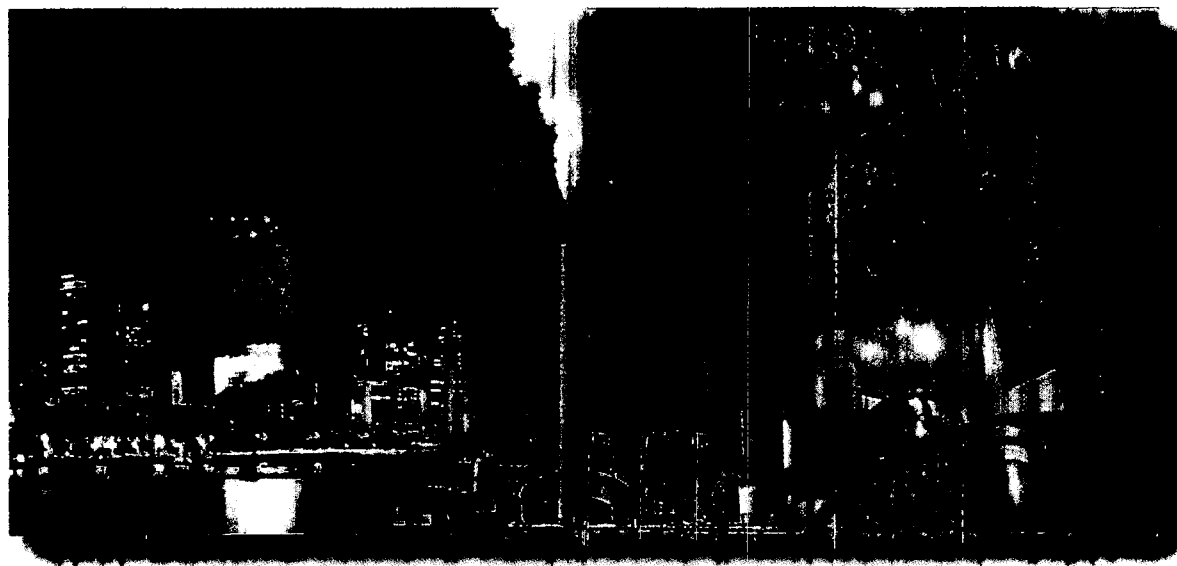


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**BOARD OF DIRECTORS**

R.S. Jain  
Chairman &  
Managing Director

M.A. Pandit

R.A. Mayur

J.N. Wani

T.N.V. Ayyar

Bhaskar Sen  
Executive Director

R. S. Shah  
Executive Director

S.S. Jain  
Executive Director

**Regional Offices**

Mumbai  
41/43, Nariman House,  
Police Court Lane,  
4th Floor, Fort,  
Mumbai 400 001.  
Phone : (022) 2656399/6400  
Fax : (022) 2622991

**Head Office**

Plot No. F-5, Road No. 28,  
Wagle Industrial Estate,  
Thane 400 604.  
Phone (022) 5480517-26, 5321547  
Fax : (022) 5320571  
E Mail :  
bombay.emco@axcess.net.in  
Internet :  
emcomumb@bom2.vsnl.net.in

**Company Secretary**

Atul Modi

**Auditors**

P. Raj & Co.

**Solicitors**

Shah, Desai, Doijode &  
Phatarphekar

**Bankers**

Dena Bank  
The Sakura Bank Ltd.  
ANZ Grindlays Bank  
HDFC Bank Ltd.

**Registered Office**

N-104, MIDC Area,  
Jalgaon 425 003, Maharashtra  
Phone : (0257) 210362/210098  
Fax : (0257) 210872

**Works at**

Plot No. F-5, Road No. 28,  
Wagle Industrial Estate,  
Thane 400 604.

N-104, MIDC Area,  
Jalgaon 425 003,  
Maharashtra.

Office No. E-6,  
2nd Floor, J-Block Market,  
Saket,  
New Delhi 110 017.  
Phone : (011) 6852239/6963575  
Fax : (011) 6963574

16 A, Shakespeare  
Sarani,  
Calcutta 700 017.  
Phone : (033) 2434921/ 2103401  
Fax : (033) 2481322

Bhattad Complex,  
3rd Floor, No. 30,  
West Cott Royapettah,  
Chennai 600 014.  
Phone : (044) 8552986/87  
Fax : (044) 833423



## QUALITY POLICY



*e commit ourselves to*

*achieve excellence in the product and*

*services we offer by meeting and aiming to*

*even exceed the expectations of our*

*customers by building quality in every*

*aspect of our operations and performing all*

*tasks right the first time."*

A handwritten signature in black ink, appearing to read "Rajesh S. Jain".

**Rajesh S. Jain**  
*Chairman & Managing Director*



## EMCO TRANSFORMERS LIMITED

Regd. Office : N-104, MIDC Area, Jalgaon 425 003, Maharashtra

### NOTICE

NOTICE is hereby given that the Thirty Second Annual General Meeting of the Members of EMCO TRANSFORMERS LIMITED will be held at N-104, MIDC Area, Jalgaon 425 003 on 27th September, 1997 at 3.00 p.m. to transact the following business :

#### ORDINARY BUSINESS :

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1997 and the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
- 2) To declare a Dividend.
- 3) To appoint a Director in place of Mr. R.S. Jain who retires by rotation and being eligible offers himself for reappointment.
- 4) To appoint a Director in place of Mr. R.A. Mayur who retires by rotation and being eligible offers himself for reappointment.
- 5) To appoint Auditors and to fix their remuneration.

#### SPECIAL BUSINESS :

- 6) To Consider and if thought fit, to pass the following resolution with or without modification, as an Ordinary Resolution :

"RESOLVED THAT Mr. M.A. Pandit who was appointed Additional Director of the Company w.e.f. 2nd September, 1996 and who holds the office upto the date of the forthcoming Annual General Meeting be and is hereby appointed a Director of the Company".

- 7) To Consider and if thought fit, to pass the following resolution with or without modification, as an Ordinary Resolution :

"RESOLVED THAT Mr. Bhaskar Sen who was appointed Additional Director of the Company w.e.f. 2nd September, 1996 and who holds the office upto the date of the forthcoming Annual General Meeting be and is hereby appointed a Director of the Company".

- 8) To Consider and if thought fit, to pass the following resolution with or without modification, as an Ordinary Resolution :

"RESOLVED THAT Mr. T.N.V. Ayyar who was appointed Additional Director of the Company w.e.f. 16th November, 1996 and who holds the office upto the date of the forthcoming Annual General Meeting be and is hereby appointed a Director of the Company".

- 9) To Consider and if thought fit, to pass the following resolution with or without modification, as an Ordinary Resolution :

"RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to that Act, consent of the Company be and is hereby given to the appointment of Mr. Bhaskar Sen as Whole-time Director designated as Executive Director of the Company, for a period of six years w.e.f. 1st November, 1996 upon the terms and conditions set out in the draft Agreement submitted to this meeting and for the purpose agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said agreement as they, in their discretion, deem fit within the limits specified in Schedule XIII of the Companies Act, 1956 or any amendments made hereafter in that regard".

"FURTHER RESOLVED THAT where in any financial year, during the currency of his tenure, the Company has no profits or profits are inadequate, it may pay him minimum remuneration by way of salary and perquisites not exceeding the limits laid down in Section II of part II of Schedule XIII to the Companies Act, 1956".

- 10) To Consider and if thought fit, to pass the following resolution with or without modification, as an Ordinary Resolution :

"RESOLVED THAT in supersession of all earlier resolutions passed in this regard, the consent of the Company be and is hereby accorded in terms of Section 293(1)(a), 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956 to the Board of Directors of the Company for borrowing from time to time any sum or sums of monies which



together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board shall not at any time exceed the limit of Rs. 100 Crores, and to the creation by Board of Directors of the Company of such mortgages, charges and hypothecations in addition to the existing mortgages, charges, and hypothecations created by the Company as the Board may direct, on such of the assets of the Company, both present and future, with such ranking to secure such borrowings".

By order of Board  
For **EMCO TRANSFORMERS LIMITED**

**ATUL MODI**  
*General Manager - Corporate Affairs  
& Company Secretary*

Place : Thane

Date : 18th July, 1997

### NOTES

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM IS ENCLOSED HEREWITH. ALL PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- 2) The Explanatory Statement under Section 173(2) of the Companies Act, 1956, for items of special business is annexed hereto.
- 3) Members are requested to notify change in their address, if any, quoting their folio number.
- 4) The Register of Members and Share Transfer books of the Company will remain closed from 15th September, 1997 to 27th September, 1997 (both days inclusive).
- 5) The dividend as recommended by the Directors if declared at the meeting, will be payable to those shareholders registered in the Register of Members of the Company as on 27th September, 1997.
- 6) Pursuant to the provisions of Section 205 A of the Companies Act, 1956 and as required by Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 the Company has transferred unclaimed dividends for and up to the Financial Year 1992-93 to the General Revenue Account of the Central Government. Members who have not encashed their dividend warrants for the said period are requested to claim the amount from the Registrar of Companies, Maharashtra, Hakoba Mills Compound, 2nd Floor, Kala Chowki, Mumbai - 33 after complying the procedure prescribed therefore.  
Pursuant to above Rules, the unpaid dividend for the Financial Year 1993-94 will be transferred to the General Revenue Account of the Central Government after 12th November, 1997. Members are therefore, requested to claim their unpaid dividend, if any, in respect of this Financial Year before 12th November, 1997.
- 7) With a view to provide protection against fraudulent encashment of dividend warrants, the Members are requested to inform the Company of their Bank Account Number, Name and Address of the Bank by 10th September, 1997 for incorporation of the same in the Dividend warrant. Members will appreciate that the Company will not be responsible for any loss arising out of fraudulent encashment of dividend warrants.

## ANNEXURE TO THE NOTICE

### Explanatory Statement as required by Section 173(2) of the Companies Act, 1956

#### Item No. 6, 7 & 8 :

Mr. M.A. Pandit and Mr. Bhaskar Sen were appointed as Additional Directors of the Company w.e.f. 2nd September, 1996 and Mr. T.N.V. Ayyar was appointed as additional Director w.e.f. 16th November, 1996. All these three Directors hold office upto the date of forthcoming Annual General Meeting and are eligible for reappointment. The Company has already received notices from Shareholders pursuant to the provisions of Section 257 of the Companies Act, 1956 informing the Company about their intentions to propose the resolutions for appointment of Mr. M.A. Pandit, Mr. Bhaskar Sen and Mr. T.N.V. Ayyar as Directors in the forthcoming Annual General Meeting.

Your Directors feel that it will be in the interest of the Company to avail the expertise of Mr. M.A. Pandit, Mr. Bhaskar Sen and Mr. T.N.V. Ayyar. Hence these resolutions.

Mr. M.A. Pandit, Mr. Bhaskar Sen and Mr. T.N.V. Ayyar, may be deemed to be interested in the respective resolutions appointing them as Directors of the Company. No other Director is deemed to be concerned or interested in the resolutions.

#### Item No. 9 :

Mr. Bhaskar Sen was appointed as Wholetime Director designated as Executive Director of the Company for a period of 6 years w.e.f. 1st November, 1996.

Members are requested to approve the appointment and remuneration payable to Mr. Bhaskar Sen as Wholetime Director of the Company.

The remuneration payable to Mr. Bhaskar Sen by way of salary, perquisites and allowances is given under

#### SALARY :

Rs. 58,600 (Rupees Fifty Eight Thousand Six Hundred only) per month in the grade 58,600 - 67,450 - 73,300 - 82,100 - 90,950 - 96,850.

#### PERQUISITES :

In addition to salary Mr. Bhaskar Sen shall be entitled to the perquisites as set out hereunder. The perquisites are classified into three categories "A", "B" & "C" as follows.

#### Category - A :

Company shall provide furnished residential

accommodation to Mr. Bhaskar Sen. A sum equivalent to 10% of the salary shall be deducted by Company being the perquisite value of accommodation.

Company shall furnish the Company's accommodation as required (to a maximum amount of Rs. 75,000/-) (Rupees Seventy Five Thousand only).

Reimbursement of medical expenses actually incurred by Mr. Bhaskar Sen and his family provided that the total cost of such expenses to Company shall not exceed one month's salary in a year or proportionately there of or 3 months' salary over a period of 3 years.

Mr. Bhaskar Sen shall be entitled to leave travel concession for Mr. Bhaskar Sen and his family once in a year provided that the total cost of such expenses to Company shall not exceed one month's salary in a year in accordance with the rules of Company for the time being in force.

Mr. Bhaskar Sen shall be entitled to membership of two clubs, the monthly subscription thereto being borne and paid by Company. No life membership or admission fee shall be paid by Company.

Mr. Bhaskar Sen shall be entitled to the benefit of a personal accident insurance policy affected by Company, the annual premium in respect thereof not to exceed Rs. 4,000/-.

#### Category - B :

Mr. Bhaskar Sen shall be entitled to the benefit of Company's Provident Fund Scheme in accordance with the rules of the Scheme for the time being in force, subject to the condition that Company's contribution thereto shall not exceed 10% of the salary of Mr. Bhaskar Sen as laid down in the Income Tax Rules, 1962.

Mr. Bhaskar Sen shall be entitled to the benefit of Company's Superannuation Scheme in accordance with the Rules of the Scheme for the time being in force, provided that Company's contribution thereto together with Company's contribution to the Provident Fund shall not exceed 25% of Mr. Bhaskar Sen's salary as laid down in the Income Tax Rules, 1962.

Mr. Bhaskar Sen shall be entitled to gratuity at the rate of one half month's salary for each completed year of service, subject to the rules laid down by the Government of India.

#### Category - C :

Mr. Bhaskar Sen shall be entitled to the use of a





telephone at the residence of Mr. Bhaskar Sen, the rent, call charges and other outgoings in respect of thereof being paid by the Company (except of personal long distance calls which shall be paid for by Mr. Bhaskar Sen).

Mr. Bhaskar Sen shall be entitled to the use of a chauffeur driven motor car, all expenses for running and upkeep of such motor car as also the salary of the chauffeur being borne and paid by Company. The use of the car for private purpose shall be billed by Company to Mr. Bhaskar Sen.

Mr. Bhaskar Sen shall be entitled to reimbursement of travelling and entertainment expenses reasonably incurred by him exclusively in the business of Company and approved by the Board.

Mr. Bhaskar Sen shall be entitled to leave on full remuneration as per the rules of the Company for the time being in force but not exceeding one month's privilege leave for every 11 months' service. No other leave shall accrue to him.

The minimum remuneration to be paid to Mr. Bhaskar Sen in the event of loss or inadequacy of profits in any financial year during the period of his tenure as Whole time Director, will be a subject to maximum ceiling limit in the manner set out in Section II of Part II of Schedule XIII of the Companies Act, 1956.

The draft agreement proposed to be entered between the Company and Mr. Bhaskar Sen is available for inspection by the members of the Company at Registered Office between 11.00 a.m. and 1.00 p.m. on any working day upto the date of forthcoming Annual General Meeting.

Mr. Bhaskar Sen is interested in the resolution. No

other Director is deemed to be concerned or interested in the resolution.

#### Item No. 10

The Company may have to borrow money to meet the financial requirements for the increased activities from the Financial Institutions/Banks or other lending/investing agencies, bodies corporates. The amount to be borrowed including the existing borrowings may exceed the paid up capital and reserves of the Company. These borrowings in excess of paid up share capital and reserves of the Company require the consent of the shareholders as per the provisions of Section 293(1) (d) of the Companies Act, 1956. To secure such borrowings, the Board of Directors of Company may mortgage/charge/hypothecate the assets of the Company, both present and future, with such ranking as may be required by the lender. This requires the permission of the Shareholders under Section 293(1) (a) of the Companies Act, 1956. The total borrowing in excess of the paid up share capital and reserves of the Company however, shall not exceed Rs. 100 Crores at any given time.

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

By order of Board  
For EMCO TRANSFORMERS LIMITED

**ATUL MODI**  
General Manager - Corporate Affairs  
& Company Secretary

Place : Thane  
Date : 18th July, 1997



**Annual Report 1997****EMCO EVENTS CALENDER**

<b>1964</b>	Emco was incorporated.
<b>1965</b>	Signed a Technical and Financial collaboration with Secheron (later became ABB Secheron ).
<b>1970 - 1986</b>	Emco manufactured a number of 132KV Transformers and a few 220KV Transformers.
<b>1987</b>	Management changed hands.
<b>1990</b>	Market leader in 132KV class Transformers.
<b>1991</b>	Expanded in 220KV Transformers.
<b>1994</b>	Setup a distribution Transformer factory at Jalgaon. ABB collaboration came to an end.
<b>1995</b>	Rights issue of Rs. 37.60 crores for expansion into Higher Voltage Transformers. Received ISO 9001 certificate from BVQI.
<b>1996</b>	Increase Thane plant capacity to 7000MVA. Plant suitable to manufacture 400 KV Transformers. Specific technology tie up with ANSALDO for 315MVA 400KV Transformer. Commencement of Contracts division.
<b>1997</b>	Commencement of Meters and SCADA divisions.



**The objective of SVM exercise is to institutionalize a "value mindset" within the Company to ensure that managerial decisions are taken with a long term view of maximizing value to the shareholders.**

## **CHAIRMAN AND MANAGING DIRECTOR'S STATEMENT**

Dear Emco Family Members,

Over the last few years, your Company has grown in size, market share, geographical reach and product range. From being a small player till 1991-92, we have raced to become one of the leading players in the Transformer business in the last five years.

As we approach towards the next millennium, the drawing up of long term business plans has become very essential. Your Board appointed Coopers & Lybrand (C&L), internationally renowned consultants, to chalk out strategic plans for your Company. The management team worked closely with C&L on the areas of Core Competency, Benchmarking for Competitiveness, Strategy Management, Marketing and Resource Planning.

The highlights of our newly defined **Corporate Motto** are as under :

- Concentrate on power and other allied including a continued focus on the areas of transmission and distribution
- Diversify synergically

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