

# **THE AMALGAMATED ELECTRICITY COMPANY LIMITED**

**1999-2000**

**65th Annual Report**

**1999-2000**

**THE AMALGAMATED ELECTRICITY COMPANY LIMITED**

**DIRECTORS**

Shri **KAMLESH GANDHI** *chairman*

Shri **M.B. DALAL**

Shri **B.P. SINHA**

Shri **S.R. MISHRA**

Shri **CHAMPAK KANABAR**

**BANKERS**

**ANDHRA BANK**

MUMBAI

**CITI BANK N.A.**

MUMBAI

**AUDITORS**

Messrs. **GANESH & RAJENDRA ASSOCIATES**

**REGISTERED OFFICE**

17-B, HORNIMAN CIRCLE, FORT

MUMBAI 400 023

**A REQUEST**

The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued in view of the high cost of paper and printing. You are, therefore, requested to bring your copy of the Annual Report at the Meeting. Please bring with you the Entrance Pass duly completed.

## SIXTY FIFTH ANNUAL REPORT 1999-2000

## NOTICE

NOTICE is hereby given that the SIXTY FIFTH ANNUAL GENERAL MEETING of the Members of the Amalgamated Electricity Company Limited will be held at M.C. Ghia Hall, Association of Merchants & Manufacturers of Textile Stores & Machinery (India), Bhogilal Hargovindas Building, 18/20 Kaikhushru Dubash Marg (Old Rampart Row), Mumbai - 400 001 on Wednesday the 27th September, 2000 at 3:30 p.m. to transact the following business:

1. To consider and adopt the audited Balance Sheet as at 31st March 2000 and Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

## SPECIAL BUSINESS

3. To appoint a Director in place of Shri Kamlesh Gandhi who was appointed to fill up the casual vacancy caused by the resignation of the Director Shri G.V. Sirur and to consider and if deemed fit, to pass the following resolution as an Ordinary resolution in respect of which Notice of intention to propose his appointment as a Director has been received by the Company from a member as required under Section 257 of the Companies Act, 1956.

"RESOLVED that Shri Kamlesh Gandhi be and is hereby appointed as a Director of the Company."

4. To appoint a Director in place of Shri S.R. Mishra, who was appointed to fill up the casual vacancy caused by the resignation of the Director Shri P.R. Roy and to consider and if deemed fit, to pass the following resolution as an Ordinary Resolution in respect of which notice of intention to propose his appointment as Director has been received by the Company from a member as required under Section 257 of the Companies Act, 1956.

"RESOLVED that Shri S.R. Mishra be and is hereby appointed as a Director of the Company."

By Order of the Board of Directors  
For THE AMALGAMATED ELECTRICITY COMPANY LIMITED

## Registered Office :

17-B, Horniman Circle,  
Fort, Mumbai 400 023.  
Dated : 3rd August, 2000.

M.B. DALAL  
Director

## NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. The Register of Members and Transfer Books of the Company will remain closed from 23rd September, 2000 to 27th September, 2000 both days inclusive.

## ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 173(3) of the Companies Act, 1956

## Item No. 3 :

Shri Kamlesh Gandhi, who was appointed as a Director to fill up the casual vacancy caused by the resignation of the Director Shri G.V. Sirur, is due for retirement at this Annual General Meeting.

The Company has received a Notice under Section 257 of the Companies Act, 1956 from a member signifying his intention to propose the appointment of Shri Kamlesh Gandhi liable to retire by rotation, as a Director of the Company at this Annual General Meeting. Shri Kamlesh Gandhi is associated with a number of Companies as a Director and his association with the Company will be beneficial. Therefore, the Board recommends his appointment as a Director of the Company.

None of the Directors of the Company is interested in this resolution except Shri Kamlesh Gandhi.

## Item No. 4

Shri S.R. Mishra, who was appointed as a Director to fill up the casual vacancy caused by the resignation of the Director Shri P.R. Roy is due for retirement at this Annual General Meeting.

The Company has received a Notice under Section 257 of the Companies Act, 1956 from a member signifying his intention to propose the appointment of Shri S.R. Mishra liable to retire by rotation, as a Director of the Company at this Annual General Meeting. Shri S.R. Mishra is an Advocate and associated with some Companies as a Director and his association with the Company will be beneficial. Therefore, the Board recommends his appointment as a Director of the Company.

None of the Directors of the Company is interested in this resolution except Shri S.R. Mishra.

By Order of the Board of Directors  
For THE AMALGAMATED ELECTRICITY COMPANY LIMITED

## Registered Office :

17-B, Horniman Circle,  
Fort, Mumbai 400 023.  
Dated : 3rd August, 2000.

M.B. DALAL  
Director

## THE AMALGAMATED ELECTRICITY COMPANY LIMITED

### DIRECTORS' REPORT

The Directors submit their Sixty Fifth Annual Report and Audited Statement of Accounts of the Company for the year ended 31st March, 2000

	1999-2000		1998-99	
	Rupees	Rupees	Rupees	Rupees
<b>FINANCIAL RESULTS :</b>				
Profit for the year		10,65,716		4,20,973
Add/Less : Amount brought forward		(-) 71,11,107		(-) 73,15,974
		(-) 60,45,391		(-) 68,95,001
Add : Depreciation	18,790		18,658	
Provision for Taxation				
(including Rs.87,013 for an earlier year)	4,92,013	5,10,803	1,97,448	2,16,106
Balance to be carried forward		(-) 65,56,194		(-) 71,11,107

### PENDING LEGAL DISPUTES:

- The Appeal filed in Rajasthan High Court by a consumer of the Company's erstwhile Ajmer undertaking involving a claim of Rs. 78,600/- is still pending.
- the Appeal filed by The Karnataka Electricity Board before Supreme Court against the order of Karnataka High Court dealing with the absorption of 29 workmen of the Company's erstwhile Belgaum undertaking, by the said Board, which was decided in favour of the workmen without any liability upon the Company, is still pending for hearing. Although the company is not involved, it has been bracketed as a party to the Appeal. Appropriate steps will be taken to put forward the company's case when the matter comes up for hearing.

### Y2K COMPLIANT:-

The Company is maintaining Accounts manually due to limited activities at present. Necessary steps have been taken for Y2K compliant for software used in respect of Share Holders' record.

### DEPOSITS ACCEPTED FROM PUBLIC :

An amount of Rs.11,400/- relating to 7 Depositors has not been claimed nor any disposal instruction has been received since long and as such the same stands transferred to Unclaimed Deposit Account.

### CONSERVATION OF ENERGY , TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS /OUTGO :

The information required under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors ) Rules, 1988 is Nil both in respect of Conservation of Energy and Technology absorption, as the Company is not engaged in manufacturing activities. In respect of Foreign Exchange earnings/outgo, the particulars are also none.

Particulars under Section 217(2A) of the Companies Act, 1956, reading with the Companies (Particulars of Employees) Rules, 1975 :

There were no employees falling within these provisions

### DIRECTORATE :

The Directors Shri P.R.Roy, Shri G.V.Sirur and Shri C.C.Gandhi have resigned from the Directorship of the Company w.e.f. 17.9.99, 20.9.99 & 28.1.2000, respectively. The Board has recorded its deep appreciation for the valuable services rendered by them during the tenure of office as Directors of the Company.

Shri Kamlesh Gandhi and Shri S.R.Mishra were appointed as Directors of the Company on 24th September, 1999 to fill up the casual vacancies caused by the resignation of the Directors Shri G.V.Sirur and Shri P.R.Roy respectively.

Subsequent to the year ended 31st March, 2000, Shri Champak Kanabar was appointed a Director of the Company on 20th April, 2000 to fill up the casual vacancy caused by the resignation of the Director Shri C.C.Gandhi.

Shri G.V.Sirur and Shri P.R.Roy who had resigned from the Directorship of the Company, were due for retirement by rotation at the ensuing Annual General Meeting and as such Shri Kamlesh Gandhi and Shri S.R.Mishra, who were appointed to fill up the casual vacancies caused by their resignations, are liable for retirement by rotation at the ensuing General Meeting and they seek re-appointment. Notice has been received from a member of a Company in each case separately signifying his intention to propose Shri Kamlesh Gandhi and Shri S.R.Mishra as a Director of the Company.

### AUDITORS

M/s Ganesh & Rajendra Associates, Chartered Accountants, Mumbai, retire at the forthcoming Annual General Meeting and are eligible for reappointment.

A Certificate has been obtained from them to the effect that their appointment, if made, will be within the limit specified in Section 224 (1-B) of the Companies Act, 1956.

Members are requested to appoint Auditors and to fix their remuneration.

**By Order of the Board of Directors**  
**For THE AMALGAMATED ELECTRICITY COMPANY LIMITED**

Mumbai :  
Dated : 3rd August, 2000.

**KAMLESH GANDHI**  
Chairman

## SIXTY FIFTH ANNUAL REPORT 1999-2000

## AUDITORS' REPORT

To

The Members of

## AMALGAMATED ELECTRICITY COMPANY LIMITED

We have audited the attached Balance Sheet of AMALGAMATED ELECTRICITY COMPANY LIMITED, as at 31st March, 2000 and also the Profit and Loss Account of the Company for the year ended on that date, annexed thereto, and report that :-

1. As required by the Manufacturing and Other Companies (Auditors' Report) Order 1988, issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we give in the Annexure a Statement on the matters specified in the said order.
2. Further to our comments in the Annexure referred to in Paragraph (1) above ;
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit ;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books;
  - c) the Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the books of account.
  - d) in our opinion, the Balance Sheet and the Profit and Loss Account dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Company Act, 1956, in so far as they apply to Company.
  - e) in our opinion and to the best of our information and according to the explanations given to us the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :-
    - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2000.
    - and
    - ii) in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date.

For GANESH & RAJENDRA ASSOCIATES  
Chartered Accountants

GANESH MEHTA  
Partner

MUMBAI, DATED : 3rd August, 2000.

## ANNEXURE TO AUDITORS' REPORT

Referred to in Paragraph 1 of our Report of even date.

1. The provisions of Paragraphs 4(c) and 4(d) of the Manufacturing and Other Companies (Auditor's Report) Order, 1988, are not applicable.
2. The Company has maintained generally proper records showing full particulars, including quantitative details and situation of the fixed assets. These fixed assets have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies between the book records and physical inventory have been noticed in respect of the assets physically verified.
3. The Company has not revalued any of its fixed assets during the year.
4. The Company has not obtained any loans from the Companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956, or the Companies under the same Management.
5. The Company has given interest free loan of Rs. 2,04,179/- to its subsidiary viz. Future Electronics Limited. There are no stipulations as regards its repayment. The said loan is doubtful of recovery. Necessary provision has been made in this respect in the accounts.

The Company has given interest free loans from time to time to its wholly owned Subsidiary viz. Khandesh Investments Limited without any stipulations for repayment of the principal amount and the balance due from the said Company at the close of the year is Rs. 30,825/-.

The Company has not given any loans to and/or deposits with the Companies listed in the Register maintained under Section 301 of the Companies Act, 1956.

6. There are no purchases of plant and machinery, equipments and other assets and also stores and raw materials including components during the year.
7. In our opinion and according to information and explanations given to us there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of shares.
8. The Company has not made any transaction of purchase of goods and materials and sale of goods, materials and services with any party in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year to Rs.50,000/- or more in respect of each party.
9. The Company is neither accepting deposits from the public nor renewing the same. In our opinion, the Company has complied with the provisions of Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the unclaimed deposits.
10. As informed to us, the Company is not required to deduct Provident Fund and Employees' State Insurance dues have generally been deposited regularly with the appropriate authorities.
11. According to the information and explanations given to us there were no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty which have remained outstanding as at 31st March, 2000 for a period of more than six months from the date they became payable.
12. The Computer Division of the Company is being operated by its wholly owned Subsidiary - Amalgamated Investments Limited on an appropriate charge. Consequently the provisions of Clauses (ii), (iii), and (iv) of paragraph 4(B) of the Manufacturing and Other Companies (Auditor's Report) Order, 1988, are not applicable.
13. To the best of our knowledge, and on the basis of our examination of the books of accounts and the information and explanations given to us, no personal expenses have been charged to the revenue account.
14. As the Company is not engaged in any manufacturing activity, the provisions of Section 209(1)(d) of the Companies Act, 1956 in respect of maintenance of Cost Records are not applicable.
15. The company is not a sick industrial company within the meaning of section 3(1)(0) of the Sick Industrial Companies (Special provisions) Act, 1985.

For GANESH & RAJENDRA ASSOCIATES  
Chartered Accountants

GANESH MEHTA  
Partner

MUMBAI, DATED : 3rd August, 2000.

## THE AMALGAMATED ELECTRICITY COMPANY LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2000.

	Schedule	Rupees	31st March 2000 Rupees	31st March 1999 Rupees
<b>I. SOURCES OF FUNDS :</b>				
(1) Shareholders' funds :				
(a) Capital	(1)		13,882,560	13,882,560
<b>TOTAL</b>			<u>13,882,560</u>	<u>13,882,560</u>
<b>II. APPLICATION OF FUNDS :</b>				
(1) Fixed assets :	(2)			
(a) Gross block		792,579		792,579
(b) Less : Depreciation		643,071		624,281
(c) Net block			149,508	168,298
(2) Investments	(3)		1,750,440	314,040
(3) Current assets, loans & advances :				
(a) Sundry debtors	(4)	1,182,351		530,602
(b) Cash and bank balance	(5)	5,768		745,676
(c) Loans and advances	(6)	5,675,976		6,145,190
		<u>6,864,095</u>		<u>7,421,468</u>
Less : Current liabilities & provisions :				
(a) Liabilities	(7)	827,575		722,253
(b) Provisions	(8)	610,102		410,100
		<u>1,437,677</u>		<u>1,132,353</u>
Net current assets			5,426,418	6,289,115
(4) Profit and loss account			6,556,194	7,111,107
<b>TOTAL</b>			<u>13,882,560</u>	<u>13,882,560</u>
Notes to the accounts	(11)			

Per our report attached

**For GANESH & RAJENDRA ASSOCIATES**  
Chartered Accountants

**GANESH MEHTA**  
Partner

For and on behalf of the Board

KAMLESH GANDHI Chairman

M. B. DALAL Director

MUMBAI, DATED : 3rd August, 2000.