

**THE AMALGAMATED
ELECTRICITY COMPANY
LIMITED**

2013-2014

79th Annual Report

2013-2014
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

M/s N. M. PANDYA & ASSOCIATES

REGISTERED OFFICE

BHUPEN CHAMBERS, GROUND FLOOR

UNIT-1, DALAL STREET

FORT, MUMBAI 400 001.

Tel : 022 40509999 Fax : 022 40509900

CIN: L31100MH1936PLC002497

Email: milan@cifco.in

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.

SEVENTY-NINTH ANNUAL REPORT 2013-2014

NOTICE

NOTICE is hereby given that the **SEVENTY-NINTH ANNUAL GENERAL MEETING** of the Members of **THE AMALGAMATED ELECTRICITY COMPANY LIMITED** will be held on Friday, 8th August, 2014 at 11.00 a.m. at **Sir Vithaldas Chambers, 6th Floor, 16, Mumbai Samachar Marg, Fort, Mumbai 400 001**, to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 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. Satyen B. Dalal (DIN 00062822), who retires by rotation at this Annual General Meeting and is eligible for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, M/s N.M. Pandya & Associates, Chartered Accountants, Mumbai, bearing ICAI Registration No. 131008W, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on a remuneration as may be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

4. To appoint Mr. Deepak Sheth (DIN 00077597) as an Independent Director and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, Mr. Deepak Sheth (DIN 00077597), who was appointed as Director liable to retire and whose term expires at this Annual General Meeting, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 3 (three) consecutive years for a term upto the conclusion of the Eighty-Second Annual General Meeting in the calendar year 2017.”

5. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution.

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, the regulations contained in the draft Articles of Association placed at this Meeting and initialled by the Chairman for purposes of identification, be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles thereof.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

BY ORDER OF THE BOARD

Mumbai
Dated: 30th May, 2014

NITIN E. VELHAL
DIRECTOR

THE AMALGAMATED ELECTRICITY COMPANY LIMITED

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. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto and forms part of this Notice.
4. The instrument appointing the proxy should be deposited with the Company at least 48 hours before the commencement of the Meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed on Friday, 8th August, 2014.
6. 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.
7. 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.
8. Members are requested to intimate change of address, if any, to the Company's Registrars and Transfer Agents, .Sharex Dynamic (India) Private Limited Unit-1, Luthra Ind. Premises, 1st Floor, 44-E, M Vasanti Marg, Andheri-Kurla Road, Safed Pool, Andheri (E), Mumbai 400 072.
9. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company from Monday to Friday, during business hours up to the date of the Meeting.
10. Electronic copy of the Annual Report for 2013-14 is being sent to all Members whose email Ids are registered with the Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013-14 is being sent in the permitted mode.
11. Electronic copy of the Annual Report for 2013-14 is being sent to all Members whose email Ids are registered with the Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013-14 is being sent in the permitted mode.
12. Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the 79th Annual General Meeting by electronic means. Members whose names appear in the Register of Members/List of Beneficial Owners as on Monday, 28th July, 2014 are entitled to vote on the resolutions set forth in the Notice. Members who have acquired shares after the dispatch of the Annual Reports and before the book closure may approach the Company for issuance of the user id and password for exercising their right to vote by electronic means. The e-voting will commence on Friday, 1st August, 2014 at 10.00 a.m. and end at 5.00 p.m. on Saturday, 2nd August, 2014. The Company has appointed Ms. Sheetal Arya, Advocate, to act as the Scrutinizer for conducting the scrutiny of the votes cast. Members desirous of voting through electronic mode may go through the procedure on e-voting detailed hereunder:

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select "**THE AMALGAMATED ELECTRICITY COMPANY LIMITED**" from the drop down menu and click on "**SUBMIT**"
- (iv) Now Enter your User ID
 - (a) For CDSL: 16 digits beneficiary ID,
 - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

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(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

(vii) After entering these details appropriately, click on **“SUBMIT”** tab.

(viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the name **“THE AMALGAMATED ELECTRICITY COMPANY LIMITED”** on which you choose to vote.

(xi) On the voting page, you will see **“RESOLUTION DESCRIPTION”** and against the same the option **“YES/NO”** for voting. Select the option **YES** or **NO** as desired.

The option **YES** implies that you assent to the Resolution and option **NO** implies that you dissent to the Resolution.

(xii) Click on the **“RESOLUTIONS FILE LINK”** if you wish to view the entire Resolution details.

(xiii) After selecting the resolution you have decided to vote on, click on **“SUBMIT”**. A confirmation box will be displayed. If you wish to confirm your vote, click on **“OK”**, else to change your vote, click on **“CANCEL”** and accordingly modify your vote.

(xiv) Once you **“CONFIRM”** your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

(xvi) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.

They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.

- A. After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- B. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- C. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

THE AMALGAMATED ELECTRICITY COMPANY LIMITED

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
 - (B) The voting period begins on Friday, 1st August, 2014 at 10.00 a.m. and ends on Saturday, 2nd August, 2014 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, 28th July, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
13. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
14. The Results of e-voting, physical assent/dissent and poll, if any, shall be aggregated and declared on or after the AGM of the Company by the Chairman or by any other person duly authorised in this regard. The Results declared along with the Scrutinizer's Report shall be placed on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.
15. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company between 11.00 am and 1.00 p.m. on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN to the Company's Registrars and Transfer Agents Company's Registrars & Share Transfer Agents.Sharex Dynamic (India) Private Limited Unit-1, Luthra Ind. Premises, 1st Floor, 44-E, M Vasanti Marg, Andheri-Kurla Road, Safed Pool, Andheri (E), Mumbai 400 072.

BY ORDER OF THE BOARD

Mumbai
Dated: 30th May, 2014

NITIN E.VELHAL
DIRECTOR

Registered Office:
Bhupen Chambers, Ground Floor
Unit 1, Dalal Street
Fort, Mumbai 400 001
CIN: L31100MH1936PLC002497
Email: milan@cifco.in

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ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the item of Special Business mentioned in the accompanying Notice conveying the Seventy-Ninth Annual General Meeting.

Item No.4

Mr.Deepak Sheth is an Independent Director of the Company and has held this position for more than 5 (five) years.

The provisions of Section 149 of the Companies Act, 2013 stipulate the conditions for appointment of independent directors by a listed company. Accordingly, it is proposed to appoint Mr.Deepak Sheth as Independent Director in accordance with the provisions of Section 149 of the Act to hold office for 3 (three) consecutive years for a term beginning from the conclusion of this Annual General Meeting till the conclusion of the Eighty-Second Annual General Meeting of the Company in the calendar year 2017.

Mr.Deepak Sheth is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has received a notice in writing from a member in accordance with the provisions of Section 160 of the Act proposing the candidature of Mr.Deepak Sheth for the office of Independent Director of the Company. The Company has also received a declaration from Mr.Deepak Sheth confirming that he meets with the criteria of independence as prescribed both under Section 149(6) of the Act.

The Board is of the opinion that Mr.Deepak Sheth fulfils the conditions as specified in the Act for his appointment as Independent Director and he will be independent of the Management.

Mr.Deepak Sheth has been associated with the Cifco Group of Companies for more than two decades and has been handling several areas of operation including stock-broking, both front and back offices.

A copy of the draft letter for the appointment of Mr.Deepak Sheth as Independent Director setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

Mr.Deepak Sheth is deemed to be interested in the resolutions set out at Item No.4.

The Board commends the Ordinary Resolution set out at Item No.4 of the Notice for approval by the shareholders.

Item No. 5

The Articles of Association of the Company, on its incorporation in 1936, were formulated based on the Companies Act, 1913 which was in vogue then. Subsequently, the Act was replaced by the Companies Act, 1956 and all applicable provisions of the Companies Act, 1956, including enactments and amendments made from time to time were duly incorporated.

With the introduction of the Companies Act, 2013 and the notification of 281 sections, several regulations of the existing Articles will require suitable alterations or deletions, to make the Articles conform to the provisions of the new Act. Given such a scenario, it is considered expedient to replace the existing Articles by a fresh set of Articles which will be in conformity with the provisions of the new Act. The proposed new Articles are based on Table 'F' of the new Act which sets out the model Articles of Association for a company limited by shares.

The Board recommends the Special Resolution set out at Item No.4 of the accompanying Notice for approval by the shareholders.

None of the Directors of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No.5 of the Notice.

BY ORDER OF THE BOARD

Mumbai
Dated: 30th May, 2014

NITIN E VELHAL
DIRECTOR

Registered Office:
Bhupen Chambers, Ground Floor
Unit 1, Dalal Street
Fort, Mumbai 400 001
CIN: L31100MH1936PLC002497
Email: milan@cifco.in

THE AMALGAMATED ELECTRICITY COMPANY LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors present the **SEVENTY-NINTH ANNUAL REPORT** of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2014.

FINANCIAL RESULTS

	Amount (₹)	
	Year ended 31st March, 2014	Year ended 31st March, 2013
Profit)/(Loss) for the year	(1,45,978)	(4,53,563)
Less: Provision for Taxation	--	--
	(1,45,978)	(4,53,563)
Prior year taxes	--	(350)
Provision for deferred tax	--	(1,757)
	(1,45,978)	(4,51,456)
Add/Less: Deficit brought forward from last year	55,82,909	51,31,453
Deficit carried to Balance Sheet	57,28,887	55,82,909

DIVIDEND

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

NOTE ON DENA BANK MATTER

The Hon'ble High Court at Mumbai, while reviewing the LPA of the Company challenging the judgement dated 24th September, 2011 of the Estate Officer as well as the order dated 2nd April had ruled that the Company is liable to pay reduced rent/ compensation @ ₹125/- per sq.ft. and interest @ 9% for the area occupied by the company from 1st September, 2007. Consequently, the company was liable to pay rent/ compensation from 1st September, 2007 to 31st March, 2013 together with interest.

The Company thereafter filed a Special Leave Petition before the Hon'ble Supreme Court in April, 2013 which was disposed off on 10th May, 2013.

Further to the dismissal of the Special Leave Petition by the Hon'ble Supreme Court, the Company handed over the peaceful possession of the premises to Dena Bank on 9th November, 2013. As the Company has handed over peaceful possession of the premises to Dena Bank and as Dena Bank has not initiated any further legal steps in any other court, the Company does not foresee any other liability vide a legal opinion.

SHIFTING OF REGISTERED OFFICE

During the year under report, the premises at Dena Bank Building, 1st Floor, 17-B, Horniman Circle, Fort, Mumbai 400 023, wherein the Company's Registered Office was situated, were required to be surrendered consequent to the Court orders.

Consequently, the Company shifted its Registered Office to Bhupen Chambers, Ground Floor, Unit 1, Dalal Street, Fort, Mumbai 400 001, in compliance with the directive of the Hon'ble Supreme Court to hand over peaceful possession of the premises to Dena Bank.

FIXED DEPOSITS

As on 31st March, 2014, there were no fixed deposits remaining overdue.

DIRECTORS

In terms of the Articles of Association of the Company, Mr.Satyen B.Dalal and Mr.Deepak Sheth retire at the ensuing Annual General Meeting.

The re-appointment of Mr.Satyen B.Dalal, who is not an Independent Director, as Director liable to retire by rotation, forms part of the Notice convening the Seventy-Ninth Annual General Meeting.

Further, the Company has received a notice in writing from a member proposing the candidature of Mr.Deepak Sheth for appointment as Independent Director. The Company has received declaration from Mr.Deepak Sheth confirming that he meets with the criteria of independence as prescribed under of Section 149(6) of the Companies Act, 2013.

Your Directors recommend the appointment of Mr.Satyen B.Dalal as Director liable to retire by rotation as also the appointment of Mr.Deepak Sheth as an Independent Director.

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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.
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

During the year under report, Amalgamated Business Solutions Limited (ABSL), Subsidiary of the Company, made a preferential issue of 1,000 equity shares of ₹10/- each pursuant to Section 81(!A) of the Companies Act, 1956.

Further to the allotment of the said shares, the Company's holding in ABSL reduced to 49.40% of the enhanced capital of ABSL. Consequently, ABSL ceased to be a Subsidiary Company.

AUDITORS

M/s N.M.Pandya & Associates, Chartered Accountants, Mumbai, bearing ICAI Registration No.131008W, hold office as Auditors of the Company upto the conclusion of the forthcoming Annual General Meeting. A certificate has been obtained from them pursuant to Section 224(1-B) of the Companies Act, 1956 to the effect that their appointment, if made, would be within the limits prescribed thereunder.

ACKNOWLEDGEMENTS

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

BY ORDER OF THE BOARD

Mumbai
Dated: 30th May, 2014

NITIN E VELHAL
DIRECTOR

DEEPAK SHETH
DIRECTOR