



PRIMEAST INVESTMENTS LIMITED

Eighteenth Annual Report

Report  junction.com

2000-2001

DEVATHA PLAZA, 131 ~~RESIDENCY ROAD~~
BANGAI

// ~~CERTIFIED COPY~~ //
for PRIMEAST INVESTMENTS LIMITED


Company Secretary

Primeast Investments Limited**PRIMEAST INVESTMENTS LIMITED**

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Primeast Investments Limited

Board of Directors

Shri. T. P. ISSAR Chairman
Shri. R. C. BHAVUK Managing Director
Shri. B. P. CHATURVEDI
Shri. P. R. AHUJA
Shri. SANJIV AHUJA
Shri. G. D. KHEMANI
Shri. GAGAN KHOSLA
Shri. K. S. BAWA

Bankers

- a) INDIAN OVERSEAS BANK
- b) STATE BANK OF MYSORE
- c) CANARA BANK

Auditors

M/s. BRAHMAYYA & CO.
Chartered Accountants, Bangalore.

Company Secretary

K. J. BINOJ

Registered Office

DEVATHA PLAZA
131, Residency Road,
BANGALORE - 560 025.

Primeast Investments Limited

NOTICE is hereby given that the Eighteenth Annual General Meeting of the Members of PRIMEAST INVESTMENTS LIMITED will be held on Saturday, the 29th September, 2001 at 10-00 a.m. at Hotel Rama, Lavelle Road, Bangalore 560 001 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as on 31-3-2001 and the Profit & Loss Account for the financial year ended on that date together with the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. P. R. Ahuja who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Gagan Khosla who retires by rotation and being eligible offers himself for reappointment.
4. To appoint the 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 as may be agreed with the Board of Directors.

SPECIAL BUSINESS :

5. *To consider and if thought fit, to pass with or without modification, Resolution (a) as Ordinary Resolution and Resolution (b) as special resolution.*

a) RESOLUTION FOR INCREASING THE AUTHORISED CAPITAL ;

"RESOLVED THAT the Authorised Share Capital of the Company be increased from Rs. 10,00,00,000 (Rupees Ten Crores) divided into 1,00,00,000 equity shares of Rs. 10/- each to Rs. 12,00,00,000 (Rupees Twelve crores only) divided into 1,20,00,000 equity shares of Rs. 10/- ranking pari passu in all respects with and carry the same rights of the existing equity shares.

RESOLVED FURTHER THAT Clause V of the Memorandum of Association of the Company be altered as follows:-

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The Authorised share Capital of the Company is Rs. 12,00,00,000 (Rupees Twelve crores only) divided into 1,20,00,000 equity shares of Rs. 10/- (Rupees Ten each) with power to increase and reduce the capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions, as may be determined by or in accordance with the regulations of the company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as such may be for the time being provided by the regulations of the company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Directors be and are hereby authorised to take all steps as they may think fit and proper and to do all acts, deeds, matter or things as the Directors in their absolute discretion, consider necessary, expedient or proper".

b) Special Resolution for making consequential amendments to Articles of Association ;

"RESOLVED THAT the Articles of Association of the Company be amended by deleting the existing Article 5 and substituting the following therefore :

The capital of the Company shall be Rs. 12,00,00,000 (Rupees Twelve Crores only) divided into 1,20,00,000 equity shares of Rs. 10/- each subject to the Power of increase, reduction and modification hereinafter contained.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Directors be and are hereby authorised to take all steps as they may think fit and proper and to do all acts, deeds, matter or things as the Directors in their absolute discretion, consider necessary, expedient or proper".

6. To consider and if thought fit, to pass with or without modification the following resolution as special resolution.

RESOLVED THAT pursuant to the provisions of Section 17 and any other provisions of the companies Act. 1956 (including any statutory re enactment or modification thereof) as may be applicable, the consent of the company be and is hereby accorded to the Memorandum of Association of the Company being altered in the following manner :

To substitute the following clause (10) be and is hereby inserted in place of existing clause (10) in clause III B.

10. "To promote, incorporate, set up, operate and participate in Companies or Joint Venture companies, execute, enter into and perform joint venture agreement, technical collaboration agreements and such other agreements and undertake obligations for fulfilling the objects of the Joint Venture".

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RESOLVED FURTHER THAT the Directors of the company be and is hereby authorised to accept and give effect to any modifications or alterations in the aforesaid proposed alterations to the Memorandum of Association of the Company which may be imposed or directed by the Registrar of Companies and to take all steps and to do all acts, deeds, matter or things as the Directors in their absolute discretion, consider necessary, expedient or proper".

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 sub section (1A) of section 81 and other applicable provisions, if any, of the Companies Act, 1956, the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchange/s where the shares of the Company are listed and subject to the approval of Securities and Exchange Board of India (SEBI), Reserve Bank on India (RBI), Foreign Investment Promotion Board (FIPB) and all other concerned authorities and departments, if any, to the extent necessary and on such terms and conditions as may be prescribed or imposed by all or any of the concerned authorities in granting any such approvals, permissions and sanctions and which may be agreed to by the Directors of the Company (hereinafter referred to as the "Directors" which term shall be deemed to include Board of Directors, any committee of Directors or any Director authorised for the purpose by the Board) the approval of the Company be and is hereby accorded to offer, issue and allot to entities as per list enclosed 33,62,000 equity shares of Rs. 10 each amounting to Rs. 3,36,20,000 (hereinafter referred to as "the said shares") out of the unissued equity share capital of the Company for cash at par in such manner at such time and in one or more tranches and Board may think fit and on such terms and conditions, including the number of equity shares to be issued, manner of calls and to make such inter-se changes regarding Preferential Allotment to the allottees provided that the overall amount of allotment does not exceed Rs. 3,36,20,000/- (Rupees Three crores thirtysix lakhs twenty thousand only) as the Board may, in its absolute discretion, think fit provided :

- i) That the shares allotted to Non resident Indians/Overseas Corporate Bodies are on fully repatriable basis.
- ii) That the said shares, allotted in terms of this Resolution, shall be subject to the Memorandum and Articles of Association of the Company and shall rank *pari passu* in all respects including voting rights with the existing equity shares of the company save and except that the said shares shall, with regard to Dividend, if any, declared for the financial year in which the said shares are allotted and the subsequent years, be entitled to Dividends in proportion to the amount of capital paid up or credited as paid-up thereon.
- iii) The said shares shall be subject to lock in in accordance with the provisions of the SEBI (Disclosure and Investor Protection) Guidelines, 2000 as amended from time to time.

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- iv) That the other terms and conditions of issue, offer and allotment in respect of the said shares shall be such as are decided by the Board.
- v) That the allotment is subject to its being within the limit of the overall authorised capital.

**PREFERENTIAL ALLOTMENT OF 33,62,000 EQUITY SHARES OF RS. 10/- EACH
AMOUNTING TO Rs. 3,36,20,000 (RUPEES THREE CRORES THIRTY SIX LAKHS
TWENTY THOUSAND ONLY)**

Sl. No.	ENTITY	AMOUNT IN RS.
1.	Paramount Park Ltd.	1,00,00,000
2.	Thakral Investments India Ltd.	88,20,000
3.	Kanwaljeet Singh Dhillon	58,00,000
4.	Groups Employees/ Business Associates / Existing Shareholders either in India or in Abroad	90,00,000
	TOTAL	3,36,20,000

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper, and to settle any question or difficulty that may arise in regard to the issue, allotment and distribution of the said shares as it may deem fit".

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

"RESOLVED THAT Pursuant to the provisions of sections 198,269,309 and other applicable provisions, if any, of the companies Act, 1956 and subject to the limits specified in schedule XIII to the said act, the consent of the company be and is hereby accorded to the reappointment of Shri.R.C.Bhavuk as Managing Director of the company for a period of 5 (Five) years with effect from 12th December, 2001 on the same terms conditions which is given as follows :

REMUNERATION AND PERQUISITES :

- Salary - Rs. 35,000/- p.m.
- Perquisites -

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- (vii) Housing :
Furnished accommodation to be provided
- (viii) Medical Insurance :
As per rules of the Company.
- (ix) Leave Travel Concession.
As per Rules of the Company.
- (x) Telephone and Car :
Provision of Car with Driver for use on Company's business.
Telephone at Residence.

3. Retirement benefits -

Provident Fund, Gratuity, Superannuation, encashment of leave as per applicable rules from time to time and as per Company Policy.

OTHER TERMS AND CONDITIONS :

1. The Managing Director shall not be liable to retire by rotation.
2. The aforesaid remuneration shall be paid to the Managing Director w.e.f. 12th December, 2001.
3. The Managing Director shall not be entitled to sitting fees for attending the meeting of the Board of Directors or any committee thereof.
4. He shall ipso facto cease to be the Managing Director, if he ceased to hold the office of Director.
5. The Contract is terminable with three month's notice on either side.

RESOLVED FURTHER THAT the Board Directors of the Company be and is hereby authorised to alter or vary the terms of reappointment including relating to remuneration, as it may at its discretion, deem fit from time to time so as not to exceed the limits specified in Schedule XIII of the Companies Act 1956, (including any statutory modification or re-enactment thereof for the time being in force) or any amendments made thereto".

BY ORDER OF THE BOARD OF DIRECTORS

Regd. Office
Devatha Plaza
131, Residency Road,
Bangalore - 560 025.

K. J. BINOJ
Company Secretary

Place : BANGALORE
Date : 02-09-2001

Primeast Investments Limited

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER, THE PROXY FORM IS ANNEXED AT THE END OF THIS REPORT. PROXY FORM DULY COMPLETED IN ALL RESPECTS SHALL BE LODGED WITH THE COMPANY ATLEAST 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.**
2. Members are requested to address all correspondence regarding share transfers, certificate endorsement, change of address and general queries, to the registered office, as the Company has no Share Transfer Agent.
3. The proxies and members are requested to bring their attendance slip annexed at the end of this report to the meeting and sign at the entrance of the meeting venue.
4. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.
5. The Explanatory Statement as required by Section 173 of the Companies Act, 1956 is annexed hereto and the papers, documents referred to therein are open for inspection at the Registered Office of the Company between 9:30 am and 5:30 pm on any working day prior to the date of the meeting.

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

ITEM NO. 5

- (i) The Authorised Capital of the Company at present is Rs. 10 crores divided into 1,00,00,000 equity shares of Rs. 10/- each. The Company is proposing to make a preferential allotment of shares, (as set out in resolution at item 7 of this notice) to garner further funds for its forays into the new business activities of software development and internet related activities. It is therefore, considered advisable to increase the Authorised Capital of the Company from Rs. 10,00,00,000 to Rs. 12,00,00,000 by creation of 20,00,000 equity shares of Rs. 10/- each. Under Section 94 of the Companies Act, 1956 and Articles of Association of the Company, the proposed increase of Authorised Capital and the consequent amendment