

SECOND ANNUAL REPORT

1999 - 2000



Online Media Solutions Limited

.....encompassing the Digital World

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Shareholders are requested to kindly bring their copies of Annual Report to the Meeting. Please note that copies of the Report will not be distributed at the Annual General Meeting, and **gifts or conveyance expenses** will **not** be given.

Company Information

Board of Directors

Mr. K. Srinivasa Rao	-	Managing Director
Mrs. KVN Lakshmi	-	Executive Director
Mr. Raju L. Kanchibotla	-	Technical Director
Mr. M. Srinivas Rao	-	Technical Director
Mrs. M. Sushma Kumar	-	Technical Director

Vice President (Admn)

Mr. K.S. Jagannathan

Auditors

M/s Ghantasala & Co.
1-10-5, Upstairs,
Ashok Nagar,
Hyderabad – 500 020

Company Secretary

Mr. B. Pavan Kumar

Bankers to the Company

Central Bank of India,
Charminar Branch,
Hyderabad

The Tamilnadu Mercantile Bank Ltd,
Kishanganj Branch, Hyderabad.

The A.P.Mahesh Co-op Urban Bank Ltd,
Himayath Nagar Branch, Hyderabad.

Notice of the Second Annual General Meeting.

NOTICE is hereby given that the 2nd Annual General Meeting of Online Media Solutions Limited will be held on **Friday, the 29th September, 2000** at 11.00 a m, at Lions Bhavan, Lakpath Buildings, S.D. Road, Secunderabad- 500 003, to transact the following ordinary and special business.

Ordinary Business :

1. To receive, consider and adopt the Audited Profit and Loss A/c for the year ended on 31st March 2000 and Balance Sheet as on that date together with the Directors' and Auditor's Report there on.
2. To appoint Auditors and fix their remuneration.

Special Business :

3. To consider and, if thought fit, to pass, with or without modifications(s), the following resolution as an Ordinary Resolution.

"RESOLVED THAT Smt. Sushma Kumar . M. who was appointed as an additional Director of the company by the Board of Directors and who ceases to hold office under Section 260 of the Companies Act, 1956 at the ensuing Annual General Meeting and in respect to whom the Company has received a notice under section 257 of Companies Act, 1956 in writing from a member proposing her candidature for the office of a Director, be and is hereby appointed as a Director of the company, liable to retire by rotation, on a remuneration as may be fixed by the Board of Directors of the Company in accordance with the relevant provisions of various Statutes".

4. To consider and, if thought fit, to pass, with or without modifications(s), the following resolution as an Ordinary Resolution.

"RESOLVED THAT Sri. Raju . L. Kanchibotla who was appointed as an additional Director of the company by the Board of Directors and who ceases to hold office under Section 260 of the Companies Act, 1956 at the ensuing Annual General Meeting and in respect to whom the Company has received notice under section 257 of Companies Act, 1956 in writing from a member proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the company, liable to retire by rotation on a remuneration as may be fixed by the Board of Directors of the Company in accordance with the relevant provisions of various Statutes".

5. To consider and, if thought fit, to pass, with or without modifications(s), the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to section 257 of Companies Act, 1956 Sri K. Basi Reddy in respect to whom the Company has received notice in writing from a member proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the company, liable to retire by rotation

on a remuneration as may be fixed by the Board of Directors of the Company in accordance with the relevant provisions of various Statutes”.

6. To consider and, if thought fit, to pass, with or without modifications(s), the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to section 257 of Companies Act, 1956 Sri M.V.K. Subba Rao in respect to whom the Company has received notice in writing from a member proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the company, liable to retire by rotation on a remuneration as may be fixed by the Board of Directors of the Company in accordance with the relevant provisions of various Statutes”.

By order of the Board

Date : 19-08-2000
Place : Hyderabad

Sd/-
B. PAVAN KUMAR
Company Secretary

NOTES:

1. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item no. 3 to 6 of the notice is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON BEHALF OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER.
3. Instrument of proxies in order to be effective must be deposited at the Company's registered office i.e., Online Media Solutions Limited, 3-5-874/A, 302 & 303, 4th Floor, Vipanchi Estate, Hyderguda, Hyderabad – 500 029 before not less than forty eight hours preceeding the meeting.
4. The Register of Members and Share Transfer Books will remain closed on September 29th , 2000.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item no. 3 to 6 of the notice:

Item No. 3

Smt. M Sushma Kumar, Director, aged 26 years has completed her II year Graduation in Science, from Bangalore University, she is also a topper in Higher Diploma in Software Engineering from Aptech Limited, Secunderabad . She has been associated with the company as a Director in co-ordinating training segment of the Company since 1.12.99. Her contribution to the company in its growth is appreciable, and with her experience and knowledge the company can attain success in all its endeavors. Hence your directors recommend the Resolution.

None of the Directors are interested in this Resolution.

Item No. 4

Sri Raju L Kanchibhotla, aged 43 years, has completed Post Graduation in Science with physics as specialization in 1977 from Osmania University. He is also a Diploma holder in Computer Programming from Osmania University, and has done Pre-P.hd. in image processing from Osmania University in 1984. He is an author of 40 publications in image processing and special filtering. He has been associated with the company since 1.12.99 as Technical Director and has contributed to shaping the Company's future greatly. Your directors recommend this Resolution.

None of the Directors are interested in the Resolution.

Item No. 5

Sri K. Basi Reddy presently residing in USA is a graduate in Agricultural Sciences and has completed Japanese Management Programme at Sophia University in Tokyo, Japan in 1977. Then completed his MS in Food Science at University of Arkansas at Fayetteville Campus in 1980. He is a Director in Microboards Technology LLC (World Wide Operations) and president (CEO) of Digiquest Corporation, USA. Sri K. Basi Reddy has 10 years of rich experience in the information Technology sector. The Management of your company is of the opinion that the company can take advantage of his knowledge and vast experience in various fields apart from the information Technology. The company would also be able to take up the assistance of Sri. K. Basi Reddy in marketing the products and managing overseas projects. Hence your Directors recommend this Resolution.

None of the Directors are interested in the Resolution.

Item No. 6

Mr. Subba Rao Meduri has a Bachelor's degree in Electronics and Communications from REC Warangal, and earned a masters degree in Electric Engineering from IIT Kanpur. After college, he joined Wipro Corporation's software group in Bangalore, India as a Senior Software Engineer and was involved in designing turn-key software solutions to Wipro's clients. He worked as a consultant at Nortel Networks research labs designing infrastructure support tools for their Transport Node Optical Networking products. He worked as a Principal Software Engineer at Netstream inc., a startup company based in Pittsburgh USA, where he was responsible for architecting and designing File Systems accelerators for over two years. He is currently working as an Advisory Software Engineer at IBM corporation designing Distributed Storage and Internet solutions. He has an experience of 10 years in the Information Technology sector. The Management of your company envisages substantial business benefit in availing his Technical expertise and business contacts abroad in different fields of Information and Technology. Hence your directors recommend this Resolution.

None of the Directors are interested in the Resolution.