

# **VXL INSTRUMENTS LIMITED**

TRANSCRIPT FOR THIRTY FOURTH (34<sup>TH</sup>) ANNUAL GENERAL MEETING OF THE COMPANY CONVENED **ON FRIDAY, THE 18TH DAY OF DECEMBER 2020** OVER VIDEO CONFERENCING (“VC”) / OTHER AUDIO VISUAL MEANS (“OAVM”) IN COMPLIANCE WITH GENERAL CIRCULAR NUMBERS 20/2020, 14/2020 AND 17/2020 AND ALL OTHER APPLICABLE LAWS AND CIRCULARS ISSUED BY THE MINISTRY OF CORPORATE AFFAIRS (MCA), GOVERNMENT OF INDIA AND SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI).

(2.00 PM to 2.16 PM)

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Corporate Participants:

Mr. M. V. Shetty	- Wholetime Director and Member
Mr. Vivek Gupta	- Independent Director
Mr. Rakesh Shridas Damani	- Independent Director
Mr. Kishan S Rao	- Chief Financial Officer
Ms. Roopa Hegde	- Company Secretary and Compliance Officer
Mr. Vijayakrishna K T	- Secretarial Auditor
Mr. Sanjay Parab	- Scrutinizer for the Meeting

And

Shareholders

<b>Moderator</b>	Sir, on the count of 10, 9,8,7,6,5,4,3,2,1... we are live now.
<b>Mr. M V Shetty (Chairman of the Meeting):</b>	<p>Good Afternoon, Ladies and Gentlemen. I hope, I am audible to everybody.</p> <p>I, having been appointed as Chairman of this Meeting, have great honour and privilege to welcome you all to this Thirty Fourth Annual General Meeting being held through Video Conferencing. On behalf of the Board of Directors of the Company, I extend a very warm welcome to all of you to this 34th Annual General Meeting. I hope you and your families are taking necessary precautions to remain safe and healthy during the ongoing Covid-19 Pandemic.</p> <p>In view of disruptions caused by COVID-19, the Ministry of Corporate Affairs (MCA) and SEBI have permitted the Companies to hold the Annual General Body Meeting through Video Conferencing or other Audio-Visual Means. Accordingly, 34th AGM of your Company is being held through Video Conferencing VC in short.</p> <p>I call the Meeting to order, as we have the requisite quorum present through VC to conduct the proceedings of this meeting. Participation of members through VC is being reckoned for the purpose of quorum as per the circulars issued by MCA and as per Section 103 of the Companies Act, 2013. This meeting is being</p>

held through VC in accordance with the circular issued by the MCA and SEBI.

MCA and SEBI Circulars dispensed with the requirement of dispatching the physical copies of Notice and Annual Report 2019-20 for this AGM. Hence, Notice of this Meeting along with the Annual Report has been sent electronically to all the Members entitled to receive the same. I, therefore, Ladies and Gentlemen, with your permission, take the Notice as read.

Before starting the proceedings, let me introduce the Directors present thru VC in today's AGM.

Mr. Kishan S Rao, CFO (KMP), Ms. Roopa Shridhar Hegde, Company Secretary and Compliance Officer.

Mr. Sanjay Parab, Practising Company Secretary, Scrutinizer for this AGM and Mr. Vijayakrishna KT, Secretarial Auditor, are also participating in this AGM.

Exemption was granted to Statutory Auditors of your Company from attending this Annual General Meeting.

I am sure that all of you have received the Annual Report and that you have studied the same.

As the Notice is already circulated to all the Members, may I

	<p>please take the Notice of the Meeting as read.</p> <p>I now request Ms. Roopa Shridhar Hegde, Company Secretary, to provide general instructions to the members regarding participation in this meeting and also request her to read the relevant part of the Auditor's Report containing their views.</p>
<p><b>Ms. Roopa Hegde (Company Secretary)</b></p>	<p>Thank you, Sir.</p> <p>Good afternoon dear Members.</p> <ul style="list-style-type: none"> <li>• The Company has enabled the Members to participate at the 34th AGM through the video conferencing facility provided by CDSL in compliance with the applicable circulars issued by the Ministry of Corporate Affairs and SEBI.</li> <li>• Members have been provided with the facility to exercise their right to vote by electronic means, both through remote e-voting and e-voting at the AGM in accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations.</li> <li>• The Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, may vote through e-voting facility provided by CDSL.</li> <li>• The Company has appointed Mr. Sanjay Parab, Practising Company Secretary, as the Scrutinizer who will collate the voting results of the remote e-voting and the e-voting at the AGM for each of the items as per the Notice.</li> <li>• Members are requested to refer additional information provided in the Notes to AGM Notice.</li> <li>• The Register of Directors and Key Managerial Personnel, the</li> </ul>

Register of Contracts or Arrangements, has been made available electronically for inspection by the members during the AGM. Members seeking to inspect such documents can send their requests to cs@vxl.net.

- As the AGM is being held through VC, the facility for appointment of proxies by the Members was not applicable and hence, the proxy register for inspection is not available.

- The Company had requested Members to register as speakers during the Annual General Meeting in case of any queries. Accordingly, few have registered as speakers. We will arrange for Q and A session at the end of this meeting.

Further, there are no Qualified Opinions in Auditor's Report.

I now draw your attention to the relevant part of the Secretarial Auditor's Report exhibiting their views in relation to the Qualified Opinion given on page no. 35 of the Annual Report:

1. Certain details which are prescribed under Schedule V of SEBI (Listing Obligations and Disclosure Requirements), 2015 were not included in the Corporate Governance Report of Annual Report for the FY 2018-19.

2. Compliances on Secretarial Standards on Board Meetings i.e., SS – 1 is not satisfactory.

The Board's Responses exhibited on page no.17 of the Annual

	<p>Report:</p> <ol style="list-style-type: none"> <li>1. The Company has taken corrective actions and ensure that all the prescribed details were included in the Corporate Governance Report.</li> <li>2. The Company has taken necessary actions to comply with the Secretarial Standards on Board Meetings.</li> </ol> <p>Thank you very much. I hand over to the Chairman to continue with the proceedings.</p>
<p><b>Mr. M V Shetty (Chairman of the Meeting)</b></p>	<p>Thank you, Roopa. The Company has taken all the efforts feasible under the circumstances to enable Members to participate and vote on the items being considered at the meeting.</p> <p>As there are no modified qualifications in the Independent Auditor's Report on the Financial Statements of the Company for the financial year 2019-20, there is no need to read out. Further, modified qualifications in the Secretarial Auditor's Report, the same are already read out.</p> <p>I now brief you on the highlights of the operations of the Company for the year 2019-20.</p> <p>As you all know, this is being a very difficult year for all of us. However, we have tried to give our best. Some of the sealing points are:</p>

In our operations we have used Just-in-Time technology for ordering the raw material for the product and thereby reduced the inventory. So that by reducing the inventory cost and we have tried to repay all the major loans, co-operate loans etc so that some burdens comes down. That is as per the factory side is concerned.

From the R and D side, we have introduced two hardware products. One is called IQL-2 which is small product 4\*4 inches which mounts behind monitor and another one is called IQL-3 similar product, difference is that it can accommodate Solid State Disk Drive.

From the software side, we have the software called Fusion Secure Desktop which will enable user to secure work from home and received good response from the customers, hoping to good order for this product. Coming over to the Ordinary Business.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements including Audited Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss and Cash Flow of the Company as on that date together with the Board's Report and the Secretarial Audit Report and Independent Auditor's Report thereon.

2. To appoint a Director in place of Mr. M V Shetty (holding DIN: 00515711), Director who retires by rotation and being eligible,

offers himself for re-appointment.

**SPECIAL BUSINESS:**

3. To appoint Mrs. Mini Bhuwania (holding DIN: 08640692) as Director.

4. To approve Material Related Party Transactions with Priya Limited.

5. Re-classification of the Promoters of the Company.

If any Member desires to seek any clarifications, pertaining to any item on the Notice, he or she may do so now by clicking the right hand button on the chat option. Members are requested to keep their questions brief and specific. The moderator, a representative from CDSL will facilitate questions on the video feature. Members may also note that the Company reserves the right to limit the number of Members asking questions depending on the availability of time.

Members are requested to mention their name and their Folio ID or Client ID before asking their questions. In the interest of time, consolidated reply will be given at the end.

I now draw your attention to Mr. Dnyaneshwar K Bhagwat, Shareholder of the Company who has forwarded a note



	<p>congratulating the Company and complemented the company for sending the Annual Report in time. He wanted to know service of any Employees have been terminated and the number of employees Working From Home. We have replied to him also that we have not taken such steps and all employees are continuing. Further, we have also replied on the number of employees Working from Home.</p> <p>Now, I request Moderator to enable Mr. Dnyaneshwar K Bhagwat (bhagwat_dnyaneshwar@yahoo.com) to participate in the proceedings.</p> <p>Mr. Bhagwat.....</p>
<b>Moderator</b>	<p>Yes Sir, I will check.</p> <p>I am sorry Sir, Mr. Dyaneshwar is not present as attendee, He was there initially. But I think might be he is disconnected.</p>
<b>Mr. M V Shetty (Chairman of the Meeting)</b>	<p>Ok. In that case, we will proceed with the further points.</p> <p>Members who are yet to vote are now requested to cast their votes using the e-voting facility of CDSL. E-voting facility will be available for 30 more minutes from the conclusion of this AGM.</p> <p>The results of the remote E-voting and e-voting during the AGM will be declared on receipt of Scrutinizer's Report and placed on Company's website and sent to Stock Exchange.</p> <p>On behalf of the Board of Directors, I thank you all for participating</p>

	<p>in the Meeting amidst Covid-19 pandemic. I hope to meet all of you in person during the next AGM. I hereby declare the proceedings of this AGM as closed and wish all of you and your family safe.</p> <p>Thank you.</p>
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