



# ANNUAL REPORT

## 1999-2000



**IEC**<sup>TM</sup>  
**SOFTWARES LTD.**

## IEC STRIVES

“To stay on the frontiers of technology,  
through research and continuous innovation.

To make the most of our resources and  
activities to offer unique value additions in  
services offered to our customers, clients and  
associates through seamless integration and  
customisation.

To train and provide a human resource that is  
well versed with the modern day Information  
Technology and is globally competitive.”



**6th Annual Report  
1999-2000**

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## **IEC SOFTWARES LTD.**

### **BOARD OF DIRECTORS**

S.L. Gupta, Chairman  
R.L. Gupta, Managing Director  
Brig. S.V.S. Choudhary (Retd.), Director  
Naveen Gupta, Director (Operations)  
R.N. Aggarwal, Director  
Ram Kumar, Director  
Deepali Aggrawal, Additional Director  
Padma Bhushan Shri G.L. Tandon, Additional Director

### **COMPANY SECRETARY**

C.V. Jain

### **BANKERS**

Central Bank of India

### **AUDITORS**

Nath & Hari, Chartered Accountants

Regd. Office:  
IEC House  
M-92, Connaught Place  
New Delhi-110001 (INDIA)

Corporate Office  
E-216  
East of Kailash  
New Delhi-110065 (INDIA)

## NOTICE

Notice is hereby given that the 6th Annual General Meeting of the members of the IEC Softwares Limited will be held on Monday, the 25th day of September 2000 at 10:00 a.m. at Shah Auditorium, 2, Raj Niwas Marg, Delhi-110054, to transact the following business:

**ORDINARY BUSINESS**

1. To consider and adopt the Audited Profit and Loss Account for the year ended 31st March 2000 and the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
2. To approve payment of Interim Dividend on Equity Shares, as final dividend.
3. To appoint a Director in place of Mr. R.N. Aggarwal who retires by rotation and is eligible for reappointment.
4. To appoint auditors of the company and to fix their remuneration. M/s Nath and Hari, Chartered Accountants, New Delhi retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

**SPECIAL BUSINESS**

5. To consider and, if thought fit, to pass the following resolution with or without modification(s) as a **Special resolution**.

"RESOLVED THAT pursuant to the provisions of Sections 269, 309, 314 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the re-appointment of Mr. S. L. Gupta, Chairman, as a Whole-time Director of the Company for a period of 5 years with effect from 1st November, 2000 on the terms and conditions including remuneration as are set out in the draft of the Agreement to be entered into by the Company with him, submitted to the meeting which Agreement is hereby specifically sanctioned with liberty to the Directors to alter and vary the terms and conditions of the said appointment and/or Agreement, so as not to exceed the limits, if any, specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto as may be agreed to between the Directors and Mr. S. L. Gupta, Chairman, or as may be varied by the General Meeting.

6. To consider and, if thought fit, to pass the following resolution with or without modification(s) as a **Special resolution**.

"RESOLVED THAT pursuant to the provisions of Sections 269, 309, 314 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the re-appointment of Mr. Naveen Gupta as a Whole-time Director of the Company for a period of 5 years with effect from 25th September, 2000, on the terms and conditions including remuneration as are set out in the draft of the Agreement to be entered into by the Company with him, submitted to the meeting which Agreement is hereby specifically sanctioned with liberty to the Directors to alter and vary the terms and conditions of the said appointment and/or Agreement, so as not to exceed the limits, if any, specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto as may be agreed to between the Directors and Mr. Naveen Gupta or as may be varied by the General Meeting.

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

"RESOLVED that Mrs. Deepali Aggarwal, who was appointed as an additional Director and who in terms of Section 260 of the Companies Act, 1956, holds such office until this Annual General Meeting, be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

"RESOLVED that Padma Bhushan Shri G.L. Tandon, who was appointed as an additional Director and who in terms of Section 260 of the Companies Act, 1956, holds such office until this Annual General Meeting, be and is hereby appointed as a Director of the Company liable to retire by rotation."

9. To consider and, if thought fit, to pass the following resolution with or without modification(s) as a **Special resolution**.

"RESOLVED THAT pursuant to Section 163 of the Companies Act, 1956, the Company hereby approves that the register of members, maintenance of books of accounts, indexes, returns, and copies of certificates and documents, instead of being kept at the registered office of the company at IEC House, M-92, Connaught Place New Delhi-110001, be kept at the Company's corporate office at E-216, East of Kailash, New Delhi-110065, with effect from

Tuesday the 26th September, 2000.

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

"RESOLVED THAT in accordance with the provisions of Sec 81, 81(1A) and all 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 Listing Agreement entered into by the Company with the Stock Exchanges where the shares of the Company are listed and subject to the approval of all other concerned authorities, if any, and to the extent necessary and such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permission and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board") and /or a duly authorised committee therefore for the time being exercising the powers conferred by the Board in that behalf, consent and approval be and the same are hereby accorded to the Board;

to issue /offer equity shares of the face value of Rs. 10/- each or any other financial instruments including share warrants (hereinafter for brevity's sake referred to as "Securities") of such amount as the Board or Committee thereof at its sole discretion may at any time or times hereafter decide, to the Members, Employees, Existing and/or Prospective Franchisees, Indian Financial Institutions, Investment Institutions, Banks, Mutual Funds, Corporate Bodies, Non-resident Indians, Overseas Corporate Bodies (OCBs), Foreign Institutional Investors (FIIs) and such other persons or bodies, whether members of the Company or not;

either through public issue, right issue, private placement, exchange of securities, conversion of loans or otherwise for financing capital expenditure, working capital requirements, strategic investments, acquisitions, reconstructions, or arrangements or any other re-organisations or any other corporate purpose as the Board or Committee thereof may deem fit and/ or by any one or more or a combination of the above modes/methods or otherwise and in one or more tranches, at such price or prices and at such premium or premia, and on such terms and conditions as the Board or Committee thereof may in its absolute

discretion think fit.

"RESOLVED FURTHER THAT such of these Securities to be issued or re-issued as are not subscribed may be disposed of by the Board or Committee thereof in favour of such persons and in such manner and on such terms as the Board or Committee thereof in its absolute discretion think to be in the interest of and beneficial to the company including offering or placing them with Banks, Indian/ Foreign Financial Institutions, Investment Institutions, Mutual Funds Corporate Bodies or such other persons or otherwise."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board or Committee thereof be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer, issue, allotment and utilisation of the proceeds of the issue of the Securities and further to do all such acts, deeds, matters and things and to finalise and execute all documents and writings as may be necessary, desirable or expedient as the Board or Committee thereof may deem fit."

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

"RESOLVED THAT the Board of Directors be and is hereby authorised, subject to the guidelines of Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines and subject to such other approvals, permissions and sanctions as may be necessary and as may be considered necessary by the Board of Directors, the consent of the members be and is hereby accorded to the Board of Directors, to offer 5% equity shares of the Paid up Capital of the Company under the ESOS/ESPS scheme to the permanent employees of the company at such discount on prevailing market rate or at such other rate and on such terms and conditions and in such manner as the Board of Directors or committee thereof may in their absolute discretion think fit.



## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. The relative Explanatory Statement pursuant to Sec 173(2) of the Companies Act 1956, setting out the material facts in respect of the business under item no.5 to item no. 11 is annexed hereto.

3. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.

4. Share holders seeking any information with regard to accounts are requested to write to the company at an early date but not later than 48 hours before the scheduled time for holding the AGM so as to enable the Management to keep the information ready.

5. Members are requested to quote their registered folio number in all correspondence with the company and notify the company immediately of change, if any, in their address.

6. Shareholders are requested to kindly bring their copies of Annual Report to the meeting.

7. Information required to be furnished under the listing agreement.

As required under the listing agreement, particulars of Directors who are proposed to be appointed/re-appointed are given below:

1. Name : Mr. S. L. Gupta
- Age : 62 years
- Qualification : B.A., L.L.B.

Expertise: Vast experience in the field of Law, Marketing including Software Projects, Management & HR Functions.

Director of the Company since 23rd August 1994.

## Other Directorships:

Name of the Company	Position Held
IEC Leasing & Capital Management Ltd.	Director
IEC Securities & Portfolio Management Ltd.	Director
IEC School of Art & Fashion Pvt. Ltd.	Director
IEC School of Art & Fashion	Exe. Director

2. Name : Mr. Naveen Gupta

Age : 29 years

Qualification : Bachelor of Arts

Expertise : Considerable experience in Finance and Marketing.

Director of the Company since 23rd August 1994

## Other Directorships:

Name of the Company	Position Held
IEC Leasing & Capital Management Ltd.	Director
IEC Securities & Portfolio Management Ltd.	Director
Vocational Education Foundation	Secretary

3. Name : Mrs. Deepali Aggarwal

Age : 28 years

Qualification : B.Sc (Hons.), LL.B.

Expertise : Considerable experience in Computer-Aided Designing, Web-enabled Solutions etc.

Director of the Company since 7th June 2000.

## Other Directorships:

Name of the Company	Position Held
Technofab Adg India (P) Ltd.	Director

4. Name : Padma Bhushan  
Shri G. L. Tandon

Age : 69 years



**IEC Softwares Limited****(Annual Report)****IEC**

Qualification : Graduate from Indian School of Mines  
 Expertise : Vast experience in Geological Investigation, Planning and Management of Mineral Projects

Director of the Company since 11th July 2000.

**Other Directorship**

Name of the Company	Position Held
Indian Charge Chrome Ltd.	Director
Vartika Traders Pvt. Ltd.	Director
V.B.C. Industries Ltd.	Director
Rubber Reclaim Company of India Ltd.	Director
Indo-Gulf Industries Ltd.	Director
Kudremukh Iron One Company Ltd.	Director
Tanishq Consultancy Pvt. Ltd.	Director
Gujarat NRE Coke Ltd.	Director
Gujarat NRE Power Ltd.	Director
Ban Capital India Ltd.	Director
Nu Wave Pharmaceutical Ltd.	Director

5. Name : Mr. R. N. Aggarwal

Age : 83 years

Qualification : ISC

Expertise : Wide experience in General Administration, Insurance & Personnel Functions.

Director of the Company since 1st June 1995.

Other Directorship N. A.

8. The register of members and share transfer books of the company will remain closed from Saturday, the 16th September 2000 to Friday the 22nd September 2000 (both days inclusive).

**EXPLANATORY STATEMENT**

As required by Section 173 (2) of the Companies Act 1956, the following Explanatory Statements set out material facts relating to the business under item no. 5 to 11 of the Company Notice dated 19th August 2000.

Item No 5

The Board of Directors of the Company at its meeting

held on 19th August 2000 has decided to re-appoint Mr. S. L. Gupta, Chairman, as Whole Time Director of the Company subject to the approval of the shareholders at the General Meeting. The terms and conditions including remuneration payable to Mr. S. L. Gupta are set out in the draft of the agreements to be entered into by the Company with them, which inter alia, contain the following terms and conditions:

1. The Whole-time Director shall, subject to the supervision and control of the Board of Directors of the Company, manage the business and affairs of the Company.
2. Period of Agreement:  
Five years with effect from 1st November 2000.
3. Remuneration payable:
  - A Salary Rs. 40000-10000-80000 per month including dearness and all other allowances.
  - B Perquisites : [Subject to the ceiling of Rs. 1,35,000 per annum]:
    - (a) House Rent Allowance
    - (b) Reimbursement of medical expenses of Mr. S. L. Gupta and his family, the total cost of which to the company shall not exceed to such limit as prescribed in the rules of the company.
    - (c) Leave Travel Concession for the appointee and his family once in a year in accordance with the rules of the company;
    - (d) Fees of clubs subject to a maximum of such number as prescribed in the rules of the company.
    - (e) Personal accident insurance premium not exceeding Rs. 1000 per annum.
    - (f) Free use of Company's car and driver for Company's business and for personal use;
    - (g) Free use of telephone and mobile telephone at residence for Company's business.
    - (h) Contribution to the provident fund, super-annuation fund or annuity fund to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961;
    - (i) Gratuity payable at a rate not exceeding half months salary for each completed year of service.
    - (j) Encashment of leave at the end of the tenure.

In the event of loss or inadequacy of profits in any financial year, the Whole-time Director shall be paid remuneration by way of salary and perquisites as specified above.

The aforesaid terms of remuneration have been set out in a draft agreement to be executed in due course between