

**SHIMOGA TECHNOLOGIES LIMITED**

STL/DIR/3009-01/2010
Thursday, 30th September 2010

To
The Secretary,
Bombay Stock Exchange,
P.J. Towers, 25th floor,
Dalal Street,
Mumbai-400 001.

Dear Sir,

Sub: Proceedings of Annual General Meeting held on 30.09.2010.

Today the 19th Annual General Meeting of our Company was held at Seva Sadan Association, 14th Cross, Malleshwaram, Bangalore-560003 at 10.00 A.M. Proceedings of the Annual General meeting enclosed for your record.

This is in compliance with the clause 31 of the Listing Agreement.

Thanking you,

Yours faithfully,
For SHIMOGA TECHNOLOGIES LIMITED

Suresh Shastri
Compliance Officer

**PROCEEDINGS OF THE NINETEENTH ANNUAL GENERAL MEETING OF THE
COMPANY HELD ON THURSDAY, 30th SEPTEMBER 2010 AT SEVA SADAN
ASSOCIATION, 14th CROSS, MALLESWARAM, BANGALORE-560 003 AT 10.00
A.M.**

CHAIRMAN

Shri. Suresh Shastry, Chairman & Director of the Company occupied the chair. As requisite quorum, i.e 83 members were present., the Chairman started the proceedings at 10.00 A.M. and declared the meeting as open. Chairman requested Shri. Sheshadri N to read the notice calling the Annual General Meeting. Shri Sheshadri N before reading the notice informed the meeting that the Statutory Register which are to be placed before the meeting are on the table and remain open for inspection during the meeting and read the notice of the meeting.

The Chairman stated that the Annual Report containing Auditors Report and Directors' Report had already been circulated amongst all members, with their consent, the same was taken as read.

Thereafter Shri. Suresh Shastry, Chairman delivered his speech, touching upon how the Company is carrying its business, reasons for Capital Reduction and amalgamation with Bhagavathi Enterprises Limited. He briefly narrated about how the shareholders of Shamoga Technologies Limited will be benefited with Reduction of share capital and amalgamation with Bhagavathi Enterprises Limited.

Ordinary Business

Item No.1 of Agenda:

The Chairman, before proposing the resolution, invited queries if any from the members on the Accounts of the Company. No query has been raised by the Shareholders.

Then Sri Suresh Shastry, proposed the following ordinary resolution:

"RESOLVED THAT the audited Balance sheet of the Company as on 31st March, 2010 and the Profit and Loss Account for the year ended on that date, together with the Directors' and the Auditors' Reports thereon, be and are hereby received, approved and adopted".



Mr.H.Venkat Ram a shareholder seconded the resolution. The resolution was then put to vote by show of hands and the resolution was passed unanimously.

Item No.2 of Agenda:

Shri Suresh Shastry proposed the following resolution:

"RESOLVED THAT Shri. G.Ananda, who retires by rotation at this Annual General Meeting, being eligible, be and is hereby re-appointed as Director, whose period of office is liable to retire by rotation."

Ms. Usha a shareholder, seconded the resolution.

The resolution was then put to vote by show of hands and the shareholders passed the resolution unanimously.

Item No. 3 of Agenda:

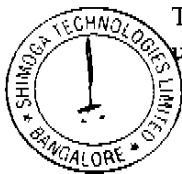
Shri. Suresh Shastry proposed the following resolution for appointment Statutory Auditors other than the retiring Statutory Auditors: -

"RESOLVED THAT Mr. T.Raghavendra Naik, Proprietor, M/S Raghavendra Naik & Associates, Chartered Accountants, Bangalore be and are hereby appointed as Statutory Auditors of the Company in the place of the retiring auditors to hold the office from the conclusion of this Annual General Meeting until conclusion of the next Annual General Meeting at the Remuneration as may be fixed by the Board of Directors."

Shri.Venkatesh Bhat, a shareholder, seconded the resolution.

Chairman thanked the outgoing Statutory Auditors for rendering valuable services for the past few years.

The resolution was then put to vote by show of hands. The resolution was passed unanimously.



Special Business**Item No. 4 of Agenda:**

Shri. Suresh Shastry, Chairman, proposed the following resolution as Special Resolution.

"RESOLVED THAT, pursuant to ~~Clause 3 of the Articles of Association of the Company and other applicable provisions of the Companies Act, 1956~~ and subject to provisions of such other laws or rules or regulation and subject Approval of such other statutory Authorities, the Paid Up equity share Capital of the Company be reduced from Rs.432,00,000/- divided in to 4,32,00,000 shares of Re.1/- each into Rs.43,20,000/- divided into 43,20,000 shares of Re.1/- each and such reduction is effected by cancelling Rs.3,88,80,000/- divided in to 3,88,80,000/- equity shares of Re.1/- each of the paid up equity share capital which is unrepresented by available assets.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to file a scheme to the Hon. Board for Industrial & Financial Reconstruction, for an order confirming the aforesaid reduction and Board of Directors of the Company be and is hereby authorised to sign and verify the scheme, appoint advocates and to do all such acts, deeds and things as may be necessary for obtaining the order of the Hon. Board for Industrial & Financial Reconstruction to the Reduction of Capital in terms of the aforesaid resolution."

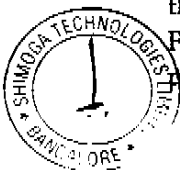
Shri.Venkatesh Kumar B.S a shareholder seconded the resolution.

The resolution was then put to vote by show of hands and the resolution was passed unanimously.

Item No. 5 of Agenda:

Shri. Suresh Shastry, Chairman, proposed the following resolution as Special Resolution.

"RESOLVED THAT pursuant to the provisions of Section 18 of Sick Industrial Companies (Special Provisions) Act, 1985 and other applicable provisions, if any, of the Companies Act, 1956 and subject to sanction of the Hon. Board for Industrial and Financial Reconstruction and ~~subject to obtaining such approvals, consents, permissions and sanctions by Statutory authorities and Courts as may be required,~~



approval be and is hereby accorded for the amalgamation of Bhagavathi Enterprises Limited with Shimoga Technologies Limited".

"RESOLVED FURTHER THAT subject to getting clearance from the Hon. Board for Industrial and Financial Reconstruction, subject to furnishing such information to Stock Exchange and subject to such other approvals as may be required, the consent of the shareholders be and is hereby accorded to the Board of Directors, pursuant to provisions of section 81(1A) and other applicable provisions if any of the Companies Act, 1956, to issue further Equity Shares to the existing shareholders or to persons other than existing shareholders including shareholders of Bhagavathi Enterprises Limited."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to accept and file a scheme before the Hon. Board for Industrial and Financial Reconstruction, for an order confirming the aforesaid amalgamation and issue of further Equity Shares to the existing shareholders or persons other than the existing shareholders including the shareholders of Bhagavathi Enterprises Limited and the Board of Directors of the Company be and is hereby authorised to sign and verify the scheme, appoint advocates and to do all such acts, deeds and things as may be necessary for obtaining the order of the Hon. Board for Industrial and Financial Reconstruction."

Shri T.Dasarath a shareholder seconded the resolution.

The resolution was then put to vote by show of hands. The resolution was passed unanimously by shareholders.

Item No.6 of Agenda:

Shri. Suresh Shastry, Chairman, proposed the resolution with modifications, before proposing he explained that once we increase our authorized capital to Rs.10,00,00,000/- Company need to pay a fees including stamp duty to the extent of Rs 302500/- to Ministry of Corporate Affairs. At the present situation it is not possible for the Company to bear such expense. He proposes to increase authorized capital to Rs.6,00,00,000/- Therefore he proposed the resolution as set out in notice with modifications.



"RESOLVED THAT pursuant to sections 16, 31 and 94 and other applicable provisions, if any, of the Companies Act, 1956, the Authorized Capital of the Company be and is hereby increased from Rs. 4,50,00,000/- (Rupees Four Crores fifty lakhs) divided into 4,50,00,000 equity shares of Re. 1/- each to Rs. 6,00,00,000/- (Rupees Six Crores only) divided into 6,00,00,000 equity shares of Re. 1/- each, ranking pari passu with the existing equity shares.

RESOLVED FURTHER THAT Clause V of the Memorandum of Association of the Company be and is hereby altered to read as follows:

V. "The Share Capital of the Company is Rs.6,00,00,000/- (Rupees Six Crores only) divided into 6,00,00,000 equity shares of Re.1/- each.

RESOLVED FURTHER THAT Clause 3 of the Articles of Association of the Company be and is hereby altered to read as follows:

"3. The authorized Share Capital of the Company is Rs.6,00,00,000/- (Rupees Six Crores only) divided into 6,00,00,000 equity shares of Re.1/- each with power to increase , issue further capital and reduce the capital of the company and to divide or consolidate the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be provided or determined from time to time."

RESOLVED FURTHER THAT the Board of directors be and are hereby authorised to do such other acts and deeds as may be necessary for giving effect to this resolution."

Shri H.Venkatram a shareholder seconded the resolution.

The resolution was then put to vote by show of hands. The resolution was passed unanimously by shareholders.

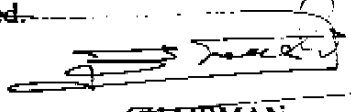
7. Vote of thanks.

Then, Shri. Suresh Shastri, Chairman proposed the vote of thanks.

The Chairman declared the meeting closed.

Date: 30-09-2010

Place: Bangalore


CHAIRMAN