



VXL Instruments Limited

Regd. & Corp. Office : 'House of Excellence',
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CIN: L85110KA1986PLC007492



ISO 9001 : 2008
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VXL/BSE/2015-18
December 19, 2015

Department of Corporate Services
Bombay Stock Exchange Limited
Floor 25, P. J. Towers
Dalal Street
MUMBAI – 400 001
Tel.: 022 – 2272 1233/1234

Fax: 022 - 2272 2082/3132

Dear Sir/Madam,

Sub: Outcome of Board Meeting held, today
Ref.: Scrip Code No. 517399 and ISIN: INE756A01019

With reference to the above, we would like to inform you that the Board of Directors of the Company met today, discussed, noted and recorded the performance of its Subsidiary, VXL Instruments Limited, UK. In this regard letter dated December 17, 2015 received from the Subsidiary at UK is attached herewith. Due to continuing losses as stated in the letter attached herewith, the Directors have decided not to recruit new employees unless the business situation of the UK Subsidiary improves.

Kindly treat this as a compliance with the Listing Agreement.

Yours faithfully,
For VXL INSTRUMENTS LTD


Narayana Bhat
CFO & Company Secretary

Registered and Corporate Office: Unit No. 252, 5th Floor, Building No. 2, Solitaire Corporate Park, Chakala, Andheri Kurla Road, Andheri East, MUMBAI - 400093



17th December 2015

Mr. M.V. Nagaraj
VXL Instruments Limited
Electronic City
Hosur Road
Bangalore
India

Dear Nagaraj,

Re : VXL Instruments Limited UK / Operations

As I have been reporting to you time to time, we have got into a very difficult situation here with the UK/European operations. Having lost many of the orders recently, you have seen that we have made consistent losses over the last 6 months in the UK operations, and were having difficulty in making salary payments on time also.

When Philippe and Eric left earlier this year, most of other staff had also started looking for alternatives. Over the last 2 months, all of the UK staff have resigned and we do not have any sales or other staff from last month.

There is no possibility of hiring replacement personnel, as no one seems ready to join a company with such a negative worth. I do not see any possibility of running the UK company as a going-entity unless we are able to recapitalize this fully. This activity will require a substantial financial infusion and such decision lies with the VXL Board.

Until recently, with some activities happening, we have been able to pay down some of the old dues, albeit very slowly. But now with little or no operations, I do not see any source of revenue from where any money can be paid:

We can discuss on this further if required.

Kind regards

Dipak Rao
Director