323.53
Plant & Machinery	3,755.96	241.32	-	3,997.28	1,823.97	181.78	-	2,005.75	1,991.53	1,931.99
Electric Fittings	93.45	9.84	-	103.29	56.00	4.91	-	60.91	42.38	37.45
Computers	94.98	13.48	-	108.46	83.27	2.81	-	86.08	22.38	11.71
Office equipments	76.82	6.44	-	83.26	38.43	3.73	-	42.16	41.10	38.39
Furniture & Fixtures	80.64	17.22	-	97.86	63.18	5.67	-	68.85	29.01	17.46
Vehicle	497.73	68.93	-	566.66	287.85	57.50	-	345.35	221.31	209.88
Total Tangible assets (a)	11,664.27	1,166.48	582.83	12,247.92	3,363.31	407.77	-	3,771.08	8,476.84	8,300.96
Intangible Assets										
Brand Development	42.15	-	-	42.15	42.15	-	-	42.15	-	-
Software	-	8.89	-	8.89	-	0.48	-	0.48	8.41	-
Total intangible assets (b)	42.15	8.89	-	51.04	42.15	0.48	-	42.63	8.41	-
Total (a+b)	11,706.42	1,175.37	582.83	12,298.46	3,405.46	408.25	-	3,813.71	8,485.25	8,300.96
Previous Period	11,741.33	534.52	569.43	11,706.42	3,098.39	382.24	75.17	3,405.46	8,300.96	8,642.94

### NOTE H – Non-current Investments

(Rs. in Lacs)

Particulars	Current Year Ended 31.03.2013	Previous Year Ended 31.03.2012
Trade Investments	-	-
Other Investments		
a) Investment in Government or Trust Securities	2.27	2.27
	2.27	2.27
Aggregate amount of unquoted investments	2.27	2.27

### NOTE I – Long-Term Loans and Advances

(Rs. in Lacs)

Particulars	Current Year Ended 31.03.2013	Previous Year Ended 31.03.2012
Secured		
a) Capital Advances	910.91	255.40
b) Security Deposits	112.15	58.83
c) Other Loans & Advances		
Advance Income Tax	2,413.09	2,024.10
	3,436.15	2,338.33

## G. M. BREWERIES LIMITED

### NOTE J – Inventories

(Rs. in Lacs)

Particulars	Current Year Ended 31.03.2013	Previous Year Ended 31.03.2012
(Stock-in-trade as per Inventories taken Valued & Certified by the Management)		
a) Raw Material & Packing Materials	555.98	694.78
b) Stock in Process ( Work in Progress)	181.65	193.72
c) Stock of Finished Goods	-	142.37
d) Stock of Stores & Spares	49.80	49.80
	787.43	1,080.67

(Stock-in-trade as per Inventories taken Valued & Certified by the Management)

The cost of various categories of inventory is determined as follows:

- 1) Stock of Raw Materials and Packing Material : At cost Including Local Taxes ( Net of Setoff) or net realisable value whichever is lower
- 2) Stock in Process : At cost or net realisable value, whichever is lower
- 3) Stock of Finished Goods: At cost or net realisable value, whichever is lower
- 4) Stock of Stores and Spares: At cost or net realisable value, whichever is lower
- 5) Stock of Scrap: At net realisable value

### NOTE K – Trade Receivables

(Rs. in Lacs)

Particulars	Current Year Ended 31.03.2013	Previous Year Ended 31.03.2012
(Unsecured, considered good)		
Debts outstanding for a period exceeding six Months)	1.30	1.70
Other Debts	27.57	22.92
	28.87	24.62

### NOTE L - Cash & Cash Equivalents

Particulars	Current Year Ended 31.03.2013	Previous Year Ended 31.03.2012
a) Balances with Banks		
i) In Current Accounts	78.63	17.55
ii) In Unpaid Dividend Account	36.09	32.27
iii) In Fixed Deposits	207.00	1,111.30
b) Cash-on-hand	80.25	41.24
	401.97	1,202.36

### NOTE M - Short term Loans & Advances

Particulars	Current Year Ended 31.03.2013	Previous Year Ended 31.03.2012
a) Others		
Prepaid Expenses	99.54	92.25
Staff Advance	1.15	2.69
Advances for expenses	0.24	96.38
	100.93	191.32

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### NOTE N: Revenue from Operations

Particulars	Current Year Ended 31.03.2013	Previous Year Ended 31.03.2012
a) Sale of Products	93,880.06	87,334.09
	<u>93,880.06</u>	<u>87,334.09</u>
Less: State Excise Duty	46,618.44	44,081.41
MVAT ( Net of Setoff)	18,485.73	17,554.53
	<u>28,775.89</u>	<u>25,698.15</u>

### NOTE O: Other Income

Particulars	Current Year Ended 31.03.2013	Previous Year Ended 31.03.2012
a) Intesest Income	63.17	41.12
b) Dividend Income	0.06	0.13
c) Net gain on sale of Investment	59.17	-
d) Other non Operating Income	18.93	290.51
	<u>141.33</u>	<u>331.76</u>

### NOTE P - Cost of Materials Consumed

Particulars	Current Year Ended 31.03.2013	Previous Year Ended 31.03.2012
Raw Materials Consumed - Rectified Spirit		
Opening Stock	20.57	27.57
Add : Purchases	13,329.59	10,909.74
	<u>13,350.16</u>	<u>10,937.31</u>
Less : Closing Stock	-	20.57
	<u>13,350.16</u>	<u>10,916.74</u>
Packing and Other Materials Consumed		
Opening Stock	674.22	418.54
Add : Purchases	9,949.50	10,331.36
	<u>10,623.72</u>	<u>10,749.90</u>
Less : Closing Stock	555.98	674.22
	<u>10,067.74</u>	<u>10,075.68</u>
Gross	<u>23,417.90</u>	<u>20,992.42</u>

### NOTE Q: Changes in inventories of finished goods

#### Work-In-Progress & Stock in Trade

Particulars	Current Year Ended 31.03.2013	Previous Year Ended 31.03.2012
Opening Stock		
Finished Goods	142.37	-
Work-in-process	193.72	187.54
Scrap	-	4.36
	<u>336.09</u>	<u>191.90</u>
Less : Closing Stock		
Finished Goods	-	142.37
Work-in-process	181.65	193.72
Scrap	-	-
	<u>181.65</u>	<u>336.09</u>
	<u>154.44</u>	<u>(144.19)</u>

## G. M. BREWERIES LIMITED

### NOTE R - Employee benefit Expenses

Particulars	Current Year Ended 31.03.2013	Previous Year Ended 31.03.2012
Salaries & Wages	460.88	401.39
Bonus to Staff & Workers	17.02	14.79
Contribution to Provident & other Funds	28.63	28.59
Employees Welfare	86.79	53.39
	593.32	498.16

### NOTE S - Finance Costs

Particulars	Current Year Ended 31.03.2013	Previous Year Ended 31.03.2012
Interest on Term Loan	11.66	38.92
Interest on Overdraft	234.97	219.65
Bank Interest and Charges	1.47	13.54
Other Interest and Financial Charges	-	0.52
	248.10	272.63

### NOTE T- Other Expenses

Particulars	Current Year Ended 31.03.2013	Previous Year Ended 31.03.2012
Stores & Spares Consumed	46.53	46.72
Repairs & Maintenance		
- Plant & Machinery	75.35	64.06
- Building	190.82	134.91
- Others	155.17	70.48
Excise Supervision Charges	13.34	23.33
Power & Fuel	125.60	95.00
Rent, Rates & Taxes	57.98	38.61
Octroi Charges	382.82	658.20
Licence Fees	83.32	101.33
Legal and Professional Charges	80.80	58.62
Legal Expenses	6.24	2.85
Postage, Telephone and Telegram Expenses	5.29	4.78
Printing & Stationery	8.90	8.60
Insurance	36.94	36.68
Directors Remuneration	74.80	71.00
Travelling & Conveyance	14.39	13.49
Donation	194.62	168.01
Vehicle Expenses	346.16	303.79
Advertisement and Publicity	1.85	1.23
Auditors Remuneration		
- Audit Fees	6.07	5.40
- Tax Audit Fees	1.35	1.20
- Taxation Matters	1.34	1.20
Miscellaneous Expenses	89.75	31.27
	1,999.43	1,940.76

**ADDITIONAL NOTES ON ACCOUNTS**

**Accounting Policies and Notes forming part of accounts for the year ended March 31, 2013**

**1. Significant Accounting Policies:**

**Basis of Accounting:**

These financial statements have been prepared under historical cost convention from books of accounts maintained on an accrual basis (unless otherwise stated hereinafter) in conformity with accounting principles generally accepted in India and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India and referred to Sec 211(3C) of the Companies Act, 1956. The accounting policies applied by the company are consistent with those used in previous year.

**Fixed Assets:**

Fixed Assets are stated at their original cost, which includes expenditure incurred in the acquisition of Assets/ construction of Assets, Pre-operative expenses till the commencements of operation and Interest up to the date of commencement of commercial production.

**Depreciation:**

Depreciation has been provided on the straight-line method in accordance with Schedule XIV of the Companies Act, 1956.

**Investments:**

Long term Investments are stated at acquisition cost and provision is made for diminution, other than temporary, in value of the investments. Current investments are valued at lower of cost or market value/net asset value.

**Inventories:**

The cost of various categories of inventory is determined as follows:

- |                                       |   |  |
|---------------------------------------|---|--|
| 1. Raw material and Packing Materials | : | At Cost including local taxes (Net of setoff) or Net realisable value, whichever is lower. |
| 2. Stock in Process                   | : | At Cost or Net realisable value, whichever is lower.                                       |
| 3. Stock of Finished Goods            | : | At Cost or Net realisable value, whichever is lower.                                       |
| 4. Consumable Stores & Spares         | : | At Cost or Net realisable value, whichever is lower.                                       |
| 5. Scrap                              | : | At Net realisable value  |

Cost of raw material and packing materials are determined using first in first out (FIFO) method. Costs of finished goods and stock in process include cost of raw material and packing materials, cost of conversion and other costs incurred in bringing the inventories to the present location and condition.

**Employees Retirement Benefits:**

(a) Defined Contribution Plans.

The Company has Defined Contribution Plan post employment benefit in the form of provident fund for eligible employees, which is administered by Regional Provident Fund Commissioner; Provident fund is classified as Defined Contribution Plan as the Company has no further obligation beyond making the contributions. The Company's contributions to defined Contribution Plans are charged to the Profit and Loss Account as and when incurred.

(b) Defined Benefit Plan.

The Company has Defined Benefit Plan for post employment benefit in the form of Gratuity for eligible employees, which is administered through a Group Gratuity Policy with Life Insurance Corporation of India (L.I.C). The Liability for the above Defined Benefit Plan is provided on the basis of an actuarial valuation as carried out by L.I.C. The actuarial method used for measuring the liability is the Projected Unit Credit Method.

## G. M. BREWERIES LIMITED

- (c) Termination Benefits, if any, are recognized as an expense as and when incurred.
- (d) The Company does not have policy of leave encashment and hence there is no liability on this account.

Refer to additional note no.14

### **Revenue recognition:**

Gross Sales are inclusive of State Excise duty, MVAT, and Net of returns, Claims, and Discount etc.

The Company recognises sale of goods when the significant risks and rewards of ownership are transferred to the buyer, which is usually when the goods are loaded in party's vehicle and are ready for dispatch after clearance from excise officials at the factory.

Interest Income is accounted on accrual basis and dividend income is accounted on receipt basis.

Fixed deposit interest is accounted as per statement/documents issued by banks.

### **Excise Duty:**

State Excise duty payable on finished goods is accounted for on clearance of goods from the Factory. Company's products do not attract any Central Excise duty.

### **Brand Development:**

The Company had incurred expenses on brand development of various products. The expenses were accounted as per prevailing Industry practices.

### **Value Added Tax (VAT):**

VAT payable of finished goods is accounted net of setoff i.e. VAT payable on finished goods less VAT paid on inputs.

### **Taxation:**

Provision is made for income tax liability estimated to arise on the results for the year at the current rate of Tax in accordance with Income Tax Act, 1961.

In accordance with the According standard 22, Accounting for Taxes on Income, issued by the Institute of Chartered Accountants of India, deferred Tax resulting from timing differences between book profit and Tax profit is accounted for, at the current rate of Tax, to the extent the timing differences are expected to crystallize.

Deferred Tax arising on account of depreciation is recognised only to the extent there is a reasonable certainty of realisation.

### **Provisions:**

A provision is recognized when an enterprise has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions, other than employee's benefits, are not discounted to their present value and are determined based on management 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 management estimates.

### **Expenditure:**

Expenses are net of taxes recoverable, where applicable.

### **1 Impairment of Assets:**

Impairment losses, if any, are recognized in accordance with the accounting standard 28 issued in this regard by The Institute of Chartered Accountants of India.

### **2. Notes on Accounts forming part of accounts**

1. Clarification regarding note pertaining to "Transport Fee Liability" mentioned in earlier years.

The Company had, along with other manufacturers of Country Liquor and IMFL in the State of Maharashtra, filed a Writ Petition in the Hon'ble Bombay High Court challenging the applicability of "Transport Fee" under Bombay Rectified Spirit (Transport in Bond) Rules 1951.

The Hon'ble Bombay high Court by its Order and Judgment dated 6<sup>th</sup> May, 2011 had allowed the Writ Petitions and set aside the levy of Transport Fee under the said Rules. The Hon'ble Bombay High Court has also directed the Government of Maharashtra to Refund the "Transport Fee" Deposited pursuant to the Interim Order. The Government is yet to Refund the deposit of "Transport Fee" made by the Company.

The State of Maharashtra has also filed a Special Leave Petition in the Hon'ble Supreme Court Of India against the said Order of the Bombay High Court which is pending for admission.

### 2. MVAT / Income Tax

Under the MVAT Act in force from 1/4/2005 there is no procedure for assessment. The Company is filing monthly MVAT returns on regular basis and all dues have been paid as per the returns. The MVAT department of Government of Maharashtra has completed Audit of the company's transactions up to the financial year 2009-10. The Company has also filed the audit report as required under the MVAT Act up to the year 2011-12 and there are no dues payable under the provisions of the MVAT Act as on March 31, 2013.

The company's Income Tax assessment has been completed upto assessment year 2010-11 and the demands raised by the department has already been paid by the company.

### 3. Capital Contracts

Estimated amount of contracts remaining to be	2012-2013	2011-2012
Executed on capital accounts and not provided for	Nil	Nil

### 4. State Excise

As per practice consistently followed, State Excise duty payable on finished goods held in works is neither included in expenditure nor included in such stocks, but is accounted for on clearance of the goods. This accounting treatment has no impact on profits.

### 5. Remuneration to Directors

		(Rs. in Lacs)
Remuneration of Directors	2012-2013	2011-2012
Salary	72.00	67.80

6. In the opinion of the Board of Directors, the Current Assets, Loans and Advances are approximately of the value stated if realised in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

7. The Company has not received complete intimation from all the vendors regarding their status as small-scale industrial undertaking. However, where the company has received the information regarding the status of the vendors there are no amounts outstanding for more than Rs.1,00,000/- for more than 30 days.

8. Additional information pursuant to paragraph 3,4(C) & 4(D) OF PART II to Schedule VI of the Companies Act, 1956 have been given to the extent applicable to the Company.

(a) Value of Raw Materials consumed:	Quantity	Value
		(Rs. in Lacs)
	Unit	2,89,10,207
Rectified & Natural Spirit	BL	(2,79,00,003)
		13,350.16
		(10,916.74)

## G. M. BREWERIES LIMITED

Note: Packing and other materials consumed are not considered as Raw materials and hence no separate figures are given

(b) Value of Imported & Indigenous Raw materials, Packing & other materials consumed:

	% to Total consumption	Value (Rs. In Lacs)	
		2012-13	2011-12
i) Imported	0	—	—
ii) Indigenous	100	23,618.87	20,894.95

(c) Information for each class of goods:

Manufactured and sold during the year (with reference to bottling capacity)

	Unit	Installed Capacity	Actual Production	Quantity	Sales	
					Quantity	Value (Rs. In Lacs)
Indian Made	BL	<b>(1,10,16,000)</b>	—	—	—	—
Foreign Liquor		(1,10,16,000)	(—)	(—)	(—)	(—)
Country Liquor	BL Hall No. 1	6,87,96,000				
	Hall No. 2	4,21,20,000				
	Hall No. 3	2,66,76,000				
<b>Total</b>		<b>13,75,92,000*</b>	<b>6,48,40,269</b>	<b>6,54,29,386</b>		<b>93,880.06</b>
		(13,57,92,000)	(6,24,57,986)	(6,18,68,640)		(87,334.09)

\* As certified by the management.

(d) Particulars of Opening and Closing Stock of Finished goods after adjusting returns:

	Unit	Opening Stock		Closing Stock	
		Quantity	Value	Quantity	Value (Rs. In Lacs)
Indian Made	BL	—	—	—	—
Foreign Liquor		(—)	(—)	(—)	(—)
Country Liquor	BL	5,89,117	142.37	Nil	Nil
		(Nil)	(Nil)	(5,89,117)	(142.37)

### 9. Related Party Disclosures

(a) List of Related Parties

i) Key Management Personnel

- Jimmy William Almeida – Chairman & Managing Director
- Jyoti Jimmy Almeida - Whole Time Director

(b) Details of transactions

Nature of Transaction

Key Management Personnel  
(Rs.in Lacs)

Rent Paid	22.87
Remuneration	72.00
Purchase of property from Director	670.00
Repayment of Deposit by Director	550.00
Deposit made to Director	101.00
Outstandings	Nil
Trade Receivables	Nil



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### 10. Earning per share

(Rs.in Lacs)

Particulars	2012-13	2011-12
Net profit after tax before adjustment of Income Taxes of earlier year	1392.40	1383.16
Weighted Average Number of Equity Shares (No's)	93,58,100	93,58,100
Earning Per Share before adjustment of Income Tax of earlier years (Rs.)	14.88	14.78

11. During the year company has created deferred tax liability of Rs. 32.38 lacs on account of different rates of depreciation as per Income Tax Act 1961 and depreciation as debited in books of accounts as per Company's Act 1956.

### 12. Segment Reporting:

The Company at present is engaged in the business of manufacture and sale of country liquor, which constitutes a single business segment. In view of above, primary and secondary reporting disclosures for business/geographical segment as envisaged in AS -17 are not applicable to the Company.

### 13. Auditors Remuneration:

(Rs.in Lacs)

Sr. No.	Particulars	Current Year	Previous Year
1	Audit Fees	6.07	5.40
2	Tax Audit	1.35	1.20
3	Taxation Matters	1.34	1.20
	<b>Total</b>	<b>8.76</b>	<b>7.80</b>

## G. M. BREWERIES LIMITED

### 14. Employees Benefits:

The Company has made provision in the Accounts for Gratuity based on Actuarial valuation. The particulars under the AS 15 (Revised) furnished below are those which are relevant and available to company for this year.

<b>GRATUITY</b>	
<b>I ASSUMPTION AS AT</b>	<b>31.03.2013</b>
MORTALITY RATE	LIC(1994-96)
DISCOUNT RATE	8%
WITHDRAWAL RATE	1% TO 3%
SALARY ESCALATION	4%
VALUATION METHOD	PROJECTED UNIT CREDIT METHOD
<b>PERIOD OF ACCOUNTING</b>	<b>1.04.2012 TO 31.03.2013</b>
<b>II DATA INFORMATION</b>	<b>ON 31.03.2013</b>
NUMBER OF MEMBERS	172
AVERAGE AGE	41.40
AVERAGE MONTHLY SALARY	4563.08
AVERAGE PAST SERVICES	16.80
<b>III RESULTS OF VALUATION</b>	<b>ON 31.03.2013</b>
(a) PV OF PAST SERVICE BENEFIT	52,58,007
(b) CURRENT SERVICE COST	2,79,646
(c) TOTAL SERVICE GRATUITY	1,47,59,959
(d) ACCRUED GRATUITY	77,05,362
(e) LCSA	70,54,597
(f) LC PREMIUM	24,809
(g) SERVICE TAX @12.36%	3,066
<b>IV RECOMMENDED CONTRIBUTION RATE</b>	
(a) FUND VALUE AS ON RENEWAL DATE	51,35,558
(b) ADDITIONAL CONTRIBUTION FOR EXISTING FUND	1,22,449
(c) CURRENT SERVICE COST	2,79,646
<b>V ACTUAL (GAIN)/ LOSS ON OBLIGATION/ TOTAL AMOUNT CHARGED TO P&amp;L</b>	
(III(F) +III(G) +IV(B)+IV(C )	429,970

15. The figures of the previous years have been regrouped / rearranged wherever necessary. The Figures of the previous years are given in brackets. The company has compiled the above accounts based on the revised/Modified schedule VI applicable for the accounting period 2012-2013. The disclosure requirements are made in the notes to accounts or by way of additional statements. The other disclosures as required by the Companies Act, are made in the notes to accounts.

As per our report of even date attached for V. P. Mehta & Company Chartered Accountants Firm Registration No. 106326W

Vipul P. Mehta  
Proprietor  
Membership No. 035722

Chairman & Managing Director

Wholetime Director

Directors

Chief Financial Officer  
Company Secretary & Manager Accounts

Jimmy W. Almeida

Jyoti J. Almeida

Ashwin P. Mehta  
Mukund G. Diwan  
Paresh N. Trivedi  
S. Swaminathan  
Sandeep Kutchhi

Mumbai, April 04, 2013

Mumbai, April 04, 2013

## 30th Annual Report 2012-2013

### CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

Particulars	Current Year 2013	(Rs. in Lacs) Previous Year 2012
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before tax	2,095.78	2,087.89
Adjustments for :		
Depreciation	408.25	382.24
Interest	248.10	272.63
Indirect Taxes	65,104.17	61,635.94
Dividend Received	(0.06)	(0.13)
Interest Received	(63.17)	(41.12)
Other Non-Operating Income	(78.10)	(290.51)
Operating Profit before Working Capital Changes	67,714.97	64,046.94
Adjustments for :		
(Increase) / Decrease in Trade and Other Receivables	(1,091.43)	(852.05)
(Increase) / Decrease in Inventories	293.24	(440.41)
Increase / (Decrease) Trade Payables	477.16	1,485.37
Cash generated from Operations	67,393.94	64,239.85
Direct Taxes paid	692.63	927.90
Indirect Taxes Paid	64,963.95	61,422.69
<b>Net Cash from Operating Activities</b>	<b>1,737.36</b>	<b>1,889.26</b>
<b>B. Cash Flow from Investing Activities :</b>		
Increase in Fixed Assets	(1,932.95)	(794.66)
Interest Received	63.17	41.12
Dividend Received	0.06	0.13
Other Non-Operating Income	78.10	290.51
<b>Net Cash (used in) / from Investing activities</b>	<b>(1,791.62)</b>	<b>(462.90)</b>
<b>C. Cash Flow from Financing Activities</b>		
Increase/(Decrease) in Long Term Borrowings	(225.22)	(459.14)
Increase/(Decrease) in Short Term Borrowings	-	(200.00)
Interest Paid	(248.10)	(272.63)
Dividend Paid	(233.95)	(227.87)
Tax on distributed profits	(38.86)	(38.86)
<b>Net Cash (used in) / from Financing activities</b>	<b>(746.13)</b>	<b>(1,198.50)</b>
<b>D. Net changes in Cash and Cash Equivalents (A+B+C)</b>	<b>(800.39)</b>	<b>227.86</b>
<b>E. Cash and Cash Equivalents at beginning of the Period</b>	<b>1,202.36</b>	<b>974.50</b>
<b>F. Cash and Cash Equivalents at End of the Period</b>	<b>401.97</b>	<b>1,202.36</b>

As per our report of even date attached  
for V. P. Mehta & Company  
Chartered Accountants  
Firm Registration No. 106326W

Vipul P. Mehta  
Proprietor  
Membership No. 035722

Chairman & Managing Director  
Wholetime Director  
Directors

Chief Financial Officer  
Company Secretary & Manager Accounts

Jimmy W. Almeida  
Jyoti J. Almeida  
Ashwin P. Mehta  
Mukund G. Diwan  
Paresh N. Trivedi  
S. Swaminathan  
Sandeep Kutchhi

Mumbai, April 04, 2013

Mumbai, April 04, 2013

# G. M. BREWERIES LIMITED

## FINANCIAL HIGHLIGHTS FOR THE PAST 15 YEARS

(Rs. in Lacs)

Year	Share Capital	Reserves & Surplus	Total Own Funds	Bank Secured Borrow.	Current Liabilities	Contingent Liabilities	Total Liabilities	Gross Fixed Assets	Current Assets	State Excise Duty Pd.	Sales Tax Pd.	Total Rev. To State Govt.	Interest & Financial Charges	Gross Sales	Profit Before Tax	Tax Prov.	Profit After Tax	Dividend Paid (%)
2013	936.66	8636.18	9572.84	2281.33	6198.38	Nil	8479.71	12298.46	5604.89	46618.44	18485.73	65104.17	248.10	93880.06	2095.78	818.37	1277.41	25*
2012	936.66	7630.67	8567.33	2506.55	5488.55	Nil	7995.10	11706.42	5607.09	44081.41	17554.53	61635.94	272.63	87334.09	2087.89	704.73	1383.16	25
2011	936.66	6520.32	7456.98	2965.69	1904.44	Nil	4870.13	11741.33	6031.39	32166.94	11701.93	43868.87	249.47	67031.70	3167.02	1084.68	2082.34	25
2010	936.66	4690.11	5626.77	1839.79	2162.28	Nil	4007.62	9903.58	4021.11	29470.64	9874.36	39345.00	198.18	61309.49	1020.85	355.07	665.78	20
2009	936.66	4249.11	5185.77	1457.52	1844.38	Nil	3301.90	9614.80	1647.03	26721.09	7416.40	34137.49	189.55	55110.92	1384.91	479.38	905.53	20
2008	936.66	3607.85	4544.51	1453.01	1688.45	Nil	3141.46	8504.03	1631.42	24586.34	7089.95	31676.29	179.35	50259.70	2249.33	776.23	1473.10	25
2007	936.66	2416.27	3352.93	1432.78	1827.28	Nil	3260.06	7201.61	1486.27	21349.28	6145.37	27494.65	199.87	44796.28	1806.35	619.79	1186.56	18
2006	936.66	1462.22	2398.88	2316.99	2050.55	Nil	4367.54	5921.63	3316.52	16227.00	4743.55	20970.55	261.15	36451.47	2027.47	688.92	1338.55	15
2005	936.66	508.25	1444.91	2041.05	1841.39	Nil	3882.44	4985.29	1761.63	9048.75	3258.33	12307.08	295.48	19481.76	100.71	25.44	75.27	06
2004	936.66	498.96	1485.62	2235.32	1361.40	Nil	3596.72	4710.52	1569.49	8256.63	2745.62	11002.25	331.67	16434.44	118.06	8.75	109.31	06
2003	936.66	462.54	1399.20	2526.09	1522.61	Nil	4048.70	4563.18	1976.74	8014.83	2701.51	10716.34	390.47	16181.97	136.18	23.77	112.41	06
2002	936.66	443.42	1380.08	2537.66	2141.36	Nil	4679.02	4438.58	2442.38	7137.76	2421.23	9558.99	442.79	14510.04	124.47	40.23	84.24	06
2001	936.57	411.41	1347.98	2812.21	2071.89	Nil	4884.10	4330.40	2619.07	6110.16	1972.39	8082.55	556.08	13089.30	70.73	6.00	64.73	05
2000	936.57	399.09	1335.66	3467.89	1931.85	42.75	5442.49	4287.85	2909.46	5817.59	336.34	6153.93	614.53	10487.73	51.03	6.00	45.03	04
1999(18 Months)	936.57	445.72	1382.29	3026.26	1223.84	595.95	4846.05	3359.99	2654.70	8149.59	--	8149.59	1095.21	15110.86	169.95	17.00	152.95	06

\* Proposed

Note : As the current year figures have been compiled as per the revised schedule VI format, regrouping has been done wherever required to make comparison with the previous year figures.







## **G. M. BREWERIES LIMITED**

**Regd. Office : Ganesh Niwas, S. Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025.**

### **PROXY FORM**

#### **ANNUAL GENERAL MEETING**

No. of Shares held \_\_\_\_\_  
Regd. Folio No. \_\_\_\_\_  
D. P. ID No. \_\_\_\_\_  
Client ID No. \_\_\_\_\_

I/We \_\_\_\_\_ of \_\_\_\_\_

being a Member/Members of **G. M. BREWERIES LTD.** hereby appoint \_\_\_\_\_  
\_\_\_\_\_ of \_\_\_\_\_ as my/our **proxy** to vote for me/us on my/our behalf  
at the **ANNUAL GENERAL MEETING** of the Company to be held on Tuesday, May 07, 2013 and at any  
adjournment there of.

Signed on this \_\_\_\_\_ day of \_\_\_\_\_ 2013

**Note :**

The proxy form duly completed should be deposited at the Registered office  
of the Company not less than forty eight hours before the time fixed for holding  
this meeting.

Affix  
Revenue  
Stamp  
Signature

## **G. M. BREWERIES LIMITED**

**Regd. Office : Ganesh Niwas, S. Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025.**

### **ATTENDANCE SLIP**

*30th Annual General Meeting - May 07, 2013*

I hereby record my presence at the **THIRTIETH ANNUAL GENERAL MEETING** of the Company held at  
**Joshi's Kohinoor Hall, 3rd Floor, S. Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025.** on Tuesday,  
May 07, 2013 at 04.30 p.m.

Full Name of the Member (in **BLOCK LETTERS**) \_\_\_\_\_

Regd. Folio No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_

DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_

Full name of the Proxy (in **BLOCK LETTERS**) \_\_\_\_\_

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

*Book-Post*

*Mr./Mrs.* \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*If not delivered, please return to :*

**G. M. BREWERIES LIMITED**  
**Regd. Office :**  
*Ganesh Niwas, S. Veer Savarkar Marg,*  
*Prabhadevi, Mumbai - 400 025.*