

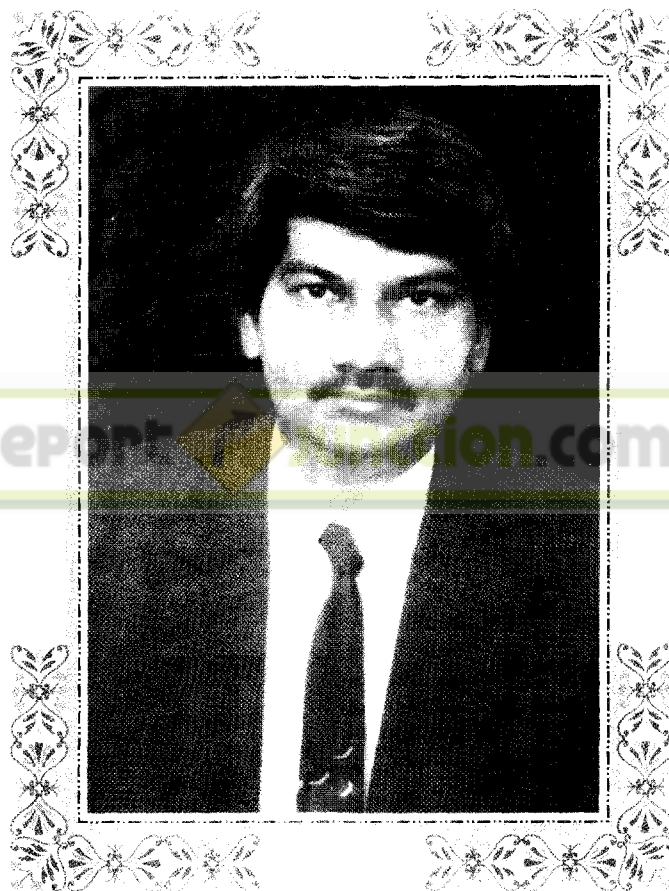
Director.



**57th
ANNUAL REPORT
2004 - 2005**

RTS POWER CORPORATION LIMITED

Mortal in life - immortal memory



Late Surendra Bhutoria (1961-1995)

BOARD OF DIRECTORS

SIR ABHAY BHUTORIA
SIR RAJENDRA BHUTORIA
SIR SARDUL SINGH JAIN
SRI LOON KARAN PATAWARI
SIR SHARAD BHUTORIA

MANAGING DIRECTOR
DIRECTOR
DIRECTOR
DIRECTOR
DIRECTOR

AUDITORS :

A. C. BHUTERIA & CO.
CHARTERED ACCOUNTANTS
2, INDIA EXCHANGE PLACE
KOLKATA - 700 001

BANKERS :

THE BANK OF RAJASTHAN LTD.
STATE BANK OF BIKANER & JAIPUR
BANK OF BARODA
IDBI BANK LTD.
BANK OF INDIA

REGISTERED OFFICE :

56, NETAJI SUBHAS ROAD,
KOLKATA - 700 001

PLANT :

- | | |
|--|--|
| 1. JAIPUR - RAJASTHAN
(Power & Distribution Transformer Unit) | 2. JAIPUR - RAJASTHAN
(132 KV Extra High Voltage
Transformer Unit) |
| 3. KALADERA - RAJASTHAN
(Oil Unit) | 4. AGRA- UTTAR PRADESH
(Power & Distribution Transformer
Unit) |
| 5. SALKIA, HOWRAH - WEST BENGAL
(Power & Distribution Transformer Unit) | |

REGISTRARS & TRANSFER :

NICHE TECHNOLOGIES PVT. LTD.
C-444, BAGREE MARKET, 71 B.R.B. BASU ROAD,
KOLKATA - 700 001

NOTICE

Notice is hereby given that the Fifty Seventh Annual General Meeting of Shareholders of RTS POWER CORPORATION LIMITED will be held on Saturday, 10th September, 2005 at 10.00 A.M. at 8B, Lindsay Street, Kolkata - 700 087 to transact the following business : -

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March 2005 and the profit and Loss Account for the year ended as on that date and the report of the Board of Directors and of the Company's Auditors thereon.
2. To appoint a Director in place of Mr. Rajendra Bhutoria who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Sardul Shingh Jain who retires by rotation and being eligible, offers himself for reappointment.
4. To declare dividend on Equity Shares.
5. To appoint Auditors and fix their remuneration and for this purpose to consider and, if thought fit, to pass the following resolution with or without modification, "RESOLVED that pursuant to the provisions of section 224 of the Companies Act, 1956, M/s. A C Bhutoria & Co., Chartered Accountant be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the company and to authorise the Audit committee of Directors to fix their remuneration."
6. To consider and if thought fit, to pass with or without modification (s), the following resolution; As an ordinary resolution.
"RSOLLVED THAT the Board of Directors of the Company be and is hereby authorised to appoint any person qualified for appointment as Auditor of the Company under section 228 of the Companies Act, 1956, for auditing the accounts of the Branch office of the Company, situated at Jaipur and Agra for the financial year 2005-2006, in consultation with the statutory auditors of the Company at a remuneration to be mutually fixed by the Audit Committee of the Company after discussion with aforesaid Auditors."

RTS POWER CORPORATION LIMITED

7. To consider and if thought fit, to pass with or without modification (s), the following resolution; As an ordinary resolution.
 "RESOLVED THAT in accordance with the applicable provisions of the Companies Act, 1956 or any amendment or modification thereof, and subject to compliance with other applicable statutory provisions, if any, Company do hereby approve the re-appointment of and remuneration payable to Mr. Abhay Bhutoria as Managing Director of the Company for a period of 5 years with effect from 01.12.2005 on the terms and conditions as set out in the explanatory statements to this resolution."
8. To consider and if thought fit, to pass with or without modification (s), the following resolution; As a Special resolution.
 "RESOLVED that subject to the provisions of the Companies Act, 1956 the securities Contracts (Regulation) Act, 1956 and the rules framed thereunder, the SEBI (Delisting of Securities) Guidelines, 2003 and all other applicable laws, rules, regulations, and in terms of the listing agreement entered into by the Company with the Jaipur Stock Exchange, the Board of Directors of the Company be and is hereby authorised to seek voluntarily delisting of the Company's ordinary shares from the Jaipur Stock Exchange limited.
 RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised jointly/severally to do all such acts and things as may be considered necessary and expedient and to settle all matters, whatsoever, with the relevant stock exchange in connection with the aforesaid voluntary delisting, and to delegate authority to any of the Company's Directors or officers to do such acts and things, as it may deem fit, in connection therewith."
9. To Consider 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 the Articles of Association of the Company be and are hereby altered in the following manner :
- (1) The following new Article be inserted as Article 34A after Existing Article 34
 Article 34A Buy back of Shares
 34A. The Company may buy back it's own shares or otherwise securities as may be notified by the central government, subject to the provisions of section 77A, 77AA and 77B of the Act.
 - (2) The following new Article be inserted as Article 46A after existing Article 46 :
 Article 46A. NOMINATION FOR SHARES AND DEBENTURES
 46A. Notwithstanding anything contained in the Articles, every holder (s) of shares or holder (s) of debentures of the Company, holding either

singly or jointly, may, at any time, nominate a person in the prescribed manner to whom the shares and / or the interest of the member in the shares of the Company or debentures of the Company shall vest in the event of his / her death. Such member may revoke or vary his / her nomination, at any time, by notifying the same to the Company to that effect. Such nomination shall be governed by the provision of Sections 109A and 109B of the Act or such other regulations governing the matter from time to time.

- (3) The following new Article be inserted as Article 85A after existing Article 85 :
Article 85A. Postal Ballot

85A. (1) Notwith anything contained elsewhere in these articles, the board of Directors may and in the case of resolutions relating to such business as the central government, may be notification under the provisions of section 192A of the Companies Act, 1956, declare to be conducted only by the postal ballot instead of transacting the business in general meeting of the Company.

- (2) Were it is decided to pass any resolution by resorting to postal ballot the company shall send notice to all the members, alongwith a draft resolution explaining the reasons therefore and requesting the members to send their assent or dissent in writing on a postal ballot within a period of a thirty days from the date of a positing of a letter.
- (3) The notice shall be sent by registered post acknowledgment due, or by any other method as may be prescribed by the Central Government in this behalf, and shall include with the notice, a postage pre-paid envelope for facilitating the communication of the ascent or dissent of the member to the resolution within the said period of thirty days.
- (4) If a resolution is assented to by requisite majority of the members by means of postal ballot, it shall be deemed to have been duly passed at a general meeting convened in that behalf.
- (5) It is clarified that the term postal ballot in this Article shall include voting by electronic mode.
- (6) The follwing new Article be inserted as Article 111A after existing Article 111:
Article 111A. Meeting by teleconferencing or video conferencing
111A. The Company shall have the power to hold Board or Committee Meetings through the means of Video or Tele-Conferencing,

and also allow Directors to participate in the Board or Committee Meetings through the means of Video or Tele-Conferencing, subject to the applicable provisions, if any, of the Act and other regulatory provisions, if any, and all relevant articles relating to Board or Committee Meetings shall be read mutates mutandis.

- (5) The follwing new Article be inserted as Article 137A after existing Article 137:
Article 137A. Interim dividend
137A. The Board of Directors may from time to time pay to the members such interim dividends as in the judgement of the board the financial position of the Company justifies; or to revoke it's decision for payment of interim dividend.

For & on behalf of the Board
Rajendra Bhutoria
Director

Place : Kolkata
Date : 15th July 2005

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NOTES :

1. Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such a proxy need not be a member of the company.
2. A Instrument of proxies in order to be effective must be deposited with the company at it's Registered office not less than 48 hours before the commencement of the meeting.
3. The register of members of the Company and Share Transfer Book will remain closed from 5th September 2005 to 10th September 2005 (both days inclusive).
4. Members who have multiple registered folios in identical order on name(s) are requested to write to the Company quoting their Registered Folio No. (s) and enclosing their Share Certificate, for consolidation of all such shareholding into one registered folio to facilitate better service.
5. Member are requested to bring the attendance slips along with copies of Annual Report to the Meeting.
6. The Company has signed an agreement with National Securities Depository Limited and Centra Depository Service (India) Limited for Dematerialization of Company's Shares. These facilities are now operational since 13th February 2001 and members are requested to avail the same. Demat ISIN No. Allotted by NSDL and CDSL is INE005C01017.
7. Members who hold shares in Dematerialized form are requested to indicate without fail their DPID and Client ID Numbers in attendance slip.
8. Members intending to require information about accounts to be explained at the meeting are requested to write to the Company at least 10 days in advance of the Annual General meeting.
9. Notice of change of address must reach the Company's Registrar and Share Transfer Agents; Niche Technologies Limited, C 444 Bagri Market, 71 B.R.B. Basu Road, Kolkata - 700 001.
10. The relative explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of items 4 and 5 is annexed hereto.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COPANIES ACT,1956.

ITEM 6 :

The Company has set up a branch office and units at Jaipur and Agra-. M/s. N.C.Dhadha & Co. Chartered Accountant, were appointed the Branch Auditors for the financial year 2004-2005. It is proposed to re-appoint M/s. N.C Dhadha & Co. Chartered Accountant as branch auditors for the Jaipur & Agra office for the financial year 2005-2006.

The shareholders approval is, therefor, sought for the appointment of M/s. N.C.Dhadha & Co. Chartered Accountant as branch Auditors of the Company's branch office in Jaipur for the financial year 2005-2006 and to authorise the board of directors to determine the remuneration payable in consultation with them. The board of directors commends the resolution for acceptance by the members.

ITEM 7 :

The members of the Company, at 52nd Annual General meeting of the Company, held on 20.09.2000 approved the terms and conditions of appointment and remuneration of Mr. Abhay Bhutoria, as Managing Director of the Company, for a period of five year with effect from 01.12.2000. The period of the aforesaid appointment expires on 30.11.2005. In view of knowledge and experience in Electrical and transmission, and in the best interest of the Company, the board of Directors considers it beneficial to avail of his services for a further period of five years. The Board has approved the re-appointment of Shri Abhay Bhutoria as Managing Director of the Company for a period of five years, subject to the approval of the members, based on recommendation of remuneration committee. The details are set out here under:

- 1.(A) Mr. Bhutoria shall continue to be the Managing Director of the Company upon the terms and conditions hereinafter expressed and agreed between the parties for a further period of five years commencing ferom 1st Decmber, 2005.

(B) **REMUNERATION :**

- (a) Salary : Rs. 7,500/- per month
 (b) Perquisite : Perquisites shall be restricted to an amount equal to the annual salary or Rs. 1,15,000/- per annum whichever is lass.

(C) **PART "A"**

(i) **HOUSING :**

Furnished accommodation in a residential house owned by the Company and for this 10% of the Salary of the Managing Director shall be deducted by the Company. The expenditure incurred by the Company on Gas, Electricity, Water and Furnishing shall be valued as per the Income Tax Rules 1962, wich shall be subject to 10% of the Salary of the Managing Director.

(ii) **MEDICAL REIMBURSEMENT :**

Expenses incurred by the Managing Director and his family subject to a ceiling of one month's Salary in a year or 3 months Salary in a block of 3 years. Further premium for the accidental insurance will be borne by the Company. Mediclaim Insurance premium U/S 80D of the Income Tax Act will be paid by the Company.

(iii) **LEAVE TRAVEL CONCESSION :**

For the Managing Director and his family, once in a year incurred in accordance with any rule specified by the Company.

(iv) **CLUB FEES :**

Fees of Club subject to a maximum of two clubs. This will not included admis-sion and life membersshp fees.

PART "B"

(i) Contribution to Provident Fund, Superannuation fund or annuity fund will not be include in the computation of the ceiling on the perquisites to the extent these either singly or put together are not taxable nuder the Income Tax Act.

(ii) Gratuity not exceeding half a month's salary for each completed year of servies to a ceiling of Rs. 1,00,000/-.