

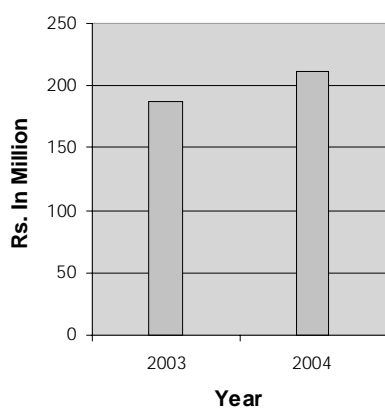
Corporate Vision

“To be a global leader, committed to the customer
in providing technology solutions with
the highest degree of excellence, quality and value
by an agile team using efficient processes”

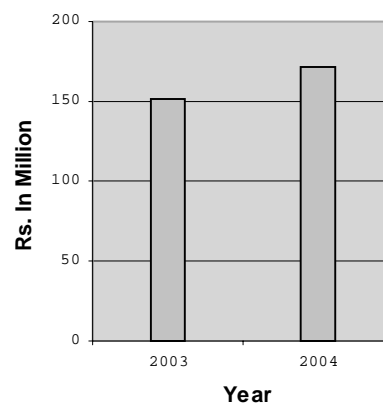
3

ASM GROUP INFORMATION

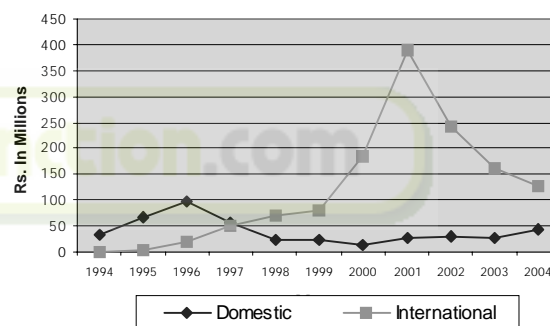
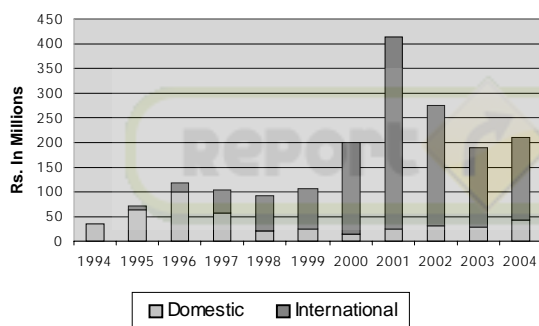
ASM Group Revenue



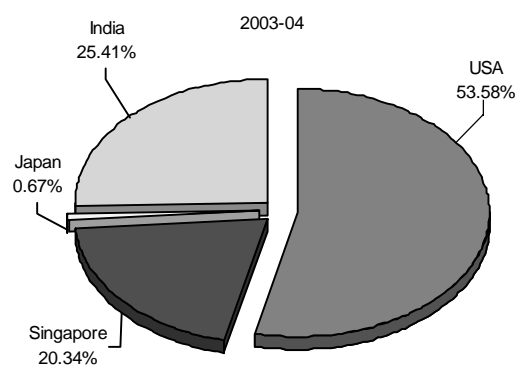
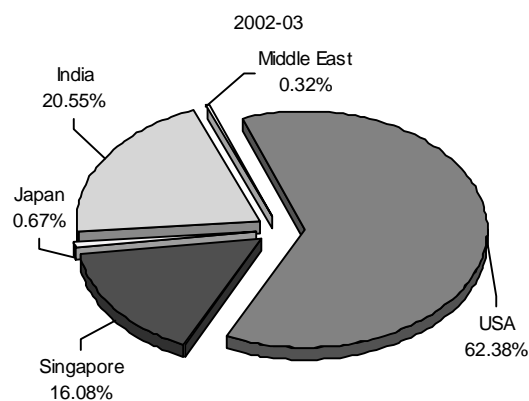
ASM Group Revenue (Net of Intercompany Sales)



Domestic and International Revenue Trends



Geographical Distribution of Revenue



Our Board of Directors

Dr. S. Srikantan

Dr. S. Srikantan holds a Ph.D. in Electrical Engineering from Moore School, University of Pennsylvania, USA. He is a recipient of 'Vikram Sarabhai Research Award' for his outstanding work in the field of Electronics and telecommunications. Dr. Srikantan is one of the founders of Computer Industry in India. As Managing Director of Karnataka State Electronics Development Corporation (KEONICS), he was instrumental in initiating the Software / IT / Telecom industries in the state and also in the successful development of Software Tech Park / Industrial Park for electronic industries (Electronic City) near the city of Bangalore.

Prof. B.S. Sonde

Prof. B.S. Sonde holds a Degree in Engineering from the University of Pune, M.Sc. Engg. from the University of Pune and Ph.D. from the Indian Institute of Science (IISc) Bangalore. His field of academic and research interest encompass Microelectronics, Instrumentation, Digital Technology and its applications in Electronics and Communication Engg. Prof. B.S. Sonde has been associated with IISc. Bangalore for more than three decades holding various senior positions including Dean, Faculty of Engineering, was appointed as the Vice Chancellor of Goa University between Feb. 1997 - Feb. 2002, been on the Advisory / Review Committees of several Universities and also visiting professor at Stanford University, California, USA and other foreign universities. He is a distinguished fellow of Institution of Electronics and Telecommunication Engineers and was also on the Board of Syndicate Bank for a period of 3 years until end of Feb. 2003.

Mr. M.R. Vikram

Mr. M.R. Vikram is a leading Chartered Accountant and Financial Services consultant, partner in M. Anandam & Co., in Secunderabad. M. Anandam & Co. is one of the auditors for conducting a study for re-designing the accounting policies and procedures of Reserve Bank of India and many private and public sector companies. He is on the Board of Directors of Glochem Industries Limited, Wings Infonet Limited and other private companies.

Mr. Rabindra Srikantan

Mr. Rabindra Srikantan holds M.S. degree in Computer Engineering and Computer Science from the University of Louisiana, USA. He has professional experience in a wide range of software systems in the areas of Engineering, Enterprise Applications and System Software.

5

Our Assets – Our Employees

At ASM Technologies, human resources are the most valued assets. We are proud of every one of our employees as it is their dedication and commitment which has helped us to achieve our goals of being the chosen provider of end-to-end solutions. ASM invests in its employees, supports them with training facilities and enables them to work independently, so that they can grow as individuals and shape their careers.

Our Core Business

ASM Technologies Ltd., established in 1992, is a pioneer in software development and enterprise applications implementation services.

Since the day of its inception ASMTL has been meeting the requirements of global clientele in the enterprise space. ASMTL from its very beginning has worked extensively in the area of system and application software developments to its global clients. ASMTL offers a broad spectrum of services such as configuration, implementation, customization, end user training and documentation across leading commercial-off-the-shelf products like SAP, Oracle Apps and PeopleSoft.

HIGHLIGHTS:

- ◆ Company promoted by technocrats
- ◆ IPO in the year 1994 listed in Mumbai Stock Exchange
- ◆ 200 plus employees deployed worldwide
- ◆ Development centers in India (Bangalore), Singapore and USA (Chicago)
- ◆ Office in UK (London)
- ◆ Initiatives to setup ODC in China / Malaysia
- ◆ A global client base

OUR MISSION:

ASM Technologies Limited mission statement is to understand and empower client organizations through world-class consulting services in the area of enterprise solutions, in the context of turnkey development and commercial off the shelf packages and also in the area of technology solutions covering embedded systems and system software.

ASMTL OFFERINGS:

- | | |
|---------------------|-----------------------------------|
| Applications | ◆ SAP |
| | ◆ Internet Technologies |
| Technology | ◆ Embedded Systems |
| | ◆ System Software |
| | ◆ Telecom and Networking Software |

6

SAP SERVICES AND SOLUTIONS

I. Business Consulting

II. Full Cycle Implementation

SAP Implementation Strategy : The implementation strategy will include scoping, analysis & design, ASAP methodology, realization, business blueprint, global and regional roll out strategy, templates and walk-through.

The stages of implementation:

- ◆ Planning and Architecture
- ◆ Interface Programming
- ◆ Full Scale R/3 Implementation
- ◆ Systems Administration
- ◆ Prototyping and Customization
- ◆ Performance Tuning
- ◆ Data Migration
- ◆ Post Implementation Support
- ◆ On Site/Remote Development
- ◆ System and Integration Testing
- ◆ Release Upgrades
- ◆ User Training

III. Version Upgrades

IV. Rollouts

V. Additional Services:

- ◆ **Development / Maintenance :** System enhancements/maintenance, user maintenance and data back-up.
- ◆ **Outsourcing :** Outsourcing services provided to client would include helpdesk - both remote & onsite and customized enhancements.

OTHER SERVICES :

All add-ons or new-generation solutions like

- ◆ Customer Relationship Management (CRM)
- ◆ Supplier Relationship Management (SRM)
- ◆ Supply Chain Management (SCM)
- ◆ Strategic Enterprise Management (SEM)
- ◆ Advanced Planner and Optimizer (APO)
- ◆ Business Information warehouse (BI)

Systems Integration:

This combines leading ERP systems and other critical applications. Services include designing customized architecture or applications and integrating them with hardware and software.

Industry Based Solutions:

Industry verticals like IS Automotive, IS Banking, IS Consumer Products, IS Healthcare, IS Oil & Gas, IS Pharmaceuticals, IS Retail, IS Telecommunications, IS Utilities etc.

EDI Services:

EDI/SAP Integration; EDI Translation/Mapping.

Internet / Intranet Applications:

Website and web applications development with SAP integration.

Audit on SAP Implementation:

This shall include technical and functional audit, comparison on perceived benefits and the actual ones and feedback & change management.

7

INTERNET TECHNOLOGIES

ASMTL offers e-business solutions comprising digital marketplaces, B2B, B2C, XML / EDI and custom based e-commerce solutions. ASMTL offers very cost effective on-site and offshore implementation services to its clients. The company has a strong base of trained and experienced consultants having extensive functional background and work experience which reinforces its ability to provide a wide range of services

EMBEDDED TECHNOLOGIES

ASMTL offers services in the Embedded space on

- ◆ Integrated real time solutions and turnkey development.
- ◆ Embedded software, RTOS, protocols, firmware, BSP, device driver development and porting services.
- ◆ Board level hardware and FPGA design and development services.
- ◆ DSP (Audio & video codec)
- ◆ Testing and Validation

SYSTEM SOFTWARE

Product engineering, development and testing services in the following technologies:

- ◆ Windows XP, 2K, NT, 9x internals
- ◆ Unix and Linux internals
- ◆ File system : NTFS, FAT, FAT32, EXT2, CDFS
- ◆ Networking : TCP/IP, DNS, UDP, Multitasking and DHCP
- ◆ Pre Boot : PXE, Pre-OS development

Partial Client List

ASMTL has delivered several successful projects all over the world.

A representative list of satisfied customers is provided below.

- ◆ Accenture
- ◆ Bharat Petroleum Corporation Limited
- ◆ CINCOM
- ◆ CISCO
- ◆ Citi Power
- ◆ CODA
- ◆ CSA
- ◆ DACG
- ◆ Danone
- ◆ Degussa
- ◆ Deloitte
- ◆ dotcomERP
- ◆ ESR
- ◆ FU YU Manufacturing Co.
- ◆ FUJITSU
- ◆ Guthrie Furniture
- ◆ Heveafil
- ◆ Hewlett Packard
- ◆ iNODE
- ◆ IBM
- ◆ ITK Telekommunikation
- ◆ Megachem Pte Ltd.
- ◆ Micrognosis
- ◆ New Holland UK Limited
- ◆ Oman Trading Establishment
- ◆ ONGC
- ◆ Owens Corning
- ◆ OYL Condair
- ◆ Pacific Coast
- ◆ PowerQuest
- ◆ PT & T
- ◆ Qwest
- ◆ SAP
- ◆ Sogeti
- ◆ Sony
- ◆ Texmaco Industries
- ◆ Therma Tru
- ◆ UNICEF
- ◆ Unisphere

Notice

Notice is hereby given that the 12th Annual General Meeting of the Company will be held on Wednesday the 29th of September 2004 at 10.00 a.m. at Pai Vijay Hall, No. 530/58, 33rd Cross, 11th Main, 4th Block, Jayanagar, Bangalore 560 011 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the Balance Sheet as at 31.03.2004, the Profit and Loss Account for the year ended 31.03.2004 and the Cash Flow Statement for the year ended 31.03.2004 together with the report of the Auditors and Directors thereon.
2. To appoint a Director in place of Dr. S. Srikantan, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint auditors and fix their remuneration. M/s. Sudhakar Pai Associates the retiring auditors are eligible for re-appointment.

SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of Sections 198,269,309 and Schedule XIII to the Act and other applicable provisions, if any, of the Companies Act,1956 (including any statutory modification or re-enactment thereof, for the time being in force) and subject to the approval of Central Government and such other approvals as may be necessary, approval of the Company be and is hereby accorded to the re-appointment Mr. S. Rabindra, as Managing Director, of the company for a period of five years with effect from 8.11.2003 on a remuneration of Rs. 1,25,000/- per month including perquisites payable to him as Managing Director and the minimum remuneration payable to him in case of absence or inadequacy of profits in any year.

FURTHER RESOLVED THAT in the event of any statutory amendments or modifications or relaxation in the provisions relating to the appointment and payment of remuneration to the managerial persons or to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorised to vary or increase the remuneration including salary, commission, perquisites, etc., within such prescribed limits.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to take such steps expedient or desirable to give effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 228 and other applicable provisions, if any, of the Companies Act, 1956, the Board of Directors be and is hereby authorised to appoint, such person or persons qualified for appointment as Auditor or Auditors of the Company’s Branch Office in Chicago, USA., to examine and audit the accounts for the financial year 2004-2005 on such remuneration, terms and conditions as the Board may deem fit.”

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

RESOLVED THAT pursuant to the provisions of Section 228 and other applicable provisions, if any, of the Companies Act, 1956, the Board of Directors be and is hereby authorised to appoint, such person or persons qualified for appointment as Auditor or Auditors of the Company’s Branch Office in U.K., to examine and audit the accounts for the financial year 2004-2005 on such remuneration, terms and conditions as the Board may deem fit.”

REGD. OFFICE

80/2, Lusanne Court
Richmond Road
Bangalore 560 025

Date : 16th August 2004

By Order of the Board

Sd/-
RABINDRA SRIKANTAN
Managing Director

Notes

1. The relative Explanatory Statements pursuant to Section 173 of the Companies Act, 1956 in respect of the business under items 4, 5 & 6 set out above are annexed here to and forms part of the Notice.
2. A member entitled to attend and vote at a meeting is entitled to appoint a proxy and such proxy need not be a member of the Company. Proxies to be valid should be deposited forty eight hours before the commencement of the Meeting at the Registered Office of the Company.
3. Members holding shares in physical form are requested to notify immediately any change in their address to the Company / Karvy Computershare Private Limited, Share Transfer agents at T.K.N. Complex, No.51/2, Vanivilas Road, Opp. National College, Basavanagudi, Bangalore 560004. Members holding shares in electronic form are requested to notify change in their address to their Depository Participant.
4. The Register of Members of the Company will remain closed from 25.9.2004 to 29.9.2004 (both days inclusive).
5. For the convenience of the members, attendance slip is annexed to the proxy form. Members are requested to fill-in and affix their signature at the space provided and hand over the attendance slip at the entrance place of the meeting. Proxy representative of a member should mark on the attendance slip as "PROXY" or "REPRESENTATIVE" as the case may be.
6. Members desiring any information on the accounts at the AGM are requested to write to the Company at least ten days in advance so as to enable the company to keep the information ready.
7. As a measure of economy copies of the Annual Reports will not be distributed at the AGM. Members are requested to kindly bring copies of the Annual Report to the Meeting.
8. As per the provisions of the amended Companies Act, 1956 facility for making nominations is now available for shareholders in respect of the shares held by them. Nomination forms can be obtained from the Registrars and Transfer Agents.
9. The unclaimed dividends of the year 1997-1998 will be transferred to the Investor Education and Protection Fund pursuant to the amendment to sub-section (5) of Section 205A vide Companies (Amendment) Act, 1999. Members who have not encashed the Dividend Warrants for the said period are requested to claim the amount from the Company's Share Department at the Registered Office of the Company on or before 31st December 2004.

ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR RE-APPOINTMENT OR SEEKING ELECTION AT THE ANNUAL GENERAL MEETING AS REQUIRED UNDER CLAUSE 49(VI)(A) OF THE LISTING AGREEMENT.

The relevant information relating to the Director proposed to be re-appointed vide Ordinary Business No.2 in the Notice of the AGM is given below:

Dr. S. SRIKANTAN : was appointed as a Director of the Company on 10.8.1992 and is the non-executive Chairman of the Board. Dr. S. Srikantan holds a Ph.D. in Electrical Engineering from Moore School, University of Pennsylvania, USA. He is a recipient of "Vikram Sarabhai Research Award" for his outstanding work in the field of Electronics and Telecommunications. Dr. Srikantan is one of the founders of Computer Industry in India. As Managing Director of Karnataka State Electronics Development Corporation (KEONICS), he was instrumental in initiating the Software / IT / Telecom industries in the state and also in the successful development of an Industrial Park for electronic industries (Electronics City) near the city of Bangalore.

Explanatory Statement pursuant to Sec 173 (2) of the Companies Act, 1956 in respect of Special Business :

Item No.4

The members are aware that Sri S. Rabindra was re-appointed as Managing Director of the Company for a period of 5 years w.e.f. 8.11.1998 with the approval of the members at the AGM held on 31st Dec. 1998. The term of office expired on 7.11.2003 and the Board of Directors in their meeting held on 23.10.2003 have re-appointed Sri S. Rabindra as Managing Director with effect from 8.11.2003 for a period of 5 years subject to the approval of the members of the company in the General Meeting, Central Government and other statutory authorities if any.

The terms of his appointment is as under:

Salary Rs. 1,25,000/- per month inclusive of perquisites.

However the following will not be included as perquisites:

1. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent of these either singly or put together are not taxable under the Income Tax Act, 1961.
2. Gratuity payable @ not exceeding half a month's salary for each completed year of service.
3. Encashment of leave at the end of the tenure.

The above remuneration is within the limits prescribed under Sch. XIII as amended.

Sri S. Rabindra, a visionary leader and a true global entrepreneur has strived to build the Company into a global information technology solutions provider. Under his leadership, the company achieved enviable growth and progress. With his wide knowledge and experience, Sri S. Rabindra has always been a key resource for the Board of Director for the successful driving of strategies and initiatives of the Company. Your Directors consider that his reappointment will be in the interest of the company and hence recommend passing the resolution.

This may also be treated as an abstract of the terms of appointment of Managing Director which is required to be given under Sec. 302 of the Companies Act, 1956.

None of the Directors of the company except Sri S. Rabindra and Dr. S. Srikantan, Chairman, either directly or indirectly is interested or concerned in the resolution.

Item No.5

During the year 1999-2000 the company had opened a branch office in Chicago, USA. It is necessary to appoint in consultation with the Company's Auditors, branch auditors of the company under the provisions of Sec. 228 of the Companies Act 1956 for auditing the accounts of the Branch for the year ending 31st March, 2005. Their remuneration and terms and conditions of appointment will be as determined by the Board of Directors.

11

Item No.6

During the year 2001-2002 the company had opened a branch office in UK. It is necessary to appoint in consultation with the Company's Auditors, branch auditors of the company under the provisions of Sec. 228 of the Companies Act 1956 for auditing the accounts of the Branch for the year ending 31st March, 2005. Their remuneration and terms and conditions of appointment will be as determined by the Board of Directors.

REGD. OFFICE

80/2, Lusanne Court
Richmond Road
Bangalore 560 025

Date : 16th August 2004

By Order of the Board

Sd/-
RABINDRA SRIKANTAN
Managing Director

Directors' Report

Your Directors present their 12th Annual Report together with the Audited Accounts for the year ended 31st March, 2004.

Financial Results

(Rs. millions)

	2003-2004	2002-2003
Gross Revenue	76.59	57.89
Profit / Loss before Interest Depreciation & Tax	-8.72	-20.50
Interest	2.57	4.11
Depreciation	8.53	14.46
Profit / -Loss before Tax	-19.82	-39.07
Deferred Tax Income / -Expense	6.85	14.14
Net Profit / -Loss	-12.97	-24.93

During the year under review the total revenue of the company was Rs. 76.59 million as against Rs. 57.89 million for the previous year signifying an increase of 32%.

However, the recovery of the company from the economic slowdown in the past year materialized only in the latter part of the year and thus hindered the scope for improved financial performance.

The consolidated group revenue was Rs. 174.96 million for the year ended 31st March 2004 as against Rs. 151.48 million for the same period last year registering an increase of 16%.

Dividend

Your Directors do not recommend dividend for the year 2003-2004 due to insufficient profits.

Subsidiaries

12

Advanced Synergic Pte Ltd. - Singapore - achieved a gross revenue of Rs. 53 million for the year under review as against Rs. 25.67 million for the same period last year registering a growth of 106%. The impressive performance during the year enabled the company to achieve a profit of Rs. 3.70 million and expunge the previous year loss.

Pinnacle Talent Inc., USA - achieved a gross revenue of Rs. 84.06 million for the year under review as against Rs. 104.57 million for the same period last year.

The audited statement of Accounts of the Subsidiary Companies viz., M/s. Pinnacle Talent Inc., USA and Advanced Synergic Pte Ltd. Singapore for the year ended 31st March 2004 along with the Report of the Board of Directors thereon are attached as per the provisions of the Section 212 of the Companies Act 1956.

Future Outlook

This year has been rewarding to your company with the initiatives taken in the last year and a strong foundation has been built to surge ahead with exponential growth. The company has added 20 new clients and currently servicing 9 of the Fortune 500 Companies in multiple Engagement Models and 23 Global 2000 clients.

With the global upbeat in the IT industry, as a result of the economic upturn in the developed and developing nations, the following years look very bright for the entire IT Industry and your company is well geared to take advantage of the growth potential.

Geographical Area of Operation

The company continues to strengthen its operation in the area of presence, viz India, Singapore and US. The company has kick-started its operation in the UK with a representative office and have a firm contract in place. This year the growth in Europe region is expected to significantly contribute towards the growth plans for the company. During the year the Company has continued to execute projects in the regions of Japan, Malaysia, Thailand and Middle-East. In the following years the Company will be moving aggressively in the other Asia-Pacific regions and South Africa.