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| MD | <input checked="" type="checkbox"/> | | BKC | <input checked="" type="checkbox"/> |
| CS | <input checked="" type="checkbox"/> | | DPY | <input checked="" type="checkbox"/> |
| RO | <input checked="" type="checkbox"/> | | DIV | <input checked="" type="checkbox"/> |
| TRA | <input checked="" type="checkbox"/> | | AC | <input checked="" type="checkbox"/> |
| AGM | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | SHI | <input checked="" type="checkbox"/> |
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Annual Report



VXL Instruments Limited

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

1997 - 98

BOARD OF DIRECTORS

| | |
|--------------|--------------------------------|
| A V Kasargod | Chairman and Managing Director |
| J R Mundkur | Director |
| M V Nagaraj | Director |
| Kumar Shyam | Director |
| M V Shetty | Director |

BANKERS

State Bank of India

MANAGEMENT TEAM

| | |
|---------------|------------------------------|
| A V Kasargod | Managing Director |
| J R Mundkur | Director (Marketing) |
| M V Nagaraj | Director (Production) |
| Kumar Shyam | Director (R & D) |
| M V Shetty | Director (Quality Assurance) |
| S V Altaf | General Manager (R & D) |
| Anand M Tatti | General Manager (Works) |

LEGAL ADVISOR

Mr. N Jayaraman

REGISTERED OFFICE and FACTORY

86, 4th Cross, Electronics City,
Hosur Road, Hebbagodi Post,
Bangalore 561 229

Tel 8520042/8520043/8521047
Fax 8520145
Email info@vxl.co.in
World Wide Web Site <http://www.vxl.co.uk>

AUDITORS

S Madhavan & Co.
Chartered Accountants
Bangalore

CORPORATE OFFICE

No. 168, 7th Main,
I Block Koramangala,
Bangalore 560 034

FINANCIAL INSTITUTIONS

The Industrial Credit and Investment
Corporation of India Limited
Industrial Development Bank of India
Karnataka State Industrial Investment &
Development Corporation Limited

ELECTRONIC HARDWARE TECHNOLOGY PARK (EHTP) 100% EOU UNIT

20, Veerasandra Industrial Area,
19th KM, Hosur Road, Hebbagodi Post,
Bangalore 562 158

R & D CENTRE

17, Electronics City,
Konappana Agrahara,
Hosur Road,
Bangalore 561 229

REGISTRARS AND SHARE TRANSFER AGENTS

Sheshanka Financial Services (P) Ltd.,
S.702, Manipal Centre, Dickenson Road,
Bangalore 560 042
Tel 5597755
Fax 5589970

VXL Instruments Limited

NOTICE is hereby given that the Twelfth Annual General Meeting of the Members of the Company will be held at 2.30 p.m. on Tuesday, the 22nd September, 1998, at Hotel Woodlands Private Limited, 5, Raja Rammohan Roy Road, Bangalore, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1998, and the Profit and Loss Account for the year ended on that date together with the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr J R Mundkur, who retires by rotation and is eligible for re-appointment.
3. To appoint a Director in place of Mr M V Shetty, who retires by rotation and is eligible for re-appointment.
4. To declare a dividend.
5. To appoint Auditors and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

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 Sections 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII of the Companies Act, 1956, Mr A V Kasargod be and is hereby re-appointed as Managing Director of the Company for a period of five years With effect from 1st November, 1998, on the following terms and conditions :

- i) Salary of Rs. 35,000/- (Rupees Thirty Five Thousand) per month.
- ii) Commission : In addition to salary, perquisites and other allowances, commission based on the net profit of the Company computed in the manner laid down in Section 309(5) and other applicable provisions, if any, of the Companies Act, 1956. Such commission shall be of such percentage and of such amount as the Board of Directors of the Company may determine, keeping in view the performance of the Company in respect of each financial year.

In addition to salary and commission, the following shall be allowed to Mr A V Kasargod :

- iii) Housing : Mr A V Kasargod shall be entitled to rent free furnished residential accommodation.

In case no accommodation is provided by the Company, Mr A V Kasargod shall be entitled to House Rent Allowance of Rs.10,000/- per month

- iv) Reimbursement of gas, electricity, water charges and furnishings.
- v) Reimbursement of medical expenses for self and family, as per Company rules.
- vi) Leave Travel Concession for Mr A V Kasargod and family, as per Company rules.
- vii) Fees of clubs subject to a maximum of two clubs.
- viii) Personal Accident Insurance, as per Company rules.
- ix) Provision of car for business as well as for personal purposes.
- x) Telephone at the residence.

Mr A V Kasargod will also be paid the following perquisites which shall not be included in the computation of the ceiling on the remuneration in the event the Company has no profits or its profits are inadequate in any financial year during the aforesaid period :

- xi) Contribution to Provident Fund, Superannuation Fund or Annuity Fund as per Company Schemes to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- xii) Gratuity payable at the rate of half a month's salary for each completed year of service.
- xiii) Earned / privilege leave : On full pay and allowances, as per rules of the Company. Leave encashment also as per Company rules.

RESOLVED FURTHER THAT subject to the provisions of Sections 198, 309 and 310 and other applicable provisions, if any, of the Companies Act, 1956, the remuneration payable to Mr A V Kasargod as Managing Director by way of salary, perquisites, commission and other allowances shall not exceed five percent of the net profits of the Company and ten percent of such net profits of the Company for all such managerial personnel of the Company together in that financial year.

Notice to the Twelfth Annual General Meeting

RESOLVED FURTHER THAT notwithstanding anything hereinabove stated, where in any financial year closing on or after 1st April, 1998, the Company has incurred loss or if its profits are inadequate, the Company may pay to Mr A V Kasargod remuneration by way of salary, perquisites and other allowances not exceeding ceiling limit of Rs. 1,050,000/- per annum or Rs. 87,500/- per month and in addition thereto the perquisites not exceeding the limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956.

RESOLVED FURTHER THAT in the event of any statutory amendment or modifications or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorised to vary or increase the remuneration, including the salary, commission, perquisites, allowances, etc. within such prescribed limit or ceiling and the aforesaid draft supplemental agreement between the Company and Mr A V Kasargod be suitably amended to give effect to such modification, relaxation or variation without any further reference to the Company in general meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take the necessary steps to give effect to this resolution."

7. 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, 310 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII of the Companies Act, 1956, Mr M V Nagaraj be and is hereby re-appointed as Whole-time Director of the Company for a period of five years with effect from 1st November, 1998, on the following terms and conditions:

- i) Salary of Rs. 35,000/- (Rupees Thirty Five Thousand) per month.
- ii) Commission : In addition to salary, perquisites and other allowances, commission based on the net profit of the Company computed in the manner laid down in Section 309(5) and other applicable provisions, if any, of the Companies Act, 1956. Such commission shall be of such percentage and of such amount as the Board of Directors of the Company may determine keeping in view the performance of the Company in respect of each financial year.

In addition to salary and commission, the following shall be allowed to Mr M V Nagaraj :

- iii) Housing : Mr M V Nagaraj shall be entitled to rent free furnished residential accommodation.

In case no accommodation is provided by the Company, Mr M V Nagaraj shall be entitled to House Rent Allowance of Rs. 10,000/- per month.

- iv) Reimbursement of gas, electricity, water charges and furnishings.
- v) Reimbursement of medical expenses for self and family, as per Company rules.
- vi) Leave Travel Concession for Mr M V Nagaraj and family, as per Company rules.
- vii) Fees of clubs subject to a maximum of two clubs.
- viii) Personal Accident Insurance, as per Company rules.
- ix) Provision of car for business as well as for personal purposes.
- x) Telephone at the residence.

Mr M V Nagaraj will also be paid the following perquisites which shall not be included in the computation of the ceiling on the remuneration in the event the Company has no profits or its profits are inadequate in any financial year during the aforesaid period :

- xi) Contribution to Provident Fund, Superannuation Fund or Annuity Fund as per Company Schemes to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
- xii) Gratuity payable at the rate of half a month's salary for each completed year of service.
- xiii) Earned / privilege leave : On full pay and allowances, as per rules of the Company. Leave encashment also as per Company rules.

RESOLVED FURTHER THAT subject to the provisions of Sections 198, 309 and 310 and other applicable provisions, if any, of the Companies Act, 1956, the remuneration payable to Mr M V Nagaraj as Whole-time Director by way of salary, perquisites, commission and other allowances shall not exceed five percent of the net profits of the Company and ten percent of such net profits of the Company for all such managerial personnel of the Company together in that financial year.

VXL Instruments Limited

RESOLVED FURTHER THAT notwithstanding anything hereinabove stated, where in any financial year closing on or after 1st April, 1998, the Company has incurred loss or if its profits are inadequate, the Company may pay to Mr M V Nagaraj remuneration by way of salary, perquisites and other allowances not exceeding ceiling limit of Rs. 1,050,000/- per annum or Rs. 87,500/- per month and in addition thereto the perquisites not exceeding the limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956.

RESOLVED FURTHER THAT in the event of any statutory amendment or modifications or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorised to vary or increase the remuneration, including the salary, commission, perquisites, allowances, etc. within such prescribed limit or ceiling and the aforesaid draft supplemental agreement between the Company and Mr M V Nagaraj be suitably amended to give effect to such modification, relaxation or variation without any further reference to the Company in general meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take the necessary steps to give effect to this resolution.

8. 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, 310 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII of the Companies Act, 1956, Mr J R Mundkur be and is hereby re-appointed as Whole-time Director of the Company for a period of five years with effect from 1st November, 1998, on the following terms and conditions :

- i) Salary of Rs. 35,000/- (Rupees Thirty Five Thousand) per month.
- ii) Commission : In addition to salary, perquisites and other allowances, commission based on the net profit of the Company computed in the manner laid down in Section 309(5) and other applicable provisions, if any, of the Companies Act, 1956. Such commission shall be of such percentage and of such amount as the Board of Directors of the Company may determine keeping in view the performance of the Company in respect of each financial year.

In addition to salary and commission, the following shall be allowed to Mr J R Mundkur :

- iii) Housing : Mr J R Mundkur shall be entitled to rent free furnished residential accommodation.

In case no accommodation is provided by the Company, Mr J R Mundkur shall be entitled to House Rent Allowance of Rs. 10,000/- per month.

- iv) Reimbursement of gas, electricity, water charges and furnishings.
- v) Reimbursement of medical expenses for self and family, as per Company rules.
- vi) Leave Travel Concession for Mr J R Mundkur and family, as per Company rules.
- vii) Fees of clubs subject to a maximum of two clubs.
- viii) Personal Accident Insurance, as per Company rules.
- ix) Provision of car for business as well as for personal purposes.
- x) Telephone at the residence.

Mr J R Mundkur will also be paid the following perquisites which shall not be included in the computation of the ceiling on the remuneration in the event the Company has no profits or its profits are inadequate in any financial year during the aforesaid period :

- xi) Contribution to Provident Fund, Superannuation Fund or Annuity Fund as per Company Schemes to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
- xii) Gratuity payable at the rate of half a month's salary for each completed year of service.
- xiii) Earned / privilege leave : On full pay and allowances, as per rules of the Company. Leave encashment also as per Company rules.

RESOLVED FURTHER THAT subject to the provisions of Sections 198, 309 and 310 and other applicable provisions, if any, of the Companies Act, 1956, the remuneration payable to Mr J R Mundkur as Whole-time Director by way of salary, perquisites, commission and other allowances shall not exceed five percent of the net profits of the Company and ten percent of such net profits of the Company for all such managerial personnel of the Company together in that financial year.

Notice to the Twelfth Annual General Meeting

RESOLVED FURTHER THAT notwithstanding anything hereinabove stated, where in any financial year closing on or after 1st April, 1998, the Company has incurred loss or if its profits are inadequate, the Company may pay to Mr J R Mundkur remuneration by way of salary, perquisites and other allowances not exceeding ceiling limit of Rs. 1,050,000/- per annum or Rs. 87,500/- per month and in addition thereto the perquisites not exceeding the limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956.

RESOLVED FURTHER THAT in the event of any statutory amendment or modifications or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorised to vary or increase the remuneration, including the salary, commission, perquisites, allowances, etc. within such prescribed limit or ceiling and the aforesaid draft supplemental agreement between the Company and Mr J R Mundkur be suitably amended to give effect to such modification, relaxation or variation without any further reference to the Company in general meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take the necessary steps to give effect to this resolution."

9. 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, 310 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII of the Companies Act, 1956, Mr Kumar Shyam be and is hereby re-appointed as Whole-time Director of the Company for a period of five years with effect from 1st November, 1998, on the following terms and conditions :

- i) Salary of Rs. 35,000/- (Rupees Thirty Five Thousand) per month.
- ii) Commission : In addition to salary, perquisites and other allowances, commission based on the net profit of the Company computed in the manner laid down in Section 309(5) and other applicable provisions, if any, of the Companies Act, 1956. Such commission shall be of such percentage and of such amount as the Board of Directors of the Company may determine, keeping in view the performance of the Company in respect of each financial year.

In addition to salary and commission, the following shall be allowed to Mr Kumar Shyam :

- iii) Housing : Mr Kumar Shyam shall be entitled to rent free furnished residential accommodation.

In case no accommodation is provided by the Company, Mr Kumar Shyam shall be entitled to House Rent Allowance of Rs. 10,000/- per month.

- iv) Reimbursement of gas, electricity, water charges and furnishings.
- v) Reimbursement of medical expenses for self and family, as per Company rules.
- vi) Leave Travel Concession for Mr Kumar Shyam and family, as per Company rules.
- vii) Fees of clubs subject to a maximum of two clubs.
- viii) Personal Accident Insurance, as per Company rules.
- ix) Provision of car for business as well as for personal purposes.
- x) Telephone at the residence.

Mr. Kumar Shyam will also be paid the following perquisites which shall not be included in the computation of the ceiling on the remuneration in the event the Company has no profits or its profits are inadequate in any financial year during the aforesaid period :

- xi) Contribution to Provident Fund, Superannuation Fund or Annuity Fund as per Company Schemes to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
- xii) Gratuity payable at the rate of half a month's salary for each completed year of service.
- xiii) Earned / privilege leave : On full pay and allowances, as per rules of the Company. Leave encashment, also as per Company rules.

RESOLVED FURTHER THAT subject to the provisions of Sections 198, 309 and 310 and other applicable provisions, if any, of the Companies Act, 1956, the remuneration payable to Mr Kumar Shyam as Whole-time Director by way of salary, perquisites, commission and other allowances shall not exceed five percent of the net profits of the Company and ten percent of such net profits of the Company for all such managerial personnel of the Company together in that financial year.

RESOLVED FURTHER THAT notwithstanding anything hereinabove stated, where in any financial year closing on or after 1st April, 1998, the Company has incurred loss or if its profits are inadequate, the Company may pay to Mr Kumar Shyam remuneration by way of salary, perquisites and other allowances not exceeding ceiling limit of Rs. 1,050,000 /- per annum or Rs. 87,500/- per month and in addition hereto the perquisites not exceeding the limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956.

RESOLVED FURTHER THAT in the event of any statutory amendment or modifications or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorised to vary or increase the remuneration, including the salary, commission, perquisites, allowances, etc. within such prescribed limit or ceiling and the aforesaid draft supplemental agreement between the Company and Mr Kumar Shyam be suitably amended to give effect to such modification, relaxation or variation without any further reference to the Company in general meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take the necessary steps to give effect to this resolution."

10 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, 310 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII. of the Companies Act, 1956, Mr M V Shetty be and is hereby re-appointed as Whole-time Director of the Company for a period of five years with effect from 1st November, 1998 on the following terms and conditions :

- i) Salary of Rs. 35,000/- (Rupees Thirty Five Thousand) per month.
- ii) Commission : In addition to salary, perquisites and other allowances, commission based on the net profit of the Company computed in the manner laid down in Section 309(5) and other applicable provisions, if any, of the Companies Act, 1956. Such commission shall be of such percentage and of such amount as the Board of Directors of the Company may determine keeping in view the performance of the Company in respect of each financial year.

In addition to salary and commission, the following shall be allowed to Mr M V Shetty :

- iii) Housing : Mr M V Shetty shall be entitled to rent free furnished residential accommodation.

In case no accommodation is provided by the Company, Mr M V Shetty shall be entitled to House Rent Allowance of Rs. 10,000/- per month.

- iv) Reimbursement of gas, electricity, water charges and furnishings.
- v) Reimbursement of medical expenses for self and family, as per Company rules.
- vi) Leave Travel Concession for Mr M V Shetty and family, as per Company rules.
- vii) Fees of clubs subject to a maximum of two clubs.
- viii) Personal Accident Insurance, as per Company rules.
- ix) Provision of car for business as well as for personal purposes.
- x) Telephone at the residence.

Mr. M V Shetty will also be paid the following perquisites which shall not be included in the computation of the ceiling on the remuneration in the event the Company has no profits or its profits are inadequate in any financial year during the aforesaid period :

- xi) Contribution to Provident Fund, Superannuation Fund or Annuity Fund as per Company Schemes to the extent these either singly or put together are not taxable under the Incometax Act, 1961.
- xii) Gratuity payable at the rate of half a month's salary for each completed year of service.
- xiii) Earned / privilege leave : On full pay and allowances, as per rules of the Company. Leave encashment, also as per Company rules.

RESOLVED FURTHER THAT subject to the provisions of Sections 198, 309 and 310 and other applicable provisions, if any, of the Companies Act, 1956, the remuneration payable to Mr M V Shetty as Whole-time Director by way of salary, perquisites, commission and other allowances shall not exceed five percent of the net profits of the Company and ten percent of such net profits of the Company for all such managerial personnel of the Company together in that financial year.

Notice to the Twelfth Annual General Meeting

RESOLVED FURTHER THAT notwithstanding anything hereinabove stated, where in any financial year closing on or after 1st April, 1998, the Company has incurred loss or if its profits are inadequate, the Company may pay to Mr M V Shetty remuneration by way of salary, perquisites and other allowances not exceeding ceiling limit of Rs. 1,050,000 /- per annum or Rs. 87,500/- per month and in addition thereto the perquisites not exceeding the limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956.

RESOLVED FURTHER THAT in the event of any statutory amendment or modifications or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorised to vary or increase the remuneration, including the salary, commission, perquisites, allowances, etc. within such prescribed limit or ceiling and the aforesaid draft supplemental agreement between the Company and Mr M V Shetty be suitably amended to give effect to such modification, relaxation or variation without any further reference to the Company in general meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take the necessary steps to give effect to this resolution."

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

"**RESOLVED THAT** Mr. Moti Jiandani who was appointed as Additional Director and who holds office upto the date of this meeting be and is hereby appointed as a Director of the Company liable to retire by rotation."

By order of the Board of Directors

Place : Bangalore
Date : 27th July, 1998

A V Kasargod
Chairman and Managing Director

NOTES :

1. Members are requested to bring their copy of the Annual Report with them for the Annual General Meeting.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY SO APPOINTED, NEED NOT BE A MEMBER OF THE COMPANY.
3. The instrument appointing the proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
4. An Explanatory Statement under Section 173 of the Companies Act, 1956, in respect of items 6 to 11 of the Notice is annexed hereto.
5. Members/proxies should bring the Attendance Slip sent herewith duly filled in, for attending the meeting.
6. The Register of Members and Share Transfer Books shall remain closed from 17th September, 1998, to 22nd September, 1998, (both days inclusive).
7. Subject to the provisions of Sections 205 and 206A of the Companies Act, 1956, the dividend on 4,230,825 shares as at 22nd September, 1998, as recommended by the Board of Directors, if declared at the meeting, will be payable on or after 23rd September, 1998, to those members or their mandatee(s) whose names appear in the Company's Register of Members at the close of business hours on 22nd September, 1998.
8. The members are requested to address all their correspondence including change of address, dividend mandates, etc. to the Registrars and Share Transfer Agents, Sheshanka Financial Services(P) Ltd., S-702, Manipal Centre, Dickenson Road, Bangalore 560 042.

VXL Instruments Limited

ANNEXURE TO THE NOTICE

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

Item No. 6

Mr. A V Kasargod was appointed as Managing Director at the Extra Ordinary General Meeting held on 29th October, 1993, for a period of five years ending 31st October, 1998, and a revised remuneration was also approved by the Members at the Annual General Meeting held on 30th August, 1996. The Board of Directors have re-appointed Mr. A V Kasargod as Managing Director at their Meeting held on July 27, 1998, for a further period of five years with effect from 1st November, 1998, subject to approval of Members in General meeting, on the terms and conditions as enumerated in the resolution itself.

The remuneration by way of salary, perquisites and other allowances not exceeding ceiling limit of Rs. 1,050,000/- per annum or Rs. 87,500/- per month, shall also be paid to Mr. A V Kasargod in the event of loss or inadequacy of profits in any financial year during the aforesaid period in addition to the perquisites not exceeding the limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956.

None of the Directors is interested or concerned in the resolution except Mr. A V Kasargod himself.

The aforesaid terms may be treated as an abstract of the terms of appointment pursuant to the provisions of Section 302(2) of the Companies Act, 1956.

Item No. 7

Mr. M V Nagaraj was appointed as Whole-time Director at the Extra Ordinary General Meeting held on 29th October, 1993, for a period of five years ending 31st October, 1998, and a revised remuneration was also approved by the Members at the Annual General Meeting held on 30th August, 1996. The Board of Directors have re-appointed Mr. M V Nagaraj, Whole-time Director at their Meeting held on July 27, 1998, for a further period of five years with effect from 1st November, 1998, subject to approval of Members in General meeting, on the terms and conditions as enumerated in the resolution itself.

The remuneration by way of salary, perquisites and other allowances not exceeding ceiling limit of Rs. 1,050,000/- per annum or Rs. 87,500/- per month, shall also be paid to Mr. M V Nagaraj in the event of loss or inadequacy of profits in any financial year during the aforesaid period in addition to the perquisites not exceeding the limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956.

None of the Directors is interested or concerned in the resolution except Mr. M V Nagaraj himself.

The aforesaid terms may be treated as an abstract of the terms of appointment pursuant to the provisions of Section 302(2) of the Companies Act, 1956.

Item No. 8

Mr. J R Mundkur was appointed as Whole-time Director at the Extra-Ordinary General Meeting held on 29th October, 1993, for a period of five years ending 31st October, 1998, and a revised remuneration was also approved by the Members at the Annual General Meeting held on 30th August, 1996. The Board of Directors have re-appointed Mr. J R Mundkur as Whole-time Director at their Meeting held on July 27, 1998, for a further period of five years with effect from 1st November, 1998, subject to approval of Members in General meeting, on the terms and conditions as enumerated in the resolution itself.

The remuneration by way of salary, perquisites and other allowances not exceeding ceiling limit of Rs. 1,050,000/- per annum or Rs. 87,500/- per month, shall also be paid to Mr. J R Mundkur in the event of loss or inadequacy of profits in any financial year during the aforesaid period in addition to the perquisites not exceeding the limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956.

None of the Directors is interested or concerned in the resolution except Mr. J R Mundkur himself.

The aforesaid terms may be treated as an abstract of the terms of appointment pursuant to the provisions of Section 302(2) of the Companies Act, 1956.

Notice to the Twelfth Annual General Meeting

Item No. 9

Mr. Kumar Shyam was appointed as Whole-time Director at the Extra Ordinary General Meeting held on 29th October, 1993, for a period of five years ending 31st October, 1998, and a revised remuneration was also approved by the Members at the Annual General Meeting held on 30th August, 1996. The Board of Directors have re-appointed Mr. Kumar Shyam as Whole-time Director at their Meeting held on July 27, 1998 for a further period of five years with effect from 1st November, 1998, subject to approval of Members in General meeting, on the terms and conditions as enumerated in the resolution itself.

The remuneration by way of salary, perquisites and other allowances not exceeding ceiling limit of Rs. 1,050,000/- per annum or Rs. 87,500/- per month, shall also be paid to Mr. Kumar Shyam in the event of loss or inadequacy of profits in any financial year during the aforesaid period in addition to the perquisites not exceeding the limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956.

None of the Directors is interested or concerned in the resolution except Mr. Kumar Shyam himself.

The aforesaid terms may be treated as an abstract of the terms of appointment pursuant to the provisions of Section 302(2) of the Companies Act, 1956.

Item No. 10

Mr. M V Shetty was appointed as Whole-time Director at the Extra Ordinary General Meeting held on 29th October, 1993, for a period of five years ending 31st October, 1998, and a revised remuneration was also approved by the Members at the Annual General Meeting held on 30th August, 1996. The Board of Directors have re-appointed Mr. M V Shetty as Whole-time Director at their Meeting held on July 27, 1998, for a further period of five years with effect from 1st November, 1998, subject to approval of Members in General meeting, on the terms and conditions as enumerated in the resolution itself.

The remuneration by way of salary, perquisites and other allowances not exceeding ceiling limit of Rs. 1,050,000/- per annum or Rs. 87,500/- per month, shall also be paid to Mr. M V Shetty in the event of loss or inadequacy of profits in any financial year during the aforesaid period in addition to the perquisites not exceeding the limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956.

None of the Directors is interested or concerned in the resolution except Mr. M V Shetty himself.

The aforesaid terms may be treated as an abstract of the terms of appointment pursuant to the provisions of Section 302(2) of the Companies Act, 1956.

Item No. 11

Mr. Moti Jiandani was appointed by the Board of Directors as an Additional Director at their Meeting held on 2nd March, 1998.

Pursuant to the provisions of Section 260 of the Companies Act, 1956, he holds office upto the date of this Annual General Meeting.

Mr. Moti Jiandani, a California based Non-resident Indian, is the CEO of Switchon Networks, Inc., California, USA. He is an expert in the field of networking and his contacts in the area of networking are vast. His appointment as a Director will be in the interest of the Company. Members' approval is sought for his appointment and the Board commends the resolution for adoption. Notice under Section 257 of the Companies Act, 1956, along with the requisite deposit of Rs. 500/- has been received from a member, proposing Mr. Moti Jiandani.

None of the Directors is concerned or interested in the resolution except Mr. Moti Jiandani.

By Order of the Board of Directors

Place : Bangalore
Date : 27th July, 1998

A V Kasargod
Chairman and Managing Director