



Generate, Measure & Manage Energy

Annual Report 2012

ADVANCE METERING TECHNOLOGY LIMITED

**driving
innovation
and life**

FROM THE DESK OF THE CHAIRMAN

On the occasion of the First Annual General Meeting of the company I take this opportunity to welcome the shareholders.

Eon Electric Limited (formerly Indo Asian Fusegear Limited) recently divested its switchgear business to a French company Legrand as slump sale. To utilize the cash generated through the slump sale and in the interest of various stakeholders, the business of Metering Division, Energy Management and Power Generation Business was vested into your company on 8th april 2012, by the scheme of arrangement duly approved by the Hon'ble High Court of Punjab and Haryana vide its order dated 27th March 2012.

The Business of Advance Metering Technology is Energy Centric and is categorised into three related fields viz.

1. Power Generation (mainly Renewable)
2. Electric Meters (Metering)
3. Energy Audit / Management Services.

Power Generation Business

Electricity is a prime mover of economic development. Creation of world class power infrastructure is a prerequisite for sustained development of the economy. India ranks fifth in the world with a total installed capacity of around 17,000 MW of wind power as on 31st March 2012. The growth of wind energy has been largely due to favourable policy, depreciation benefits, generation based incentive and renewable purchase obligation. In 2010, the Indian wind sector experienced its strongest annual growth ever with 2.1 GW of new installations. This trend is likely to continue in 2012-2013.

The Company's plans to install 50 MW of Wind Installed capacity before the end of the year 2014. The company is in the process of installing new wind turbines in the state of Rajasthan in the current year and will end up having an installed capacity of 11.70 MW. Apart from this, the company has also a road map for installation of a reasonable sized Hydro, and Bio Mass Power generation capacity by the end of 2017 to supply renewable green power to the National Grid. With the current capacity, the Company has generated approximately 6 Million units of electricity as on date.

Energy Management Services

The most economical and easiest source of energy is "Energy Conservation" by way of energy efficiency improvement of existing industries and commercial businesses. To reduce the gap between the demand and supply of energy and to encourage resource conservation, the Ministry of Power, Govt of India has launched the "Energy Conservation Act 2001 and subsequent amendment made in 2010. It is now mandatory for designated consumers to make e-filing of energy balance every year. For any commercial building having more than 100 KW load, it is now mandatory to follow "Energy Conservation Building Code". Various States of India are also making the "Energy Audit" mandatory for all the industrial and commercial consumers.

The company has a group of experts for Energy Efficiency improvement and most of them are "Certified Energy Auditors"/Managers. The Company is accredited by the Bureau of Energy Efficiency and is also an empanelled auditor for PCRA, Ministry of Petroleum & Natural Gas for Demand Side Energy Management. The company has already carried out energy audit assignments in various manufacturing industries and commercial buildings. Keeping in view the importance given by the Government in Energy conservation, this vertical of the company has a very bright future.

Metering Business

The Electricity Act 2003 aims at liberalizing the power sector by creating a vibrant and progressive legislative frame work to facilitate India's economic growth. The Government has also formulated a road map for increased participation by private sector in the power industry. This kind of liberal power reform is not possible without reliable and accurate energy measurement. Hundred percent metering is the goal of all state regulatory commissions and utilities and with full support by Ministry of Power, through reform programmes. Overall environment for metering industry has been generally good. The Metering Division of the company is still in its nascent stage and with strong research and development activities, it will start showing its increased presence in the market.

Our Commitment and Mission

- To have a sustained growth and improved operational efficiency.
- To attain global best practices.
- To consistently achieve high growth and with highest levels of productivity.
- To promote work culture that fosters individual growth and team spirit.
- To be a technology driven and a financially sound organisation.

With your valuable guidance and support, we would not only help us achieve but surpass the goals set and create greater value for all our stakeholders. I take this opportunity to thank all the stake holders for the unstilted support.



P. K. Ranade
Chairman and Managing Director

DIRECTORS

Mr. P. K. Ranade
Chairman and Managing Director

Mr. Vikram Ranade
Executive Director

Mr. Prashant Ranade
Executive Director

Mr. V. P. Mahendru

Mr. Vinay Mahendru

Mr. R. C. Bansal

Dr. Sai Ramachandran

Mr. A. K. Ghosh

SENIOR EXECUTIVES

Mr. Suresh Kumar Garg
Sr. Vice President - Corporate Finance

Mr. Jaspreet Singh
Company Secretary

Auditors

M/s S. S. Kothari Mehta & Co.
 146-149, Tribhuvan Complex
 Iswar Nagar, Mathura Road
 New Delhi-110065

Registrar & Transfer Agent

M/s Alankit Assignments Ltd.
 Alankit House
 2E/21, Jhandewalan Extension
 New Delhi 110 055
 Tel. (011) - 42541234, 23451234
 Fax (011) - 42541967
 E-mail : jksingla@alankit.com

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Registered Office : Office No. 14, Near Airtel Tower, G. T. Road, Murthal
 Chowk, Sonapat, Haryana – 131027

Corporate Office : C-124, Hosiery Complex, Noida Phase II Extn.,
 Noida - 201305, U.P.

Website: www.pkrgroup.in

Tel.: +91-120-3011300, 3011306; **Fax:** +91-120-3011301

NOTICE

NOTICE is hereby given that the 1st Annual General Meeting of the Members of Advance Metering Technology Limited will be held on Saturday, the 29th September, 2012 at 9.00 A.M. At Hotel Kuber, 51-52 K.M. Stone, Murthal, G. T. Karnal Road, District- Sonapat, Haryana, to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint M/s S. S. Kothari Mehta & Co., Chartered Accountants, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

Special Business

To transact the following business as special business

3. 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 31 and other applicable provisions, if any, of the Companies Act, 1956 and any statutory modification or re-enactment thereof, for the time being in force, the Paragraph 4 of the Article No. 90 of the Articles of Association of the Company be and is hereby deleted and in place thereof the following Paragraph 4 be substituted as follows :

“Subject to the provisions of Section 255 of the Companies Act, 1956, except the Managing Director of the Company, all other directors shall be liable to retire by rotation.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to file such Forms and other documents with the Registrar of Companies and to do all the acts, deeds and things as may be necessary to give effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the aforesaid powers to any committee of Directors/officers, one or more director or any other principal officer of the Company on such conditions as the Board may deem fit and to take all such steps that may be required to give effect to this resolution.”

4. To consider and if thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution :

“RESOLVED THAT Mr. P. K. Ranade, who was appointed as the first director of the Company by the Articles of Association and who vacates his office at this Annual General Meeting be and is hereby appointed as the Director of the Company not liable to retire by rotation.”

5. To consider and if thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution :

“RESOLVED THAT Mr. Vikram Ranade, who was appointed as the first director by the Articles of Association and who vacates his office at this Annual General Meeting be and is hereby appointed as the Director of the Company liable to retire by rotation.”

6. To consider and if thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution :

“RESOLVED THAT Mr. Prashant Ranade, who was appointed as an Additional Director of the Company on 28th July 2011 be and is hereby appointed as the Director of the Company liable to retire by rotation.”

7. To consider and if thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution :

“RESOLVED THAT Mr. R. C. Bansal who was appointed as Additional Director of the Company on 6th April 2012 and who vacates his office at this Annual General Meeting be and is hereby appointed as the Director of the Company liable to retire by rotation.”

8. To consider and if thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution :

“RESOLVED THAT Dr. Sai Ramachandran who was appointed as Additional Director of the Company on 6th April 2012 and who vacates his office at this Annual General Meeting be and is hereby appointed as the Director of the Company liable to retire by rotation.”

9. To consider and if thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. A. K. Ghosh who was appointed as Additional Director of the Company on 6th April 2012 and who vacates his office at this Annual General Meeting be and is hereby appointed as the Director of the Company liable to retire by rotation.”

For and on behalf of the Board of Directors

Place: Noida
Date: 14/08/2012

P. K. Ranade
Chairman and Managing Director

Notes:

- a.) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY, A BLANK FORM OF PROXY IS ENCLOSED HERewith AND IF INTENDED TO BE USED, IT SHOULD BE RETURNED, DULY FILLED IN, TO THE REGISTERED/CORPORATE OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.**
- b.) The Register of Members and Share Transfer Book of the Company will remain closed from Wednesday, the 26th September, 2012 to Saturday, the 29th September, 2012 (both days inclusive).
- c.) Shareholders are requested to intimate the change of address, if any, to the Company's Registrar & Transfer Agent M/s. Alankit Assignments Limited, 2E/21, Alankit House, Jhandewalan Extn, New Delhi – 110055
- d.) Shareholders who are willing to receive General Meeting Notices, Annual Reports etc. via email, can send their request at investors@pkrgroup.in. Shareholders can also download the Notice of General Meeting from the website of the Company www.pkrgroup.in.
- e.) Members /Proxies should bring the attendance slip enclosed herewith duly filled in for attending the meeting. Members, who hold shares in dematerialized form are requested to bring their Client ID and DP ID Number for easy identification of attending at the meeting. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a Certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- f.) Shareholders seeking any information or having any query with regard to accounts are requested to write to the Company at least seven days before the date of the meeting, so as to enable the management to keep the information ready.
- g.) Additional information as to brief resume and other details of the Directors recommended by the Board for appointment / re-appointment, being the First Directors and Additional Directors of the Company, at the Annual General Meeting pursuant to Clause 49(G)(i) of the Listing Agreement with Stock Exchanges forms part of the Report on Corporate Governance in the Annual Report.
- h.) Members are requested to bring their copies of Annual Reports with them to the meeting, as extra copies of the Annual Reports will not be available for distribution at the meeting.

ANNEXURE TO NOTICE

Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956.

ITEM NO. 3

The proposed amendment in the Articles of Association of the Company as given in the resolution are as per the requirements of Section 255 and 256 of the Companies Act, 1956. Since Mr. P. K. Ranade is appointed as the Chairman and Managing Director of the Company, it is proposed that he be the only Director not liable to retire by rotation and all other directors be appointed as the Directors liable to retire by rotation.

The alteration of the Articles of Association of the Company require the approval of the shareholders by way of a special resolution.

Mr. Vikram Ranade and Mr. Prashant Ranade being sons of Mr. P. K. Ranade are concerned or interested in the said resolution alongwith Mr. P. K. Ranade himself.

ITEM NO. 4

Mr. P. K. Ranade was appointed as first director as per the Articles of Association of the Company at the time of incorporation. He has been appointed as the Chairman and Managing Director of the Company by the shareholders by way of Postal Ballot, the results of which were declared on 8th August 2012.

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his

appointment as a Director of the Company.

Your Directors recommend the resolution for your approval.

Mr. Vikram Ranade and Mr. Prashant Ranade being sons of Mr. P. K. Ranade are concerned or interested in the said resolution alongwith Mr. P. K. Ranade himself.

ITEM NO. 5

Mr. Vikram Ranade was appointed as the first director of the Company as per the Articles of Association of the Company at the time of incorporation. He has been appointed as an Executive Director of the Company by the shareholders by way of Postal Ballot, the results of which were declared on 8th August 2012.

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his appointment as a Director of the Company.

Your Directors recommend the resolution for your approval.

Mr. Prashant Ranade being brother of Mr. Vikram Ranade and Mr. P. K. Ranade being father of Mr. Vikram Ranade are concerned or interested in the said resolution alongwith Mr. Vikram Ranade himself.

ITEM NO. 6

Mr. Prashant Ranade was appointed as the additional director by the Board at its meeting held on 28th July 2011 and the shareholders at their meeting held on 14th April 2012 appointed him as a director. He has been appointed as an Executive Director of the Company by the shareholders by way of Postal Ballot, the results of which were declared on 8th August 2012.

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his appointment as a Director of the Company.

Your Directors recommend the resolution for your approval.

Mr. Vikram Ranade being brother of Mr. Prashant Ranade and Mr. P. K. Ranade being father of Mr. Prashant Ranade are concerned or interested in the said resolution alongwith Mr. Prashant Ranade himself.

ITEM NO. 7

Mr. R. C. Bansal was appointed as an additional director of the Company by the Board of Directors in their meeting held on 6th April 2012. He is holding 800 Equity Shares in Eon Electric Limited (Listed Company).

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his appointment as a Director of the Company.

Your Directors recommend the resolution for your approval.

Except Mr. R. C. Bansal no other director of the company is interested or concerned in the resolution.

ITEM NO. 9

Dr. Sai Ramachandran was appointed as the additional director of the Company by the Board of Directors in their meeting held on 6th April 2012.

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his appointment as a Director of the Company.

Your Directors recommend the resolution for your approval.

Except Dr. Sai Ramachandran no other director of the company is interested or concerned in the resolution.

ITEM NO. 10

Mr. AK Ghosh was appointed as the additional director of the Company by the Board of Directors in their meeting held on 6th April 2012.

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his appointment as a Director of the Company.

Your Directors recommend the resolution for your approval.

Except Mr. A. K. Ghosh no other director of the company is interested or concerned in the resolution.

For and on behalf of the Board of Directors

Place: Noida
Date: 14/08/2012

P. K. Ranade
Chairman and Managing Director

DIRECTORS' REPORT

To
The Members

The Directors have the privilege of presenting the First Annual Report of your company for the period ended on 31st March 2012.

IMPLEMENTATION OF THE SCHEME OF ARRANGEMENT

The Hon'ble High Court for the States of Punjab and Haryana vide its order dated 27th March 2012 approved the Scheme of Arrangement between Eon Electric Limited (formerly Indo Asian Fusegear Limited) and Advance Metering Technology Limited. The Appointed date of the Scheme of Arrangement is 1st April 2011 and in terms of the said order, the effective date is 8th April 2012, the date of filing of the said order with the Registrar of Companies.

In terms of the Scheme of Arrangement, the Metering Division and the proposed Power Generation Business were transferred to your Company with effect from 8th April 2012 being the effective date. Eon Electric Limited carried on the business in trust on behalf of your Company for the period 1st April 2011 to 8th April 2012. The financial statements for the period 1st April 2011 to 8th April 2012, being the period during which the meter division business of your company which was being carried on in trust on behalf of your company by the Eon Electric Limited, are encompassed in Note No. 11 to the Notes of accounts forming a part of the audited annual accounts.

ALLOTMENT OF SHARES

Pursuant to the Scheme of Arrangement, the face value of Equity Shares of Eon Electric Limited was changed from Rs 10/- per share to Rs 5/- per share and the Board of Directors on 12th May 2012 issued and allotted 1,60,57,466 fully paid equity shares of Rs.5/- each to the shareholders of Eon Electric Limited whose names appeared in the Records of Eon Electric Limited as on 9th May 2012 being the record date, in the ratio of one equity share of Rs.5/- each for every one equity share of Rs 5/- each held in Eon Electric Limited.

In terms of para 1.18 (d) and (e) of the Scheme of Arrangement, the shares held by Promoter Group I in the De-merged company i.e. Eon Electric Limited, shall stand transferred to Promoter Group II in the proportion of their shareholding in terms of Section 47 (vid) of the Income Tax Act, 1961 as on the record date and the shares held by Promoter Group II in the Resulting Company i.e. Advance Metering Technology Limited shall stand transferred to Promoter Group I in the proportion of their shareholding in terms of Section 47 (vid) of the Income Tax Act, 1961 as on the record date. The said shares are in the process of being transferred.

LISTING ON STOCK EXCHANGES

The equity shares of your Company have since been listed on the National Stock Exchange and the Bombay Stock Exchange and the trading of the said shares commenced with effect from 6th August 2012.

FINANCIAL PERFORMANCE

Particulars	Amount (in Rs.)
Total Income	NIL
Total Expenditure	66,993
Less deferred Tax	(8,764)
Loss for the period	(58,229)

In terms of the Scheme of Arrangement, the Meter Division and the Power Generation Business of Eon Electric Limited were vested into your Company w.e.f. 8th April 2012 being the effective date. Accordingly, the financial performance of Meter Division and the Power Generation Business will be reflected in the accounts of your Company in the financial statements for the year ending on 31st March 2013.

DIRECTORS

Mr. P K Ranade, Mr. Vikram Ranade, Mr. V. P. Mahendru and Mr. Vinay Mahendru were the First Directors of your Company. Mr. P K Ranade and Mr. Vikram Ranade have offered themselves for re-appointment as Directors. During the year under review, Mr. Prashant Ranade was co-opted on the Board at the meeting of the Board of Directors held on 28th July 2011 as an additional director. He has also offered himself to be appointed as a Director.

With the vesting of the Metering Business and the Power Generation Business into your Company with effect from 8th

April 2012, the Board at its meeting held on 12th May 2012 appointed Mr. P. K. Ranade as the Chairman and Managing Director, Mr. Vikram Ranade as the Executive Director and Mr. Prashant Ranade as the Executive Director. These appointments were subject to the approval of the Shareholders and the Central Government. The approval of the Shareholders was sought by postal ballot. The postal ballot results approving the appointments were declared on the 8th August 2012.

In order to strengthen and broad base the Board, the Board of Directors pursuant to section 260 of the Companies Act, 1956, at its meeting held on 6th April 2012, co opted Mr. R. C. Bansal a renowned Chartered Accountant, Dr. Sai Ramachandran, an authority in the field of Marketing, and Mr. A. K. Ghosh, a Chartered Accountant, as Additional Directors on the Board of your Company. They hold office of directorship upto the date of the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

Additional information as to brief resume and other details of the Directors recommended by the Board for appointment / re-appointment, being the First Directors and Additional Directors of the Company, at the Annual General Meeting pursuant to Clause 49(G)(i) of the Listing Agreement with Stock Exchanges forms part of the Report on Corporate Governance in the Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT

As required under section 217(2AA) of the Companies Act, 1956, ("the Act") we hereby state:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) That the Directors 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 as at 31st March 2012 and its loss for the year ended on that date;
- c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the Directors have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

Your Company believes in conducting the business with due compliance of all the applicable laws, rules and regulations. Your Company has implemented the system of corporate governance as per the requirements of the Listing Agreement. A detailed Report on the Corporate Governance along with the Certificate of Compliance from the Statutory Auditors are given in the Annexures 'A' & 'B' and form a part of this report.

AUDITORS

You are requested to appoint Auditors for the current year. The retiring auditors M/s S.S. Kothari Mehta & Co., Chartered Accountants, are eligible and have offered themselves for re-appointment.

AUDITORS' REPORT

The Notes on Accounts referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further comments.

CONSERVATION OF ENERGY, TECHNOLOGY AND ABSORPTION

Your company did not undertake any manufacturing process during the year under review, accordingly a statement containing information as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 is not appended.

FOREIGN EXCHANGE USED AND EARNED

There is no Foreign Exchange earned and outgo involved during the period under review.

PARTICULARS OF EMPLOYEES

Your Company has not paid any remuneration attracting the provisions of the Companies (Particulars of Employees) Rules read with Section 217(2A) of the Companies Act, 1956. Hence no information is required to be appended to this report.

FIXED DEPOSIT

Your Company has not accepted any fixed deposit from the public during the year under review.

ACKNOWLEDGMENTS

Your Directors would like to place on record their appreciation for the contributions made and support provided by the shareholders, employees, the Bankers, Government Authorities and Business Associates during the year under review.

For and on Behalf of the Board of Directors

P. K. Ranade

Chairman and Managing Director

Place : Noida

Date : 14th August 2012

MANAGEMENT DISCUSSION AND ANALYSIS

This is the first year of operation of your Company. The Meter Business and the Power Generation Business of Eon Electric Limited was demerged and vested into your Company with effect from 8th April 2012 being the date of the filing of the order passed by the Hon'ble High Court for the States of Punjab and Haryana, approving the Scheme of Arrangement, with the Registrar of Companies.

During the year under review, the focus was on the improvement of Energy Meters through Research and Development and to make the division competitive in the Indian and International Market.

Debt Position:

Your Company has not availed any secured credit facilities from financial institutions/banks as on the date of this Annual Report.

Risks and Concerns:

Your Company shall adopt an appropriate risk management policy to, inter alia, provide for risk identification, assessment, reporting and mitigation procedure. The risk management framework will actively support the Board in its strategic decision making.

An analysis of the Company's key business risks are as follows:

i. Competition Risk

Your Company operates in a competitive scenario comprising of Indian and multinational players resulting in a stiff competition from these players.

ii. Human Resource Risk

Company's ability to deliver value is shaped by its ability to attract, train, motivate, empower and retain the best professional talents. It shall continuously benchmark HR policies and practices with the best in the industry and shall carry out necessary improvements to attract and retain the best talent.

iii. Interest Rate Risk

Your Company may be exposed to interest rate fluctuations on its borrowings. Your Company proposes to use a judicious mix of fixed and floating rate debt within stipulated parameters to mitigate the interest rate risk and whenever required, may use hedging tools to minimise interest rate risk.

Corporate Social Responsibility:

One of the aims of your company is to contribute to the well being of the society by being a responsible corporate citizen.

Internal Control Systems and their Adequacy:

Consequent to the vesting of the Metering Division and the Power Generation Business into the company with effect from 8th April 2012, the company has implemented an internal audit programme designed to ensure extensive review of the business operations and will not be restricted to only review of financial accounting functions.

Cautionary Statement:

Statements in the report particularly which relate to the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

For and on Behalf of the Board of Directors

P. K. Ranade
Chairman and Managing Director

Place : Noida

Date : 14th August, 2012