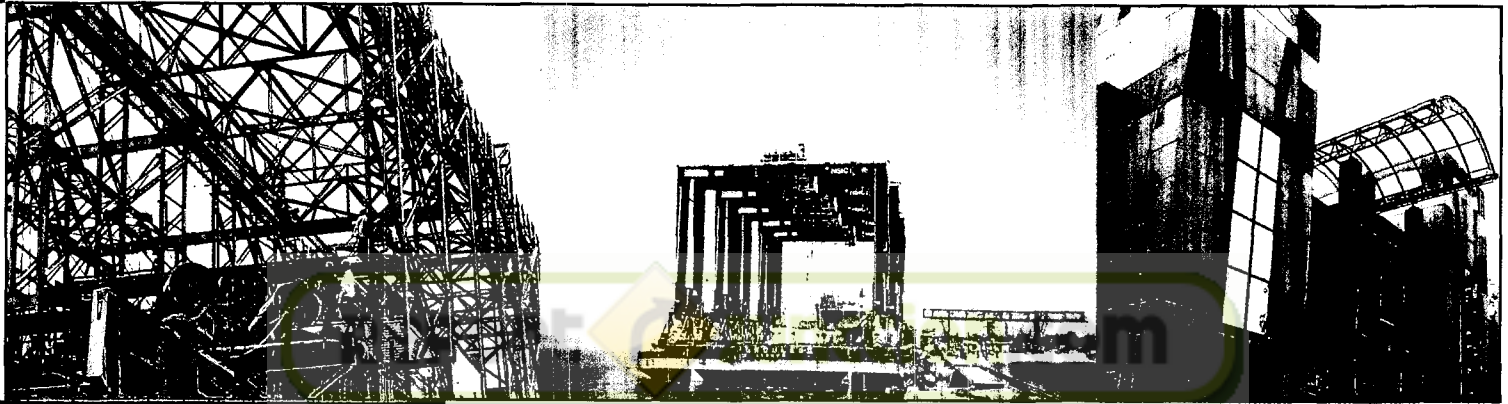


Trafalgar House Construction India Ltd.

**Kvaerner Cementation India Limited**

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YE	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>

**ANNUAL REPORT**

1998

**KVÆRNER™**[www.reportjunction.com](http://www.reportjunction.com)

# Kvaerner Cementation India

## Our Mission

To make Kvaerner Cementation India the country's leading construction company in customer choice, quality, safety and return.

## Our Core Principles

Customers come first - they are our livelihood.

Employees are our most important asset - working conditions and training must enable to give their best.

Our quality and safety standards will be second to none.

Timely commencement and completion of projects.

Good plant and machinery is our wealth. We must ensure it is always well-maintained and in good working order.

Well developed MIS systems and state-of-the-art technology is our priority.

Environmental awareness and care for the world in which we live will be part of our business philosophy.

Our competitive edge is maintained through specialist skills and commitment to both - Training and R&D.

## Our Aim

Our aim is a satisfied client, a strong & proactive workforce, a quality product finished on time & to budget and maximise shareholder's return.

**KVÆRNER**<sup>TM</sup>

[www.reportjunction.com](http://www.reportjunction.com)

## Kvaerner Cementation India Limited

(formerly Trafalgar House Construction India Limited)

Registered Office : Apeejay House, Dinshaw Vachha Road, Mumbai 400 020.

### NOTICE OF THE MEETING

NOTICE is hereby given that the TWENTY-FIRST ANNUAL GENERAL MEETING of the Members of KVAERNER CEMENTATION INDIA LIMITED (formerly known as Trafalgar House Construction India Limited) will be held at Chavan Centre - Auditorium, Yashwantrao Chavan Pratishthan, General Jagannath Bhosale Marg, Mumbai 400 021, on Thursday, 29th April, 1999 at 3.30 p.m. to transact the following business:

1. To receive, consider and adopt the Balance Sheet as at 31st December, 1998 and the Profit and Loss Account of the Company for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare a Final Dividend.
3. To appoint a Director in place of Mr. D.E. Udawadia, who retires by rotation, and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. T.A. Philpot, who retires by rotation, and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. S. Mukundan, who retires by rotation, and, being eligible, offers himself for re-appointment.
6. To appoint Auditors and to authorise the Board of Directors to fix their remuneration.
7. To appoint a Director in place of Mr. K.M. Thatte who was appointed as an Additional Director of the Company and who holds office upto the date of this Annual General Meeting, under Section 260 of the Companies Act, 1956 and, being eligible, offers himself for re-appointment and in respect of whom the Company has received a notice from a member under Section 257 of the Companies Act, 1956, signifying his intention to propose him as a candidate for the office of Director.
8. To consider, and, if thought fit, to pass the following Resolution, with or without modification, as an Ordinary Resolution:

“RESOLVED THAT subject to the provisions of Sections 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII to the Companies Act, 1956, the appointment of Mr. K.M. Thatte as Whole-time Director of the Company designated as Finance Director (Designate) for the period from 26th February, 1999 to 30th April, 1999 and as Whole-time Director of the Company designated as Finance Director for a period of three years from 1st May, 1999 on the remuneration and perquisites to be paid or granted to him as set out in the draft Agreement between the Company and Mr. Thatte placed before this meeting and initialled by the Vice-Chairman of the Company, for the purpose of identification, be and the same is hereby approved.

AND RESOLVED FURTHER THAT the Directors of the Company be and are hereby authorised to enter into an Agreement on behalf of the Company with Mr. Thatte in terms of the aforesaid draft.”

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

“RESOLVED THAT subject to the provisions of Sections 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII to the Companies Act, 1956, the appointment of Dr. S. Rama Iyer as Managing Director of the Company for a period of one year from 1st January, 1999 to

## **Kvaerner Cementation India Limited**

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31st December, 1999 on the remuneration set out in the draft Agreement between the Company and Dr. Iyer placed before this meeting and initialled by the Vice-Chairman of the Company, for the purpose of identification, be and the same is hereby approved.

AND RESOLVED FURTHER THAT the Directors of the Company be and are hereby authorised to enter into an Agreement on behalf of the Company with Dr. Iyer in terms of the aforesaid draft."

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

"RESOLVED THAT subject to the provisions of Sections 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII to the Companies Act, 1956, approval be and is hereby granted to the increase in the remuneration of Mr. A.K. Chatterjee, Whole-time Director of the Company designated as Director - General Manager, from 1st July, 1998 to 31st March, 1999 as set out in the draft of the Supplemental Agreement between the Company and Mr. Chatterjee placed before this meeting and initialled by the Vice-Chairman of the Company for the purpose of identification.

AND RESOLVED FURTHER THAT the Directors of the Company be and are hereby authorised to enter into the Supplemental Agreement on behalf of the Company with Mr. Chatterjee in terms of the aforesaid draft."

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

"RESOLVED THAT subject to the provisions of Sections 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII to the Companies Act, 1956, the re-appointment of Mr. A.K. Chatterjee, Whole-time Director of the Company designated as Director-General Manager for a period of three years from 1st April, 1999 to 31st March, 2002 on the remuneration and perquisites to be paid or granted to him as set out in the draft Agreement between the Company and Mr. Chatterjee placed before this meeting and initialled by the Vice-Chairman of the Company, for the purpose of identification, be and the same is hereby approved.

AND RESOLVED FURTHER THAT the Directors of the Company be and are hereby authorised to enter into an Agreement on behalf of the Company with Mr. Chatterjee in terms of the aforesaid draft."

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

"RESOLVED THAT subject to the provisions of Sections 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII to the Companies Act, 1956, the re-appointment of Mr. Mukund G. Ranade, as Whole-time Director of the Company designated as Finance Director and Secretary for the period from 1st April, 1999 to 30th April, 1999 and as Whole-time Director of the Company designated as Director-Corporate Affairs and Secretary for the period from 1st May, 1999 to 31st March, 2001 on the remuneration and perquisites to be paid or granted to him as set out in the draft Agreement between the Company and Mr. Ranade placed before this meeting and initialled by the Vice-Chairman of the Company, for the purpose of identification, be and the same is hereby approved.

AND RESOLVED FURTHER THAT the Directors of the Company be and are hereby authorised to enter into an Agreement on behalf of the Company with Mr. Ranade in terms of the aforesaid draft."

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

“RESOLVED THAT subject to the provisions of Sections 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII to the Companies Act, 1956, the re-appointment of Mr. S. Mukundan as Whole-time Director of the Company designated as Commercial Director from 10th June, 1999 upto and including 30th June, 2002 on the remuneration and perquisites to be paid or granted to him as set out in the draft Agreement between the Company and Mr. Mukundan placed before this meeting and initialled by the Vice-Chairman of the Company, for the purpose of identification, be and the same is hereby approved.

AND RESOLVED FURTHER THAT the Directors of the Company be and are hereby authorised to enter into an Agreement on behalf of the Company with Mr. Mukundan in terms of the aforesaid draft.”

Registered Office:

Apeejay House,  
Dinshaw Vachha Road,  
Mumbai 400 020.

By Order of the Board

**M.G. RANADE**

Dated: 26th February, 1999.

*Finance Director and Secretary*

**NOTES:**

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
- (b) An Explanatory Statement under Section 173 of the Companies Act, 1956, in respect of business under Items 7 to 13 is appended hereto.
- (c) The unclaimed dividends for the financial year ended 31st March, 1995 and previous years declared by the Company have been transferred to the General Revenue Account of the Central Government in terms of Section 205A of the Companies Act, 1956. Members who have not encashed the Dividend Warrants for the aforesaid years are requested to claim the amount from the Registrar of Companies, Maharashtra, Everest, 100, Marine Drive, Mumbai 400 002. The Company is informing the Members concerned individually about the particulars of the unclaimed dividends.
- (d) The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 16th April, 1999 to Thursday, 29th April, 1999 (both days inclusive).
- (e) The final dividend, if any, that may be declared at the Meeting will be paid on or after 18th May, 1999 to those Members whose names appear in the Register of Members of the Company on 29th April, 1999.
- (f) Members are requested to advise any change in address to Tata Consultancy Services, the Company's Registrars and Share Transfer Agents at Lotus House, 6, Sir Vithaldas Thackersey Marg, Mumbai 400 020.

## Kvaerner Cementation India Limited

(formerly Trafalgar House Construction India Limited)

### Annexure to Notice

#### Explanatory Statement under Section 173 of the Companies Act, 1956.

##### ITEMS 7 AND 8

Mr. K.M. Thatte was appointed as an additional Director by the Board of Directors pursuant to Article 115 of the Articles of Association of the Company at its Meeting held on 26th February, 1999. Pursuant to Section 260 of the Companies Act, 1956, Mr. Thatte holds the office of Director upto the date of the Annual General Meeting. The Company has received a Notice from a Member signifying his intention to propose the appointment of Mr. Thatte as a Director of the Company, alongwith a deposit of Rs. 500/- (Rupees Five Hundred only) which shall be refunded to the Member if Mr. Thatte is elected as a Director.

Mr. Thatte joined the Company on 14th December, 1998 as Executive Director-Finance. Mr. Thatte has more than 20 years of business experience and has held senior positions earlier. He relinquishes the position of Senior Vice President-Finance and Company Secretary in Aptech Ltd. to join the Board.

The Board of Directors of the Company at its Meeting held on 26th February, 1999 have, subject to the Members' approval in General Meeting, appointed Mr. Thatte as a Whole-time Director of the Company designated as Finance Director (Designate) for the period from 26th February, 1999 to 30th April, 1999 and as Whole-time Director of the Company designated as Finance Director for a period of three years from 1st May, 1999 to 30th April, 2002, upon the remuneration and perquisites set out in the draft Agreement referred to in the Resolution at Item 8 of the Notice.

The remuneration including perquisites payable to Mr. K.M. Thatte are in conformity with the requirements of Schedule XIII to the Companies Act, 1956. Consequently, no approval of the Central Government is required to his appointment.

The material provisions of the draft Agreement relating to Mr. Thatte's appointment referred to in the Resolution at Item 8 of the Notice are as under:

1. Mr. Thatte be appointed as Whole-time Director of the Company designated as Finance Director (Designate) for the period from 26th February, 1999 to 30th April, 1999 and as Whole-time Director of the Company designated as Finance Director for the period from 1st May, 1999 to 30th April, 2002, subject to the employment being previously determined in pursuance of any of the provisions of the Agreement.
2. Mr. Thatte to perform all such duties and exercise such powers as are entrusted to him from time to time by the Board and/or by the Managing Director.
3. Mr. Thatte to serve the Company at such place or places in India as the Board may determine from time to time. Mr. Thatte to undertake such travelling as may be required by the Company.
4. Mr. Thatte to devote his whole time, attention and abilities during business hours to the business of the Company.
5. Mr. Thatte to be entitled to the following remuneration and benefits both as a Whole-time Director of the Company designated as Finance Director (Designate) and as a Whole-time Director of the Company designated as Finance Director:
  - (i) a monthly salary of Rs. 38,000/- with such annual increases therein as the Board or any Committee of the Board may, from time to time, determine but so however that the total monthly salary shall not exceed Rs. 50,500/-;
  - (ii) commission of such amount to be determined by the Board or any Committee of the Board, subject to a ceiling of the annual salary of Mr. Thatte;
  - (iii) the use of furnished residential accommodation taken on lease or on leave and licence basis by the Company;

- (iv) reimbursement by the Company of all charges in connection with gas, electricity, water and furnishings at Mr. Thatte's residence. The expenditure incurred by the Company in this behalf to be valued as per the Income-tax Rules, 1962;
- (v) reimbursement of medical expenses actually incurred by Mr. Thatte and his family;
- (vi) the membership of a club, the monthly subscription thereto being borne and paid by the Company;
- (vii) leave travel concession for self and his family once in a year in accordance with the rules of the Company;
- (viii) personal accident insurance policy to be effected by the Company;
- (ix) the use of telephone at the residence of Mr. Thatte, the rent, call charges and other outgoings in respect thereof to be paid by the Company;
- (x) the use of a chauffeur driven motorcar, all expenses for running and upkeep of such motorcar as also the salary of the chauffeur to be borne and paid by the Company;
- (xi) the Company's contribution towards Provident Fund as per the rules of the Scheme but not exceeding 12% of his salary;
- (xii) the Company's contribution towards Superannuation Scheme as per the rules of the Scheme provided that the Company's contribution thereto together with the Company's contribution to the Provident Fund not to exceed 27% of his salary;
- (xiii) gratuity at the rate of one half month's salary for each completed year of service;
- (xiv) leave on full remuneration as per the rules of the Company. In case of leave not availed of, Mr. Thatte to be entitled to encash the same at the end of his tenure under this Agreement;
- (xv) casual and sick leave on full remuneration in accordance with the rules of the Company;
- (xvi) reimbursement of travelling and entertainment expenses reasonably incurred by him exclusively in the business of the Company and approved by the Board.

For the purpose of clauses 5(v) and (vii) above the expression "family" shall mean the spouse, the dependent children and dependent parents of Mr. Thatte.

6. The perquisites set out in clauses 5(iii), (iv), (v), (vi), (vii) and (viii) above to be restricted to an amount equal to the annual salary of Mr. Thatte.
7. In the case of loss or inadequacy of profits in any financial year of the Company, the remuneration payable to Mr. Thatte shall be subject to the provisions of Section II of Part II of Schedule XIII to the Companies Act, 1956.
8. Income-tax, if any, on the aforesaid remuneration to be borne and paid by Mr. Thatte.
9. Mr. Thatte not to engage himself directly or indirectly, in any other business, occupation or employment whatsoever. However, Mr. Thatte may, with the previous sanction of the Board, hold any directorship(s), or share(s) of any other company. He may, also, hold share(s) quoted on a recognised Stock Exchange without the consent of the Board.
10. Mr. Thatte not to divulge, publish or disclose any information, knowledge, methods, trade secrets or any confidential information relating to the business and affairs of the Company.
11. The Company may terminate Mr. Thatte's employment forthwith if he is unable to perform his duties by reason of ill-health or accident or disability for a period of one hundred and twenty days in any period of twelve consecutive calendar months.
12. The employment of Mr. Thatte to determine forthwith if he becomes insolvent or makes any composition or arrangement with his creditors or ceases to be a Director of the Company.

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(formerly Trafalgar House Construction India Limited)

13. In the event of Mr. Thatte's death during the course of his employment, the Company to pay to his legal representatives his salary and other emoluments payable for the then current month. If the Agreement is determined for any reason other than on the last day of any month, he shall be entitled to a proportionate part of remuneration payable to him under this Agreement until the date of such determination.
14. The Company to be entitled to terminate Mr. Thatte's employment if Mr. Thatte be guilty of inattention or negligence in the conduct of the business or of any other act or omission inconsistent with his duties which renders his retirement from the Office of the Whole-time Director designated as Finance Director (Designate) or Whole-time Director designated as Finance Director desirable or if he becomes disqualified as a Director under the provisions of the Companies Act, 1956.
15. The Company to be entitled to terminate this Agreement at any time by giving Mr. Thatte three months' notice in writing without assigning any reason or upon payment to Mr. Thatte of salary and other emoluments for a period of three months in lieu of notice.

Mr. Thatte to be entitled to terminate this Agreement at any time by giving to the Company three months' notice in writing without assigning any reason.

Upon termination of the Agreement, Mr. Thatte to cease to be the Whole-time Director of the Company designated as Finance Director (Designate) or Whole-time Director of the Company designated as Finance Director and to also ipso facto cease to be a Director of the Company.

16. The termination or determination of the Agreement for any reason whatsoever not to affect the rights and claims which may have accrued to either party prior to the effective date of such termination or determination.
17. Upon the termination of his employment, Mr. Thatte to deliver all papers, documents and other property of the Company as may be in his possession, custody, control or power.

The Board of Directors consider that the remuneration proposed to be paid to Mr. Thatte is commensurate with his duties and responsibilities as Whole-time Director designated as Finance Director (Designate) or as Whole-time Director designated as Finance Director and therefore recommend the Resolution set out at Item 8 of the Notice. The approval of the Members is necessary in view of the provisions of Schedule XIII to the Companies Act, 1956.

The foregoing material terms may also be treated as an abstract of the terms of Mr. Thatte's appointment as Whole-time Director designated as Finance Director (Designate) or as Whole-time Director designated as Finance Director, for the purposes of Section 302 of the Companies Act, 1956.

A copy of the draft Agreement referred to above will be available for inspection by the Members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day except Saturday.

Mr. Thatte is interested in the Resolutions at Items 7 and 8 of the Notice since they relate to him.

**ITEM 9**

The Board of Directors at its Meeting held on 27th June, 1997, appointed Dr. S. Rama Iyer as an Additional Director of the Company with effect from 1st July, 1997. Thereafter the Board of Directors at its Meeting held on 3rd June, 1998 appointed Dr. Iyer as Deputy Chairman of the Company. The Members of the Company at the 20th Annual General Meeting held on 30th June, 1998 approved the appointment of Dr. S. Rama Iyer.

Under Article 137 of the Articles of Association of the Company, The Cementation Company Limited, U.K. (Cementation) has a right to designate one or more members of the Board of Directors of the Company as the Managing Director or Managing Directors of the Company. Pursuant to the said Article, Dr. S. Rama Iyer was designated by Cementation as the Managing Director.

Accordingly, the Board of Directors, have subject to the Members' approval in General Meeting, appointed Dr. S. Rama Iyer as Managing Director for the period of one year from 1st January, 1999. Dr. S. Rama Iyer continues to hold the post of Deputy Chairman of the Company. Dr. Iyer is also the Chairman and Managing Director of Kvaerner Powergas India Limited.

The remuneration payable to Dr. Iyer in respect of the aforesaid appointment has been set out in the draft Agreement referred to in the Resolution at Item 9 of the Notice. The remuneration is in conformity with the requirements of Schedule XIII to the Companies Act, 1956. Consequently, no approval of the Central Government is required to his appointment. The appointment of Dr. Iyer as Managing Director and the remuneration payable to him are subject to the approval of the Members in General Meeting.

The material provisions of the draft Agreement relating to Dr. Iyer's appointment referred to in the Resolution at Item 9 of the Notice are as under:

1. Dr. Iyer be appointed as the Managing Director of the Company for the period from 1st January, 1999 to 31st December, 1999, subject to the employment being previously determined in pursuance of any of the provisions of the Agreement.
2. Subject to the directions of the Board, Dr. Iyer to have the general control of the business of the Company and to perform all acts and things which in the ordinary course of business he may consider necessary or proper in the interests of the Company.
3. Dr. Iyer to devote substantial time and attention during business hours to the business of the Company.
4. Dr. Iyer to undertake such travelling as may be necessary in the interest of the Company's business as may be required or directed by the Board in connection with the business of the Company.
5. Dr. Iyer to be entitled to the consolidated monthly salary of Rs.1.00 Lakh (Rupees One Lakh Only).
6. In the case of loss or inadequacy of profits in any financial year of the Company, the remuneration payable to Dr. Iyer shall be subject to the provisions of Section II of Part II of Schedule XIII to the Companies Act, 1956.
7. Income-tax, if any, on the aforesaid remuneration to be borne and paid by Dr. Iyer.
8. Other than Managing Directorship of Kvaerner Powergas India Limited, Dr. Iyer not to engage himself directly or indirectly, in any other business, occupation or employment whatsoever. However, Dr. Iyer may, with the previous sanction of the Board, hold any other directorship(s), or share(s) of any other company. He may, also, hold share(s) quoted on a recognised Stock Exchange without the consent of the Board.
9. Dr. Iyer not to divulge, publish or disclose any information, knowledge, methods, trade secrets or any confidential information relating to the business and affairs of the Company.
10. The Company may terminate Dr. Iyer's employment forthwith if he is unable to perform his duties by reason of ill-health or accident or disability for a period of one hundred and twenty days in any period of twelve consecutive calendar months.
11. The employment of Dr. Iyer to determine forthwith if he becomes insolvent or makes any composition or arrangement with his creditors or ceases to be a Director of the Company.
12. In the event of Dr. Iyer's death during the course of his employment, the Company to pay to his legal representatives his salary payable for the then current month. If the Agreement is determined for any reason other than on the last day of any month, he shall be entitled to a proportionate part of salary payable to him under this Agreement until the date of such determination.

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(formerly Trafalgar House Construction India Limited)

13. The Company to be entitled to terminate Dr. Iyer's employment if Dr. Iyer be guilty of inattention or negligence in the conduct of the business or of any other act or omission inconsistent with his duties which renders his retirement from the Office of the Managing Director desirable or if he becomes disqualified as a Director under the provisions of the Companies Act, 1956.
14. The Company to be entitled to terminate this Agreement at any time by giving Dr. Iyer three months' notice in writing without assigning any reason.  
Dr. Iyer to be entitled to terminate this Agreement at any time by giving to the Company three months' notice in writing without assigning any reason.  
Upon termination of the Agreement Dr. Iyer to cease to be the Managing Director of the Company and to also ipso facto cease to be a Director of the Company.
15. The termination or determination of the Agreement for any reason whatsoever not to affect the rights and claims which may have accrued to either party prior to the effective date of such termination or determination.
16. Upon the termination of his employment, Dr. Iyer to deliver all papers, documents and other property of the Company as may be in his possession, custody, control or power.

The Board of Directors consider that the remuneration proposed to be paid to Dr. Iyer is commensurate with his duties and responsibilities as the Managing Director and therefore recommend the Resolution at Item 9 of the Notice. The approval of the Members is necessary in view of the provisions of Schedule XIII to the Companies Act, 1956.

The foregoing material provisions may also be treated as an abstract of the terms of Dr. Iyer's appointment as Managing Director, for the purposes of Section 302 of the Companies Act, 1956.

A copy of the draft Agreement referred to above will be available for inspection by the Members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day except Saturday.

Dr. Iyer is interested in the Resolution at Item 9 of the Notice since it relates to him.

### ITEM 10

The Members of the Company at the 20th Annual General Meeting held on 30th June, 1998, approved the appointment of Mr. A.K. Chatterjee as Whole-time Director of the Company designated as Director Operations from 1st April, 1998 to 31st March, 2001, and the remuneration payable to him.

The Company thereafter entered into an Agreement with Mr. Chatterjee dated 24th August, 1998 (hereinafter referred to as the "Principal Agreement").

The Board of Directors of the Company at its Meeting held on 30th October, 1998, increased the monthly salary of Mr. Chatterjee from Rs.41,500/- to Rs.45,000/- from 1st July, 1998 and designated him as Director- General Manager.

The aforesaid increase in the remuneration payable to Mr. Chatterjee is in conformity with Schedule XIII to the Companies Act, 1956 as set out in the draft of the Supplemental Agreement referred to in the Resolution at Item 10 of the Notice.

The material provisions of the said draft of the Supplemental Agreement are as under :

1. The words "Director Operations" appearing in Clause 1 of the Principal Agreement be replaced by "Director-General Manager."
2. Existing Clause 5(1)(a) of the Principal Agreement to be substituted by the following :  
"A salary of Rs.45,000/- (Rupees Forty Five Thousand only) per month for the period from 1st July, 1998 to 31st March, 1999."
3. Save as hereinabove amended, the Principal Agreement to continue to remain in full force and effect in accordance with the terms thereof.