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6th Annual Report 1996-97

Report

VINTRON
INDUSTRIES LTD.

Sixth Annual Report 1996-97

Chairman

Shri R. K. Gupta

Managing Director

Shri P.K.Mittal

Directors

Shri Suresh Chauhan

Shri Rajoo Doshi

Shri S. Chandalia

Shri K.A. Sivaram

(Nominee I.F.C.I.)

Shri Pankaj Tayal

Shri Manish Agrawal

Secretary

Shri Pankajrai S. Mittal

Auditors

M/s O. P. Bagla & Co.

Bankers

Oriental Bank of Commerce

Distributors For

Logitech Singapore Pte. Ltd.

Motorola India Ltd.

Registered Office & Works

F-90/1A, Okhla Indl. Area,

Phase I, New Delhi.

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NOTICE

Notice is hereby given that the Sixth Annual General Meeting of the members of Vintron Industries Limited shall be held on Tuesday the 30th day of September 1997 at 10.30 A.M. at Dr. M.A. Ansari Auditorium, Jamia Millia Islamia University, Jamia Nagar, New Delhi 110 025 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 1997, the Profit & Loss Account for the year ended on that date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Manish Agrawal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Rajoo Doshi, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

Resolved that Shri P. K. Mittal who was appointed as an Additional Director of the Company with effect from 2nd May 1997 and who holds charge upto the date of this Annual General Meeting and in respect of whom the Company has received notice in writing from a member as required under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director be and is hereby appointed as Director of the Company.

6. To consider and if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

Resolved that in supersession of the Ordinary Resolution passed by the members at the Fourth Annual General Meeting held on 29th September 1995 appointing Shri R. K. Gupta as Managing Director of the Company and pursuant to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (as amended and prevailing for the time being) or any other law in force, the consent of the Company be and is hereby accorded to the appointment of Shri P. K. Mittal as Managing Director of the Company for a period of five years with effect from 28th May 1997 on the following terms and conditions:

Salary: Rs. 16,000/- per month

Housing: The expenditure incurred by the Company on hiring unfurnished accommodation subject to a ceiling of 50% of salary OR

In case no accommodation is provided by the Company, House Rent Allowance shall be paid @ 50% of salary.

Medical Reimbursement: Expenses incurred on self and family subject to one month's salary in a year or three months salary over a period of three years.

Leave travel Concession: Entitled to travel with family once in a year subject to a ceiling of one month's salary.

Club Fee: Fees of clubs subject to maximum of two clubs excluding admission and life membership fee.

Personal Accident Insurance: Premium not to exceed Rs. 4,000/- per annum.

Explanation: Family shall mean to include the spouse, dependent children and dependent parents of the appointee.

Contribution to Provident Fund: upto a maximum of 10% of salary

Gratuity: Half month's salary for each completed year of service

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NOTICE (Contd.)

Telephone: Provision of telephone at the residence with personal long distance calls to be billed by the Company to the appointee.

Conveyance: Provision of car with driver for the use on company's business. The use of car for personal purpose shall be billed by the Company to the appointee.

Resolved further that in the event of absence or inadequacy of profits in any financial year, the above shall be treated as the minimum remuneration payable to Shri P. K. Mittal and shall be governed by Section II of Part II of Schedule XIII to the Companies Act, 1956 as amended from time to time. Resolved further that the Board of Directors be and is hereby authorised to alter and vary any of the aforesaid terms in regard to remuneration and perquisites within the ceiling laid down in Schedule XIII to the Companies Act, 1956 as amended from time to time. Resolved further that for giving effect to this resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary.

7. To consider and if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

Resolved that pursuant to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (as amended and prevailing for the time being) or any other law in force, the consent of the Company be and is hereby accorded to the appointment of Shri R. K. Gupta as Wholetime Director and designated as Chairman of the Company for a period of five years with effect from 22nd August 1997 on the following terms and conditions:

Salary: Rs. 16,000/- per month

Housing: The expenditure incurred by the Company on hiring unfurnished accommodation subject to a ceiling of 50% of salary OR

In case no accommodation is provided by the Company, House Rent Allowance shall be paid @ 50% of salary.

Medical Reimbursement: Expenses incurred on self and family subject to one month's salary in a year or three months salary over a period of three years.

Leave Travel Concession: Entitled to travel with family once in a year subject to a ceiling of one month's salary.

Club Fee: Fees of clubs subject to maximum of two clubs excluding admission and life membership fee.

Personal Accident Insurance: Premium not to exceed Rs. 4,000/- per annum.

Explanation: Family shall mean to include the spouse, dependent children and dependent parents of the appointee.

Contribution to Provident Fund: upto a maximum of 10% of salary

Gratuity: Half month's salary for each completed year of service

Telephone: Provision of telephone at the residence with personal long distance calls to be billed by the Company to the appointee.

Conveyance: Provision of car with driver for the use on company's business. The use of car for personal purpose shall be billed by the Company to the appointee.

Resolved further that in the event of absence or inadequacy of profits in any financial year, the above shall be treated as the minimum remuneration payable to Shri R. K. Gupta and shall be governed by Section II of Part II of Schedule XIII to the Companies Act, 1956 as amended from time to time.

Resolved further that the Board of Directors be and is hereby authorised to alter and vary any of the aforesaid terms in regard to remuneration and perquisites within the ceiling laid down in Schedule XIII to the Companies Act, 1956 as amended from time to time.

NOTICE (Contd.)

Resolved further that for giving effect to this resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary.

8. To consider and if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

Resolved that pursuant to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (as amended and prevailing for the time being) or any other law in force, the consent of the Company be and is hereby accorded to the appointment of Shri Manish Agrawal as Wholetime Director of the Company for a period of five years with effect from 22nd August 1997 on the following terms and conditions:

Salary: Rs. 14,000/- per month

Housing: The expenditure incurred by the Company on hiring unfurnished accommodation subject to a ceiling of 50% of salary OR

In case no accommodation is provided by the Company, House Rent Allowance shall be paid @ 50% of salary.

Medical Reimbursement: Expenses incurred on self and family subject to one month's salary in a year or three months salary over a period of three years.

Leave Travel Concession: Entitled to travel with family once in a year subject to a ceiling of one month's salary.

Club Fee: Fees of clubs subject to maximum of two clubs excluding admission and life membership fee.

Personal Accident Insurance: Premium not to exceed Rs. 4,000/- per annum.

Explanation: Family shall mean to include the spouse, dependent children and dependent parents of the appointee.

Contribution to Provident Fund: upto a maximum of 10% of salary

Gratuity: Half month's salary for each completed year of service

Telephone: Provision of telephone at the residence with personal long distance calls to be billed by the Company to the appointee.

Conveyance: Provision of car with driver for the use on company's business. The use of car for personal purpose shall be billed by the Company to the appointee.

Resolved further that in the event of absence or inadequacy of profits in any financial year, the above shall be treated as the minimum remuneration payable to Shri Manish Agrawal and shall be governed by Section II of Part II of Schedule XIII to the Companies Act, 1956 as amended from time to time.

Resolved further that the Board of Directors be and is hereby authorised to alter and vary any of the aforesaid terms in regard to remuneration and perquisites within the ceiling laid down in Schedule XIII to the Companies Act, 1956 as amended from time to time.

Resolved further that for giving effect to this resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary.

9. To consider and if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

Resolved that in accordance with the provisions of Section 16, 94 and all other applicable provisions of the Companies Act, 1956 (including any amendments, modifications thereof) the Authorised Share Capital of the Company be and is hereby increased from Rs. 6,00,00,000/- (Rupees six crores) divided into 60,00,000 (sixty lakhs) Equity Shares of Rs. 10/- (Rupees ten) each to Rs. 12,00,00,000/- (Rupees twelve crores) divided into 60,00,000/- (sixty lakhs) Equity Shares of Rs. 10/- (Rupees ten) each and 60,00,000 (sixty lakhs) Unclassified Shares of Rs. 10/- (Rupees ten) each and consequently the existing Clause V of the Memorandum of Association of the Company relating to Share Capital be and is hereby altered by deleting the same and substituting the following new Clause V:

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- V. The Authorised Share Capital of the Company is Rs. 12,00,00,000/- (Rupees Twelve Crores) divided into 60,00,000 (sixty lakhs) Equity Shares of Rs. 10/- (Rupees ten) each and 60,00,000 (sixty lakhs) Unclassified Shares of Rs. 10/- (Rupees ten) each, with power to the Company to increase or reduce the capital of the Company and to divide the shares into several classes and to attach thereto such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by the Board in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.
10. To consider and if thought fit, to pass, with or without modifications, the following resolution as a **SPECIAL RESOLUTION**:
Resolved that in accordance with the provisions of Section 31 and all other applicable provisions of the Companies Act, 1956 (including any amendments, modifications and/or re-enactment(s) thereof for the time being in force) the Articles of Association of the Company be and are hereby altered as under:
Existing Article No. 3 and 5(a) of the Articles of Association of the Company, be and are hereby deleted and be substituted in their respective places by the following amended articles:
- (i) **Amended Article 3:**
Power to buy back:
3. Notwithstanding anything contained in any other Article but subject to the provisions of the Companies Act, 1956, or any statutory modification(s) or re-enactments(s) thereof, the Company may from time to time and at any time purchase/acquire any of its own shares.
- (ii) **Amended Article 5(a):**
Shares:
5(a) The Authorised Share Capital of the Company is Rs. 12,00,00,000/- (Rupees Twelve Crores) divided into 60,00,000 (sixty lakhs) Equity Shares of Rs. 10/- (Rupees ten) each and 60,00,000 (sixty lakhs) Unclassified Shares of Rs. 10/- (Rupees ten) each, with power to the Company to increase or reduce the capital of the Company and to divide the shares in the capital into several classes and to attach thereto such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by the Board in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may, for the time being be provided in the Articles of Association of the Company.
11. To consider and if thought fit, to pass, with or without modifications, the following resolution as a **SPECIAL RESOLUTION**:
Resolved that subject to the provisions of the Companies Act, 1956 (including any statutory modifications, and/or re-enactment thereof for the time being in force) and subject to such other approvals, permissions and sanctions, as may be prescribed or imposed and agreed to by the Board of Directors of the Company, the consent of the Company be and is hereby accorded to the Board of Directors to acquire/purchase any of its own shares on such terms and conditions and upto such limits as may be prescribed under law from time to time, provided that the acquisition/purchase of such shares be not construed as reduction of capital which is subject to regulations as contained in Sections 100 to 104 and section 402 of the Companies Act, 1956, for the time being in force.
Resolved further that the Board of Director of the Company be and is hereby authorised to do all such acts, deeds and things as may be deemed proper for implementation of this resolution.



NOTICE (Contd.)

12. To consider and if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

Resolved that in supersession of the resolution passed by the members of the Company at General Meeting held on 16th November 1992, the consent of the Company is hereby accorded in pursuance of Section 293(1)(d) of the Companies Act, 1956 to the Board of Directors of the Company to borrow from time to time all such sums of money as may be deemed necessary for the purpose of business of the Company from The Industrial Finance Corporation of India Ltd., Oriental Bank of Commerce and/or any other Financial Institution(s), Bank(s) and/or any other parties whether in Indian rupees or in foreign currencies by way of loans and/or deposits and/or credit facilities and/or deferred payment facilities and/or issue of debentures and/or by way of any other instrument or mode notwithstanding that the aggregate amounts to be borrowed together with monies already borrowed (apart from temporary loans obtained from Company's bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose provided that the total amount upto which the monies may be borrowed by the Board shall not exceed the aggregate of the paid up capital and free reserve of the Company by more than Rs. 50,00,00,000/- (Rupees fifty crores only)

13. To consider and if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

Resolved that in supersession of the resolution passed by the members of the Company at the General Meeting of members held on 16th November, 1992, the consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 to the creation by the Board of Directors of the Company of such mortgages, charges and hypothecations in additions to the existing mortgages, charges and hypothecations on assets of the Company, both present and future, in such manner as the Board may deem fit, in favour of all or any of the financial institutions, banks or any other investing agencies/bodies, Trustees for the holders of debentures/bonds/other instruments which may be issued and subscribed by placement or otherwise, to secure rupee/foreign currency loans, debentures, bonds or other instruments of an equivalent aggregate amount not exceeding at any point of time Rs. 50,00,00,000/- (Rupees fifty crores).

Resolved further that the Board of Directors of the Company be and is hereby authorised to finalize the terms and conditions of raising money from any or all of the aforesaid parties and to do all such acts, deeds, matters and things and to execute all such documents and writings as may be necessary in this regard.

14. To consider and if thought fit, to pass, with or without modifications, the following resolution as a **SPECIAL RESOLUTION:**

Resolved that in accordance with the provisions of Sections 80 and 81 and other applicable provisions, if any, of the Companies Act, 1956 and subject to provisions of the Memorandum and Articles of Association of the Company, listing agreements executed with the stock exchanges, approvals, if required, of the Central Government, Securities and Exchange Board of India (SEBI), Reserve Bank of India, Financial Institutions and all such other authorities as may be applicable under various laws, rules and regulations for the time being in force or amended from time to time and further subject to such terms, conditions and modifications as may be prescribed while granting approvals, which the Board of Directors is authorised to accept, consent of the Company be and is hereby accorded to the Board of Directors to create, issue, offer and allot, at its sole discretion, shares whether equity or preference, bonds, debentures, whether fully or partly convertible or non convertible, with or without detachable warrants or any other type of permissible securities or instruments upto an amount not exceeding Rs. 15,00,00,000/- (Rupees Fifteen crores only) at such terms and conditions as the Board may deem fit either to members, employees, NRI's, Financial Institutions, Foreign Institutional Investors, Body/Bodies Corporate, Overseas Body/

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NOTICE (Contd.)

Bodies Corporate, any other person(s) or entities whether shareholders of the Company or not, either by public issue, rights issue, private placement, preferential allotment, conversion of loans or by any combination of the above methods, whether subscribed in Indian or foreign currency on such terms and conditions whether at one time or from time to time as may be deemed appropriate by the Board of Directors of the Company.

Further Resolved that for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds and things as may be required to be done in this connection.

15. To consider and if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

Resolved that pursuant to Section 372 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government, Reserve Bank of India and other authorities as may be required, the Board of Directors of the Company be and is hereby authorised to invest a sum not exceeding Rs. 5,00,00,000/- (Rupees five crores only) by way of subscription, purchase or otherwise in shares and/or convertible debentures or warrants or any other instrument of any Body/Bodies corporate in India or abroad (existing or which may be promoted) and whether under the same management or otherwise, notwithstanding that such investment, together with existing investments of the Company and of its subsidiaries, in all other bodies corporates may exceed all or any of the limits prescribed or as may be prescribed from time to time, under the provisions of Section 372 of the Companies Act, 1956 and the proviso thereto. Resolved further that the Board of Directors of the Company be and is hereby authorised to determine the actual sum to be invested in any other Body/bodies corporate and to decide all or any other matter arising out of or incidental to the proposed investment and to do all such acts, deeds and things as may be necessary to implement the resolution. Resolved further that the Board of Directors of the Company be and is hereby further authorised to accept any modifications or stipulations which may be suggested by the Central Government, Reserve Bank of India or any other authorities whose approvals are sought and as may be acceptable to the Board of Directors and to decide on all or any matters arising out of and incidental to the proposed investments without any further reference to the Company in General Meeting.

**By order of the Board
For Vintron Industries Ltd.,**

Pankajrai S. Mittal
Company Secretary

Place: New Delhi
Dated: 22nd August 1997

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- (b) The Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 is annexed.
- (c) The documents referred to in the Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all working days except Sundays between 2.00 P.M. to 4.00 P.M. upto the date of Annual General Meeting.
- (d) The Register of Members and Share Transfer Books of the Company shall remain closed from 22nd September, 1997 to 30th September, 1997 (both days inclusive).
- (e) Members are requested to bring their copies of Annual Report to the Meeting as spare copies will not be available.

EXPLANATORY STATEMENT

In conformity with the provisions of Section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the Notice and should be taken as forming part thereof.

Item No. 5

Shri P. K. Mittal was appointed as an additional Director on 2nd May 1997 by the Board of Directors. In terms of the Companies Act, 1956, he holds office upto the date of the Annual General Meeting. Shri P. K. Mittal is eligible for appointment as Director and in respect of whom a notice has been received from a member of the Company notifying his intention of proposing his name for appointment as a Director at the annual General Meeting. In view of his varied experience, it is in the interest of the Company to appoint Shri P. K. Mittal as a Director of the Company. None of Directors except Shri P. K. Mittal himself is interested in the said appointment. The Directors recommend his appointment.

Item No. 6

Shri R. K. Gupta was appointed as Managing Director of the Company on 14th August 1995 by the Board of Directors of the Company and the appointment was later confirmed and approved by members in the Annual General Meeting held on 29th September 1995. However, the Board of Directors appointed Shri P. K. Mittal as Managing Director on 28th May 1997. The remuneration package proposed for Shri P. K. Mittal is within the prescribed limits under Schedule XIII of the Companies Act, 1956. None of Directors except Shri P. K. Mittal himself is interested in the said appointment. Your Directors recommend his appointment.

Item No. 7

Shri R. K. Gupta was appointed as Managing Director in the Fourth Annual General meeting held on 29th September 1995. However, in the meeting of Board of Directors of the Company held on 28th May 1997, Shri P. K. Mittal was appointed as the Managing Director. Subsequently the Board in their meeting held on 22nd August 1997, appointed Shri R. K. Gupta as Wholetime Director and designated him as Chairman. The remuneration package offered to Shri R. K. Gupta is within the prescribed limits under Schedule XIII to the Companies Act, 1956. Your Directors recommend the resolution for your approval. Except Shri R. K. Gupta himself no other Director may be treated to be concerned or interested in the resolution.

Item No. 8

Shri Manish Agrawal has been on Company's Board since incorporation. Shri Manish Agrawal is an Engineering Graduate from Nagpur University. He has extensive experience in marketing of IT products in the country. The Board of Directors in their meeting held on 22nd August 1997 appointed Shri Manish Agrawal as Wholetime Director for five years. The remuneration package offered to Shri Manish Agrawal is within the prescribed limits under Schedule XIII to the Companies Act, 1956. Your Directors recommend the resolution for your approval. Except for Shri Manish Agrawal himself no other Director may be treated to be concerned or interested in the resolution.