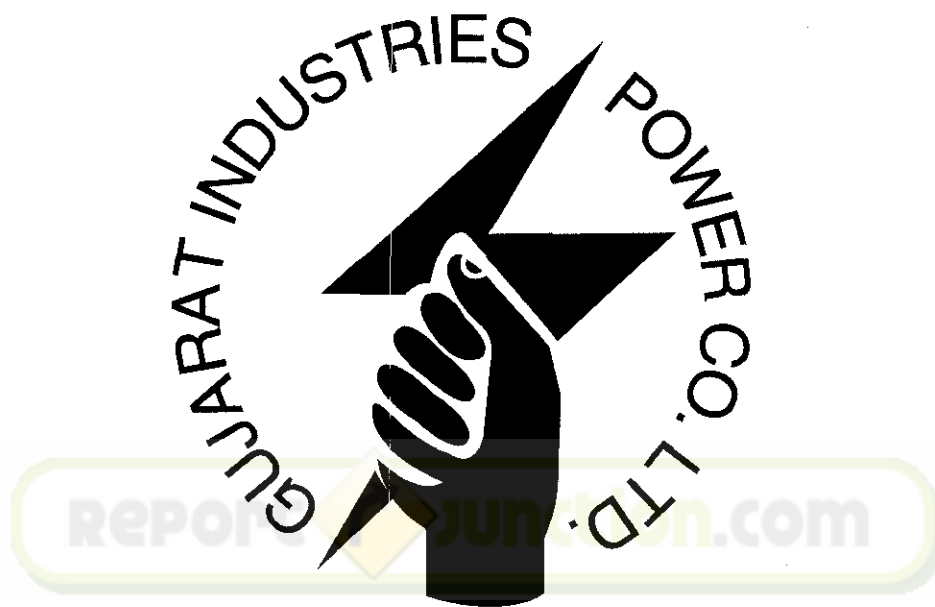


**15TH
ANNUAL REPORT
1999-2000**



IN THE PINK OF HEALTH

GUJARAT INDUSTRIES POWER CO. LTD.

GIPCL - Images



On Expansion Spree....

15th Annual Report 1999-2000



FIFTEENTH ANNUAL GENERAL MEETING

Day : Saturday, the 23rd September, 2000

Time : 10.00 a.m.

Place : Registered Office, P.O. Petrofils - 391 347, Dist. Vadodara. (Gujarat)

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GUJARAT INDUSTRIES POWER CO. LTD.

P.O. Petrofils - 391 347, Dist : Vadodara. (Gujarat)



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15th Annual Report 1999-2000**Board of Directors****Board of Directors**

Shri S.G. Mankad	Chairman
Shri H.V. Shah	
Shri R. Sathyamurthy	IDBI Nominee
Shri C. Bhattacharya	
Shri G.S. Talauliker	ICICI Nominee
Shri Sanjay Gupta	
Shri D.V. Buch	
Shri M.M. Srivastava	
Shri G.L. Bhagat	Managing Director

Senior Executives

Shri G. Y. Dewaji	Consultant (Technical)
Shri R. Natarajan	General Manager (Finance)
Shri D. V. Iyer	General Manager (SLPP)
Shri D. G. Naik	General Manager (BO)
Shri S. K. Nakra	Dy. General Manager (Mining)
Shri J. C. Patel	Dy. General Manager (HR & A)
Shri A. N. Shah	Dy. General Manager (O & M)

Asst. Company Secretary

Shri V.V. Vachhrajani

Bankers

Central Bank of India
 Syndicate Bank
 State Bank of India
 Dena Bank
 Bank of Baroda
 Punjab National Bank
 ICICI Bank Ltd.

Auditors

M/s. C. C. Chokshi & Co., Vadodara

Solicitors

M/s. Bhaishanker Kanga & Girdharlal, Mumbai

Registrars & Transfer Agents

MCS Limited
 1st Floor, Neelam Apartment,
 88, Sampatrao Colony,
 Behind Federation Building,
 R. C. Dutt Road, Vadodara - 390 005.
 Tel. : (0265) 339397 • Fax : (0265) 341639
 E-mail : mcs.brd@lwbdcq.lwbbs.net

Registered Office & Works

P.O. Petrofils - 391 347
 Dist. Vadodara

Surat Lignite Power Plant

Village Nani Naroli,
 Taluka Mangrol, Dist. Surat - 394 110

Visit our Website on www.gipcl.com



GUJARAT INDUSTRIES POWER COMPANY LIMITED

Attention

1. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, the 15th September, 1999 to Tuesday, the 21st September, 1999 (both days inclusive) for the purpose of determining entitlement to dividend.
2. Dividend, upon its declaration at the Annual General Meeting, will be paid, to those members whose names appear on the Register of Members of the Company on Wednesday, the 15th September, 1999. The Members who receive the dividend are requested to deposit the dividend warrant before the expiry of the validity period. The Company reserves the right to issue A/c Payee Cheques in lieu of Dividend Warrants received for revalidation thereafter.
3. Members are advised to address all correspondence quoting their Ledger Folio Number (LF No.) and to immediately notify their change of address, Bank A/c details if any, to the Company's Registrars and Transfer Agents at: **MCS Limited, 1st Floor, Neelam Apartment, 88 Sampatrao Colony, Behind Federation Building, R.C. Dutt Road, Vadodara - 390 005.** Members may also send in their queries etc., by e-mail at the following address: MCS.brd@lwbdbq.lwbbs.net
4. Those shareholders who have not paid the allotment money on Partly Convertible Debentures allotted & issued on Rights basis for the Rights issue held in August 1996 are requested to make the payment of allotment money together with the interest @18% p.a. w.e.f. 1st December, 1996 till the actual date of payment.
5. **Members who are holding Shares/Debentures in the Company and have not received or have not encashed their Dividend/Interest warrants are requested to write to us or to the Companies' Registrars and Transfer Agents.**
6. Members are advised to hold Shares/Debentures jointly to simplify the procedure of transmission in the event of death of any holder.
7. Members holding more than one Share/Debenture Certificate in the same name under different folios are requested to apply for consolidation of such folios in one folio and send relevant Share/Debenture Certificates to the Company to make necessary endorsements.
8. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company at least fifteen days before the date of the meeting, so that the information required by the members may be made available at the meeting.
9. Members attending the meeting are requested to bring with them the Attendance Slip and hand over the same at the entrance of the meeting hall, failing which admission to the meeting may be refused.
10. Members may note that the Company's Securities are listed on the following Stock Exchanges and the Company has paid the listing fees to all the Stock Exchanges in time and has never made any default in the Payment of listing fees in past :
 - (1) Vadodara Stock Exchange Limited, 3rd Floor, Fortune Tower, Dalal Street, Sayajigunj, Vadodara - 390 005.
 - (2) The Stock Exchange, Ahmedabad, Kamdhenu Complex, Opp. Sahajanand College, Near Panjrapole, Ahmedabad - 380 015.
 - (3) The Delhi Stock Exchange Association Limited, West Plaza, I.G. Stadium, Indraprasth Estate, New Delhi - 110 002.
 - (4) The National Stock Exchange of India Limited, Trade World, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.
 - (5) The Madras Stock Exchange Limited, "Exchange Building", Second Line Beach II, Chennai - 600 001.
 - (6) The Calcutta Stock Exchange Association Limited, 7, Lyons Range, Calcutta - 700 001.
 - (7) The Stock Exchange, Mumbai, 25th Floor, Sir P.J. Towers, Dalal Street, Mumbai - 400 001.
11. **As a measure of economy, the Company does not distribute the copies of the Annual Report at the Meeting. Members, therefore, are requested to bring their copies with them.**

With effect from 26-06-2000, equity shares of the Company are compulsorily traded in dematerialised (de-mat) form as mandated by Securities and Exchange Board of India (SEBI).

Members may note that the Company's equity shares are available for dematerialisation with National Securities Depository Ltd., Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 and with Central Depository Services (India) Ltd., 28th Floor, Sir P. J. Tower, Dalal Street, Fort, Mumbai - 400 023.



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Notice

NOTICE is hereby given that the Fifteenth Annual General Meeting of the Members of Gujarat Industries Power Company Limited will be held at the Registered Office of the Company at P.O. Petrofils - 391 347, Dist. Vadodara on Saturday, the 23rd September, 2000 at 10.00 a.m. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2000 and Profit & Loss Account for the year ended on that date and the reports of the Directors and the Auditors.
2. To appoint a Director in place of Shri D.V. Buch, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Shri C. Bhattacharya, who retires by rotation and being eligible offers himself for reappointment.
4. To declare dividend on Preference Shares for the year 1999-2000.
5. To declare dividend on Equity Shares for the year 1999-2000.
6. To appoint M/s. C.C. Chokshi & Co., Vadodara as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS :

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

"RESOLVED THAT Shri M.M. Srivastava, IAS, who was appointed as Director of the Company under Section 262 and other applicable provisions, if any, of the Companies Act, 1956, read with the Articles 16A & 21 of the Articles of Association of the Company, to fill up the casual vacancy caused due to the resignation/withdrawal of nomination by Gujarat Electricity Board of Shri J.S. Rana, IAS and who holds such office upto the date of this Annual General Meeting and who is eligible for reappointment and in respect of whom the Company has received a notice in writing alongwith a deposit of Rs. 500/- (Rupees Five Hundred Only) from a member under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company and shall not be 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 Shri G.L.Bhagat, IAS, who was appointed as Additional Director of the Company under Section 260 and other applicable provisions, if any, of the Companies Act, 1956, read with the Articles 16B & 17(a) of the Articles of Association of the Company, who holds such office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing alongwith a deposit of Rs. 500/- (Rupees Five Hundred Only) from a member under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company and shall not be 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 pursuant to the provisions of Sections 198, 269, 309, read with Schedule XIII and other applicable provisions of the Companies Act, 1956 approval of the Company be and is hereby accorded to the extension of the term of appointment of Shri J. N. Singh, IAS, as the Managing Director of the Company for a period from 29/05/1999 to 18/06/2000 at the remuneration and terms and conditions as contained in the Government of Gujarat, Energy and Petrochemicals Dept. Resolution No. GIP-1597-4045-K dtd. 12.8.1997 and as amended by the Government of Gujarat from time to time and also agreed and approved by the Board of Directors of the Company."

10. 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 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, read with Article 17 of the Articles of Association of the Company, approval of the Company be and is hereby accorded to the term of appointment of Shri G.L. Bhagat, IAS, as the Managing Director of the Company for a period of two years with effect from 19/06/2000 at the remuneration and terms and conditions as proposed below and as amended by Govt. of Gujarat, Energy & Petrochemicals Department Resolution, if any, and as may be then approved by the Board of Directors of the Company. The salary, allowance and perquisites/benefits payable to Shri G.L. Bhagat, IAS, Managing Director are as under :





GUJARAT INDUSTRIES POWER COMPANY LIMITED

Notice (Contd.)

Government of Gujarat is pleased to prescribe the terms and conditions of Foreign Service of Mr. G.L. Bhagat, IAS, as Managing Director, Gujarat Industries Power Company Ltd., as under :

i. Terms of Foreign Service :

Mr. G. L. Bhagat, IAS, shall be on foreign service to the Gujarat Industries Power Company Limited for a period of two years initially or till his services are withdrawn by the Govt. whichever is earlier.

ii. Commencement of Foreign Service :

The period of foreign service shall commence on the 18/06/2000 (forenoon) and shall end on the date he takes over the charge of a post under the State Government.

iii. Pay :

He will be entitled to draw pay and allowances as per his entitlement in the pay scale of Principal Secretary to the Government.

iv. Travelling Allowances while on Foreign Service :

For journey in connection with the duties in the Company Mr. G. L. Bhagat shall be paid travelling allowance and daily allowance according to the rules framed by the Company in this regard from time to time.

v. Leave and Leave Salary :

He shall be entitled to leave and leave salary as per the AIS (Leave) Rules, 1955. Leave salary contribution for the period of his foreign service in the Company shall be borne by the Company.

vi. Medical Facilities :

He shall be entitled to the medical facilities admissible under the AIS (Medical Attendance) Rules, 1954.

vii. Leave & Pension Contribution :

Contribution on account of leave and pension shall be paid by the Company to the State Government in accordance with the provisions of B.C.S.R. and in consultation with Accountant General, Gujarat.

viii. Disability Leave :

The Company shall be liable to pay leave salary in respect of disability leave granted to him on account of any disability incurred in or through his foreign service, even if such injury/disability manifests itself after the termination of foreign service.

ix. Compensatory Allowance including H.R.A. :

He shall be entitled to compensatory local allowance at the place of duty while on foreign service in accordance with the Rules framed by the Company.

x. Compensatory Allowance during leave including H.R.A. :

The whole expenditure in respect of any compensatory allowance for the period of leave taken by Mr. G. L. Bhagat on foreign service while in or at the end of foreign service, shall be borne by the Company.

xi. Leave Travel Concession :

For the purpose of L.T.C. he will continue to be governed by the rules applicable to the State Civil Services Class-I Officers or at his option by the rules applicable to the corresponding employees of the Gujarat Industries Power Company Limited, if he has opted for the State L.T.C. Rules. If he has opted for the "Central Rules" and the benefit of L.T.C. is available in the Gujarat Industries Power Company Limited, he will be governed by the L.T.C. Rules applicable to the corresponding employees of the Gujarat Industries Power Company Limited. If he has opted for the "Central Rules" and benefit of L.T.C. is not available in the Gujarat Industries Power Company Ltd. he will be eligible for the L.T.C. benefit, as in the case of the Officers of "Central Civil Services Group-A" in accordance with Government Circular GAD No.AIS-2083-GOI-77-G dated 11/10/1984.

xii. Dearness Allowance :

He shall be entitled to draw Dearness Allowance as admissible under the AIS (DA) Rules, 1972.

xiii. Provident Fund :

He shall be entitled to continue to subscribe to the Provident Fund maintained by Government in accordance with AIS (PF) Rules, 1955 and subject to the same rule as would be applicable to him had he not been deputed to the Company.

xiv. Joining Time, Joining Time Pay & Allowance & Transfer T.A. :

He shall be entitled to transfer travelling allowance and joining time pay on joining the post on Foreign Service as well as on reversion to State Service under the rules of State Government. The expenditure on this account shall be borne by the Company.

xv. Pension / Gratuity in the event of injury or death while on Foreign Service :

The Company shall be responsible for the payment of any gratuity or pension that may be admissible under the Rules, if any injury is sustained by Mr. Bhagat or his death occurs during the foreign service.





Notice (Contd.)

xvi. Leave Encashment :

He shall be entitled to the leave encashment benefits as admissible to him in the State Government Service.

xvii. He will be entitled to the use of Company's car for private purpose as per the instructions issued vide F.D. Circular No. JNV-1477-2833-429-(92-A dated 12/02/1992) or Company's rules in this regard at this option.

xviii. During the period of foreign service, Mr. G. L. Bhagat shall continue to be governed by the AIS (Death-cum-Retirement Benefits) Rules, 1958 as applicable to him from time to time.

xix. If unfurnished residential accommodation is provided by the Company, he shall have to pay the rent to the Company at the flat rate prescribed under Finance Department Resolution No.BCR-1084-59-M. dated 03/09/1987. In case Government accommodation is allotted to him, the difference between flat rate prescribed under F.D. C.R. No.ECR-1087-59-M. dated 03/09/1987 and the economic rent, that may be fixed for accommodation allotted to him, should be borne by the Company.

xx. Group Insurance :

During this period of deputation, he will continue to be governed by AIS (Group Insurance) Rules, 1981

xxi. He shall be allowed to draw ex-gratia payment in lieu of bonus that may be declared by the Government from time to time.

"FURTHER RESOLVED THAT if in any financial year, the Company has no profits or its profits are inadequate, the remuneration as detailed above, including benefits and perquisites, shall be paid and allowed to him by way of minimum remuneration."

"FURTHER RESOLVED THAT the Board of Directors of the Company is authorised to agree to and approve any variation, modification or amendment, in the terms and conditions of appointment and payment of remuneration and providing perquisites by the Company to the Managing Director, if required, or as may be, prescribed/approved by the Government during the continuance of service."

11. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution** :

"RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956 and the other provisions of the other statutes as applicable, and subject to such approvals, consents, permissions and sanctions, as may be necessary from the appropriate

authorities or bodies, the Articles of Association of the Company be and are hereby altered as follows :

1. In the "Interpretation Clause", after the existing interpretation **2(h) "Board"** the following new Interpretation Clauses be added :

2.(i) "Shareholders" or "Members" means the deemed registered holders from time to time of the Shares / Securities of the Company and includes every person whose name is entered as beneficial owner in the records of the Depository

2.(j) "Depositories Act" means The Depositories Act, 1996 and includes where the context so admits, any reenactment or statutory modifications thereof for the time being in force.

2.(k) "Depository" means a Depository as defined under the clause (e) of Sub Section (1) of Section 2 of the Depositories Act, 1996.

2.(l) "Beneficial Owner" shall have the meaning assigned thereto in clause (a) of Sub Section (1) of Section 2 of the Depositories Act, 1996.

2. After the existing Article 5(d) the following new Articles 5(e) to (h) shall be inserted viz. :

Article 5 (e) :

Notwithstanding anything contained in this Articles, the Company shall be entitled to dematerialise its existing shares and other securities rematerialise its shares and other securities held with Depositories and/or offer its fresh shares and other securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder and on the same being done, the Company shall further be entitled to maintain a register of members with the details of Members holding shares both in material and dematerialised form in any media as permitted by law including any form of electronic media, either in respect of existing shares or any future issue and transfer or transmission of any shares or other securities held in material or dematerialised form.

Article 5 (f) :

The Shares and other securities of the Company which are held in the dematerialised form shall not be progressively numbered and the provisions relating to the progressive numbering shall not apply to the shares or other securities of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form and no Share Certificates shall be issued in respect of the shares issued / held in dematerialised form with any Depository.



GUJARAT INDUSTRIES POWER COMPANY LIMITED

Notice (Contd.)

Article 5 (g) :

Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the Shares / Securities in the records of the Depository as the absolute owner thereof as regards the receipt of Dividends or Bonus or Service of Notice and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by Court of Competent jurisdiction or as by law required) be bound to recognise any benami trust or equity or equitable, contingent or other claims to or interest in such shares / securities on the part of any other person whether or not it shall have express or implied notice thereof.

Article 5 (h) :

In the case of Transfer or Transmission of Securities held by beneficial owners with the Depository the provisions relating to the normal transfer or transmission of securities in respect of the securities held in the physical mode shall not apply to the transfer of securities effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of the Depository. In case of transfer or transmission of shares or other marketable securities where the Company has not issued any certificates in respect thereof and where such shares or securities are being held in an electronic and fungible form with a Depository, the provision of the Depositories Act, 1996 shall apply.

For Gujarat Industries Power Company Ltd.

Registered Office :

P.O. Petrofils - 391 347,

Dist. Vadodara.

Date: 24th June, 2000.

V. V. Vachhrajani

Asst. Company Secretary

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 THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Explanatory Statement setting out the material facts concerning the special business mentioned under Item nos. 7 to 11 of the notice as required under Section 173 of The Companies Act, 1956 is annexed hereto.
3. With the commencement of the Companies (Amendment) Act, 1999, effective from 31st October, 1998, the shareholders are advised that the Companies are now not required to transfer its unpaid/unclaimed dividend after the expiry of 3 years to the General Revenue Account of the Central Government, but the same will be transferred to the special fund (called "Investors Education and Protection Fund ") after the expiry of 7 years from the date from which they become due for payment. No claims will lie for the amounts so transferred. The shareholders may please note that the dividends declared for the financial years 1992-93, 1993-94 & 1994-95 have been transferred to the General Revenue Account of the Central Government and the dividends declared from the financial year 1995-96 onwards will be transferred after the expiry of 7 years to the fund as mentioned above. Members are therefore requested to take note of above.
4. Relevancy of questions and the order of the speakers at the meeting will be decided by the Chairman.

