

**THE AMALGAMATED  
ELECTRICITY COMPANY  
LIMITED**

**2012-2013**

**78<sup>th</sup> Annual Report**

**2012-2013**  
**THE AMALGAMATED ELECTRICITY COMPANY LIMITED**

**DIRECTORS**

**MR. MILAN B. DALAL**

**MR. SATYEN B. DALAL**

**MR. DEEPAK SHETH**

**MR. NITIN E. VELHAL**

**CANARA BANK**

MUMBAI

**THE SOUTH INDIAN BANK LIMITED**

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.

## NOTICE

**NOTICE** is hereby given that the **SEVENTY-EIGHTH ANNUAL GENERAL MEETING** of the Members of **THE AMALGAMATED ELECTRICITY COMPANY LIMITED** will be held on Monday, 30th September, 2013 at 11.00 a.m. at Orchid, First Floor, World Trade Centre, Centre – 1, Cuffe Parade, Mumbai 400 005, to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2013 and the Profit & Loss Account of the Company for the year ended on that date alongwith the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Milan B. Dalal who retires by rotation and is eligible for re-appointment.

### **SPECIAL BUSINESS:**

3. To pass, with or without modification(s), the following resolution as an Ordinary Resolution.

**“RESOLVED THAT** M/s N.M. Pandya & Associates., Chartered Accountants, Mumbai, be and are hereby appointed Auditors of the Company in place of M/s Ganesh & Rajendra Associates, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on a remuneration to be decided by the Board of Directors of the Company.”

**BY ORDER OF THE BOARD**

Mumbai  
Dated: 31<sup>st</sup> May, 2013

**NITIN E. VELHAL**  
**DIRECTOR**

### **NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. The Explanatory Statement in respect of the Special Business is attached and forms part of the Notice.
3. The Register of Members and Share Transfer Books of the Company will remain closed on Monday 30<sup>th</sup> September, 2013.
4. The instrument appointing the proxy should be deposited with the Company at least 48 hours before the commencement of the Meeting.
5. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the Meeting.
6. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in order of the names will be entitled to vote.
7. Members are requested to intimate change of address, if any, to the Company.

**THE AMALGAMATED ELECTRICITY COMPANY LIMITED**

**ANNEXURE TO THE NOTICE**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

The following explanatory statement sets out in detail all material facts relating to the item of Special Business as mentioned in the accompanying Notice convening the Seventy-Eighth Annual General Meeting of the Company.

**Item No.3**

M/s Ganesh & Rajendra Associates, Chartered Accountants, Mumbai, the retiring Auditors of the Company, hold office upto the conclusion of the forthcoming Seventy-Eighth Annual General Meeting. The Company has received a Notice for appointment of M/s N.M.Pandya & Associates, Chartered Accountants, Mumbai, in place and stead of the retiring Auditors. The Company has obtained a certificate from M/s N.M.Pandya & Associates pursuant to Section 224(1-B) of the Companies Act, 1956 to the effect that the appointment, if made, will be within the limits prescribed thereunder.

Hence the Ordinary Resolution.

None of the Directors are deemed to be interested or concerned in the above resolution.

**BY ORDER OF THE BOARD**

Mumbai  
Dated: 31<sup>st</sup> May, 2013

**NITIN E. VELHAL  
DIRECTOR**

## REPORT OF THE DIRECTORS TO THE SHAREHOLDERS

Your Directors present the **SEVENTY-EIGHTH ANNUAL REPORT** of the Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2013.

### FINANCIAL RESULTS

	Amount (₹)	
	Year ended 31 <sup>st</sup> March, 2013	Year ended 31 <sup>st</sup> March, 2012
Profit/(Loss) for the year	(4,53,563)	(1,71,593)
Less: Provision for Taxation	—	36,000
	(4,53,563)	1,35,593
Prior year taxes	(350)	—
Provision for deferred tax	(1,757)	(27,932)
	(4,51,456)	1,63,525
Add/Less: Deficit brought forward from last year	51,31,453	52,94,978
Deficit carried to Balance Sheet	55,82,909	51,31,453

### DIVIDEND

In view of the accumulated losses, your Directors do not recommend any dividend for the year under report.

### NOTE ON DENA BANK MATTER

Subsequent to the year under report, the Special Leave Petition filed by the Company before the Hon'ble Supreme Court against the Orders of the Hon'ble High Court, Mumbai, in the eviction suit of Dena Bank, the owners of the premises on which the Registered Office is situated, against the Company, was rejected vide Order dated 10th May, 2013 and the Company has been directed to hand over possession of the premises to the owners within six months of Mesne Profits to be decided by the executing court.

The Company is now in the process of identifying new premises for its Registered Office and functioning.

### FIXED DEPOSITS

As on 31st March, 2013, there were no fixed deposits remaining overdue.

### DIRECTORS

Mr. Milan B. Dalal retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment.

### PARTICULARS OF EMPLOYEES

During the year under report, there was no employee of the category mentioned in Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and hence information in this regard is not required to be furnished.

### DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm that:

1. In the preparation of the Annual Accounts, the applicable accounting standards have been followed.
2. They have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year covered under this Report and of the profit of the Company for the year.

## THE AMALGAMATED ELECTRICITY COMPANY LIMITED

3. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Annual Accounts have been prepared on a going concern basis.

### COMPLIANCE CERTIFICATE

A compliance certificate received from M/s Sanjay Soman & Associates, Practising Company Secretaries, pursuant to Section 383A(1) of the Companies Act, 1956, read together with the Companies (Compliance Certificate) Rules, 2001, is attached hereto and forms part of this Report.

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

As the Company is not engaged in any manufacturing activity, furnishing of information in respect of conservation of energy and technology absorption as required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 does not arise for your Company.

Further, the Company neither used nor earned any foreign exchange during the year under report.

### SUBSIDIARY COMPANY

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the Subsidiary Company are not being attached with the Balance Sheet of the Company. However the financial information of the Subsidiary Company is disclosed in the Annual Report in compliance with the said circular. The Company will make available the Annual Accounts of the Subsidiary Company and the related detailed information to any member of the Company who may be interested in obtaining the same. The Annual Accounts of the Subsidiary Company will also be kept open for inspection at the Registered Office of the Company and the Subsidiary Company. The Consolidated Financial Statements presented by the Company include the financial results of its Subsidiary Company.

The Subsidiary Company viz. Amalgamated Business Solutions Limited (formerly Amalgamated Investments Limited) has made a profit of ₹ 3.90 lacs during the year ended 31st March 2013.

### AUDITORS

M/s Ganesh & Rajendra Associates, Chartered Accountants, Mumbai, the retiring Auditors of the Company, hold office upto the conclusion of the forthcoming Seventy-Eighth Annual General Meeting. The Company has received a Notice for appointment of M/s N.M.Pandya & Associates, Chartered Accountants, Mumbai, in place and stead of the retiring Auditors. The Company has obtained a certificate from M/s N.M.Pandya & Associates pursuant to Section 224(1-B) of the Companies Act, 1956 to the effect that the appointment, if made, will be within the limits prescribed thereunder.

An Ordinary Resolution proposing the appointment of M/s N.M.Pandya to hold office as Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting forms part of the accompanying Notice.

Your Directors recommend the appointment of M/s N.M.Pandya & Associates as Auditors of the Company.

### ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the co-operation and diligent efforts of the employees of the Associate Companies.

### FOR AND ON BEHALF OF THE BOARD

Mumbai  
Dated: 31<sup>st</sup> May, 2013

NITIN E. VELHAL  
DIRECTOR

DEEPAK SHETH  
DIRECTOR

## COMPLIANCE CERTIFICATE

## THE MEMBERS OF

## The Amalgamated Electricity Company Limited

We have examined the registers, records, books and papers of **The Amalgamated Electricity Company Limited** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the Rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended on 31st March, 2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid Financial Year:

1. The Company is registered under CIN L31100MH1936PLC002497 with the Registrar of Companies, Maharashtra and having its Registered Office at Dena Bank Building, 1st Floor, 17-B, Horniman Circle, Fort, Mumbai 400023 has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns prescribed under the Act and the rules made thereunder as stated in Annexure 'B' to this certificate with the Registrar of Companies, Maharashtra or other authorities within the time prescribed under the Act.
3. The Company is a Public Limited Company, comments are not required.
4. The Board of Directors duly met 5 (five) times on 15th May, 2012, 30th June, 2012, 14th August, 2012, 12th November, 2012, and 13th February, 2013 in respect of which Meetings, proper Notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members on 13th August 2012 and necessary compliance of Section 154 of the Act has been made.
6. The 77th Annual General Meeting for the Financial Year ended on 31st March, 2012 was held on August 13, 2012 after giving due Notice to the Members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book of the Company.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has entered into certain contracts/arrangements for services sold which were of special nature, which are outside the purview of Section 297 of the Act.
10. The Company has made necessary entries in the Register maintained under Section 301 of the Act.
11. The Company has obtained necessary approvals from the Board of Directors and Members pursuant to Section 314 of the Act wherever applicable.
12. The Share Transfer Committee, constituted by the Board of Directors, has approved the issue of duplicate share certificates and the Directors have ratified the same at the next Board Meeting.
13. The Company has:
  - (i) delivered all the certificates on lodgement thereof for transfer/ transmission or any other purpose in accordance with the provisions of the Act.
  - (ii) not declared dividend during the Financial Year ended 31st March, 2012.
  - (iii) duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointments of Directors and Additional Directors have been duly made.
15. The Company has not appointed any Managing Director/Whole-time Director/ Manager during the Financial Year.
16. The Company has not appointed any sole-selling agents during the year.

## **THE AMALGAMATED ELECTRICITY COMPANY LIMITED**

17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies, Maharashtra or such other authorities as are prescribed under the various provisions of the Act during the year under review.
18. All the Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the section 299 Act and the rules made thereunder.
19. The Company has not issued any shares/debentures/other securities during the Financial Year.
20. The Company has not bought back any shares during the Financial Year.
21. The Company has no Preference Share Capital nor has it issued any debentures, hence there had been no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The Company has neither invited nor accepted any deposits during the period under scrutiny.
24. The Company has not borrowed any amount from Directors, Members, public, financial institutions, banks and others during the financial year ended 31st March, 2013.
25. The Company has not made any loans and investments, or given guarantees or provided securities to other bodies corporate during the year under scrutiny.
26. The Company has not altered the provisions of the Memorandum of Association with respect to situation of the Company's Registered Office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum of Association with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum of Association with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum of Association with respect to share capital of the Company during the year under scrutiny.
30. The Company has altered its Articles of Association during the financial year.
31. There was no prosecution initiated against the Company nor were any show cause notices received by the Company and no fines or penalties or any other punishment has been imposed on the Company during the Financial Year for offences, if any, under the Act.
32. The Company has not received any money as security from its employees during the Financial Year.
33. The Company has deposited both employees and employers contribution of Provident Fund with the prescribed authorities.

Place: Mumbai  
Date: 13.08.2013

**For Sanjay Soman & Associates**  
Sanjay Soman (CP 817)

## **Annexure- A**

### **Registers as maintained by the Company**

1. Application for and Allotment of Shares Register
2. Register of Members under Section 150
3. Register of Charges under Section 143
4. Register of Transfers
5. Register of Directors, Managing Directors etc. under Section 303
6. Register of Directors Shareholdings under Section 307
7. Attendance Register
8. Register of Contracts under Section 301
9. Register of Contracts , Companies and Firms in which Directors are interested under Section under Section 301(3)
10. Board Minutes Book and General Body Minutes Book under Section 193
11. Books of Accounts under Section 209
12. Register of Deposits under Section 58A.
13. Register of Investments under Section 49(7)
14. Index of Members under Section 151

## **Annexure B**

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities for the financial year ending on 31st March, 2013

1. Annual Return dated --Form 20 B P90101015 filed on 12/10/2012
2. Audited Statements of Accounts, Directors' And Auditors'Reports thereon. In XBRL Form 23 AC and 23ACA Q07837719 filed on 30.3.2013
3. Secretarial Compliance Certificate u/s 383 A-Form 66 P88653621 Filed on 29.8.2012

# THE AMALGAMATED ELECTRICITY COMPANY LIMITED

## INDEPENDENT AUDITOR'S REPORT

To the Members of The Amalgamated Electricity Company Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of The Amalgamated Electricity Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information, subject to above qualification and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013.
- (b) in the case of the statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Emphasis of Matters

We draw your attention to the note 2 (xvii) (ii) of financial statement in respect of contingent liability which states that the company is liable to pay rent / compensation of ₹ 3,52,16,875/- from 1st September, 2007 to 31st March, 2013 together with interest of ₹ 87,19,514/- consequent to the judgment of Hon'ble Bombay High Court dated 13<sup>th</sup> March 2013. No provisions for the same has been made in the books of accounts towards the referred liability due to which the expenses for current year have been understated by ₹ 4,39,36,389/-. We qualify the report accordingly.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.