

ALACRITY ELECTRONICS LIMITED

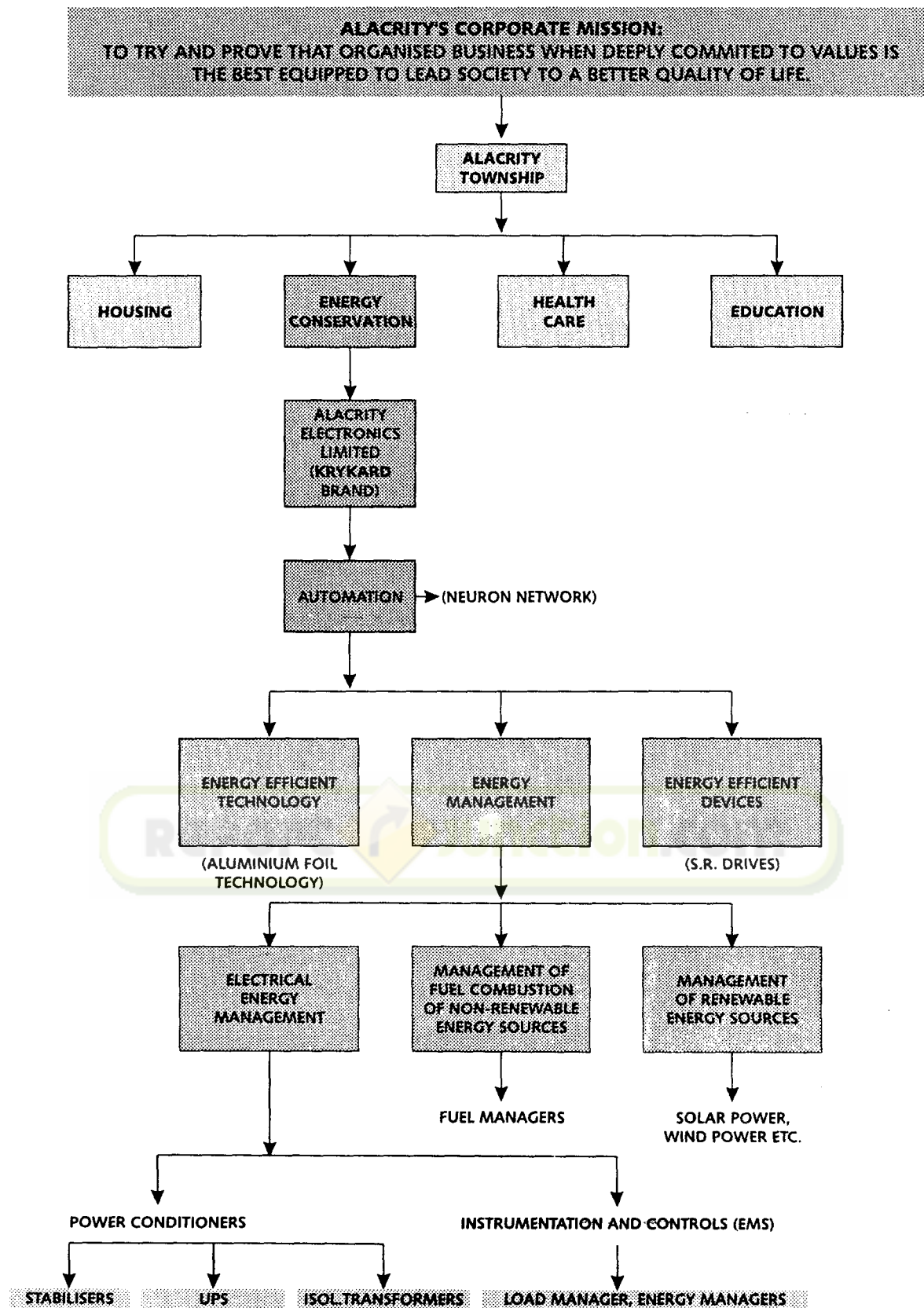
Annual Report - 2000



Making Energy
Management Pay -
The Alacrity Way

Report Junction.com

ALACRITY
No wealth or power greater than our dignity and integrity



Board of Directors

AMOL KARNAD Chairman

DILIP D DHARMASTHAL Managing Director

VIJAY NAGASWAMI Director

GIRISH PUNJA Director

MAJOR T A SUBRAMANIAN Director

VIVEKANAND A VINEKAR Director

Top Management Team

VIJAY KUMTA President

N JAYA PRAKASH Senior Vice President (R & D)

KANAGARAJ ALEXANDER Vice President (Technology Development)

R CHANDRASEKHAR Vice President (Product Development)

SUDESH KUMTA Vice President (Business Development)

B HARIKRISHNAN Vice President (Marketing)

Company Secretary

RAJI N

Bankers

UNION BANK OF INDIA

Auditor

RAJAN VERGHESE CHACKO Chartered Accountant, Chennai

Registered Office

`Atandra', 25, Thirumalai Road, T.Nagar, Chennai 600 017. Tel: 825 1771 Fax: 825 9406

Email: shares@alacritymail.com Web: www.alacritygroup.com

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Design & Product Development Centre

49 & 50, Ranganathan Street, Karapakkam, Chennai 600 096.

Research & Development Centre

85, 6th Main Road, Between 9th & 11th Cross, Malleswaram, Bangalore 560 003.

Factory

49 & 50, Ranganathan Street, Karapakkam, Chennai 600 096.

Branches

Bangalore

85, 6th Main Road, Between 9th & 11th Cross, Malleswaram, Bangalore 560 003.

Baroda

First Floor, A-52 Nutan Maheshwarnagar Society, Subhanpura, Baroda 390 007.

Calcutta

No.2/13 Ground Floor, Sree Colony, P.O.Regend Street, P.S.Jadavpur, Calcutta 700 092.

Chennai

12-B, Valmiki Street, T.Nagar, Chennai 600 017.

Cochin

Plot No.25, Panampilly Nagar, Cochin 682 036.

Coimbatore

196, Ambika Layout, New Siddapudhur, Coimbatore 641 044.

Delhi

211 C, Pocket - A, Mayur Vihar Phase- II, New Delhi 110 091.

Mumbai (Navi Mumbai)

107, The Great Eastern Summit-B, Plot No. 66, Sector 15, CBD Belapur, Navi Mumbai 400 614.

Pune

A-7, Suryalok Nagari, Survey No. 106, Off Pune-Sholapur Road, Hadapsar, Pune 411 013.

Secunderabad

Plot No. 163, Road No. 1, West Marredpally, Secunderabad 500 026.

NOTICE

ALACRITY ELECTRONICS LIMITED 25 Thirumalai Road, T.Nagar, Chennai - 600 017

NOTICE is hereby given that the EIGHTH ANNUAL GENERAL MEETING of ALACRITY ELECTRONICS LIMITED will be held at 11.00 A.M. on Monday, the 25th September, 2000, at the Music Academy, 306 T.T.K.Road, Chennai - 600 014 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the Audited Profit and Loss Account for the year ended 31st March 2000, the Balance Sheet as at that date, together with the reports of the Directors and the Auditor.
2. To appoint a Director in place of Mr. Vivekanand A Vinekar who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint an auditor and fix his remuneration.

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"RESOLVED that the Articles of Association of the Company be altered as below to enable shareholders to trade in the shares of the company in dematerialised form in future and to take advantage of the Nomination Facility introduced in the Companies Act, 1956:

A. Article 2 of the Articles of Association of the Company shall include the following definitions:

- (s) "Nominee" means a person who is appointed as such under the provisions of Section 109A of the Act.
- (t) "Beneficial Owner" means a person whose name is recorded as such with the Depository.
- (u) "Depository" means a Company formed and registered under the Companies Act, 1956, and which has been granted a Certificate of Registration under the Securities and Exchange Board of India Act, 1992.
- (v) "Depositories Act" means the Depositories Act, 1996 or any statutory modification or re-enactment thereof.
- (w) "Registered Owner" means a Depository whose name is entered as such in the records of the Company.
- (x) "Securities" means such security as may be specified by the Securities and Exchange Board of India from time to time.

B. Following Article shall be inserted as Article 104 in the Articles of Association of the Company:

104. Dematerialisation/Rematerialisation of securities:

Dematerialisation/Rematerialisation of securities:

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise/rematerialise its securities and to offer securities in the dematerialised form pursuant to the Depositories Act.

NOTICE

Options for Investors:

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can, at any time opt out of the Depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.

If a person opts to hold his security with a Depository, the Company shall intimate such Depository, the details of allotment of the security, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the securities.

Securities in Depositories to be in fungible form:

All securities held by a Depository shall be dematerialised and in fungible form. No certificate shall be issued for the securities held by the Depository.

Transfer of Securities:

Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities affected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.

Allotment of Securities:

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details of allotment of such securities to the Depository on allotment.

Service of Documents:

Notwithstanding anything contained in the Act or these Articles, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

Distinctive Numbers of Securities:

Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

Register and Index of Beneficial Owners:

The Register and Index of beneficial owners maintained by a Depository under the Depositories Act shall be deemed to be the Register and Index of Members and Security Holders for the purpose of these Articles.

NOTICE

Rights of Depository and Beneficial Owners:

- (1) A Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
- (2) Save as otherwise provided in (1) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (3) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a Depository.

Provided further that notwithstanding anything to the contrary contained in these Articles, the securities issued and/or held in electronic medium in fungible form, shall be governed by the provisions of the Depositories Act and the rules and regulations as issued by Securities and Exchange Board of India, from time to time.

C. Following Article shall be inserted as Article 105 in the Articles of Association of the Company.

105. Nomination:

Notwithstanding anything contained in these Articles:

Every holder of the shares or debentures of the Company may, at any time, nominate, in the prescribed manner, a person to whom these shares or debentures shall vest in the event of his death.

Where the shares or debentures of the Company are held by more than one person jointly, the joint-holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures of the Company, as the case may be, shall vest in the event of death of all the joint-holders.

Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such shares or debentures of the Company, where the nomination made in the prescribed manner purports to confer on any person the right to vest the shares or debentures of the Company, the nominee shall, on the death of the shareholder or the debenture holder, as the case may be, on the death of the joint-holders become entitled to all rights in the shares or debentures of the Company or, as the case may be, all the joint-holders, in relation to such shares or debentures to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.

Where the nominee is a minor, it shall be lawful for the holder of the shares, or holder of the debentures, to make the nomination to appoint, in the prescribed manner, any person to become entitled to shares or debentures in the event of his death, during the minority of the nominee.

NOTICE

Transmission of securities by nominee:

Notwithstanding anything contained in these Articles:

Any person who becomes a nominee by virtue of the provisions of Article 105(i), upon production of such evidence as may be required by the Board and subject, as hereinafter provided, may elect either

- a) to be registered himself as holder of shares or debentures, as the case may be, or
- b) to make such transfer of the shares or debentures, as the case may be, as the deceased shareholder or debenture holder could have made.

If the person being a nominee, so becoming entitled, elects to be registered as holder of the shares or debentures, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him, stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder or debenture holder, as the case may be.

All the limitations, restrictions and provisions of the Act and these Articles relating to the right to transfer and the registration of transfers of shares or debentures shall be applicable to any such notice or transfer as aforesaid as if the death of the member or debenture holder had not occurred and the notice or transfer were a transfer signed by that shareholder or debenture holder, as the case may be.

A person, being a nominee, becoming entitled to a share or debenture by reason of the death of the holder, shall be entitled to the dividends or debenture interest and other advantages to which he would have been entitled if he were himself the registered holder of the share or debenture, except that he shall not, before being registered a member or a debenture holder in respect of his share or debenture, be entitled in respect of it to exercise any right conferred by membership or debentureholdership in relation to meetings of the Company.

Provided that the Board may, at any time, give notice, requiring any such person to elect either to be registered himself or to transfer the shares or debentures, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the shares or debentures, until the requirements of the notice have been complied with".

"RESOLVED FURTHER that the Board be and is hereby authorised to do all such acts, deeds, matters and things and deal with all such matters and take all such steps in this regard as it may, in its absolute discretion, deem necessary, fit or proper to effectively implement this Resolution".

Chennai - 17
July 28, 2000

By order of the Board
Raji N
Company Secretary

NOTICE**NOTES:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote in his stead and a proxy need not be a member.
2. A form of proxy and admission slip is enclosed. The completed proxy forms must be deposited with the Company at its Registered Office not less than 48 hours before the meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 14/09/2000 to 25/09/2000 (both days inclusive).
4. Members are requested to notify any change in their address to the Company.
5. Members are requested to bring the copies of the Annual Report to the meeting. In view of the high cost of printing, additional copies of the Annual report will not be distributed at the meeting.
6. Consequent upon the amendment to Section 205A of the Companies Act, 1956, and insertion of Section 205C by the Companies (Amendment) Act, 1999, the amount of dividend remaining unpaid or unclaimed for a period of seven years shall henceforth be transferred to the Investor Education and Protection Fund. Accordingly, the unclaimed dividend for the financial year ended 31st March 1999 will be deposited by the Company into the Investor Education and Protection Fund upon expiry of the prescribed period of seven years after which the shareholders will not have any claim over their dividends. Hence shareholders who have not yet claimed their dividend for this year are requested to claim the same before this statutory period is over.
7. Admission restricted to members or proxies only.
8. Anticipating a few questions on the Accounts, explanatory notes for the same are included in the report. Members who have further queries or who require further clarifications on any of the answers are requested to send the same to the Company at the earliest, to enable gathering of data needed for the replies.
9. Members/Proxy holders are requested to produce their admission slips at the entrance of the meeting hall.
10. After approval of Article 105 of the Articles of Association of the Company, Members desirous of making nomination can do so by submitting the enclosed Form No.2B to the Company.

Explanatory statement under Section 173(2) of the Companies Act, 1956:**Item no.5:**

The Securities and Exchange Board of India has decided that the trading in equity shares of the Company shall compulsorily be in dematerialised form with effect from 25th September 2000. As a result, some of the provisions of the Companies Act, 1956 pertaining to the issue, holding, transfer, transmission of shares have to be amended to facilitate the smooth implementation of the new system of holding and trading in the securities of the Company in electronic form. In view of the above, it is proposed to alter the provisions of the Articles of Association of the Company,

- a. to provide for dematerialisation of securities,
- b. to spell out the rights of the beneficial owners of the securities and
- c. to incorporate the important provisions of the Depositories Act, 1996.

With the recent insertion of Sections 109A and 109B by the Companies (Amendment) Act, 1999, holders of the securities can now nominate one or more persons to whom the rights of shareholders and debenture holders of the Company shall vest in the event of his/her death. Hence the Articles of Association of the Company need to be amended accordingly.

NOTICE

As per Section 31 of the Companies Act, 1956, any alteration of Articles of Association requires the approval of the Members. The Board of Directors of the Company commends this resolution for approval as a Special Resolution.

None of the Directors is concerned or interested in the said resolution.

A copy of the Articles of Association of the Company together with the proposed alterations is open for inspection to the Members at the Registered Office of the Company on any working day between 11.00 A.M. and 1.00 P.M.

Chennai - 17
28th July, 2000

By order of the Board
Raji N
Company Secretary

