

**THE AMALGAMATED  
ELECTRICITY COMPANY  
LIMITED**

**2009-2010**

**75<sup>th</sup> Annual Report**

**2009-2010**  
**THE AMALGAMATED ELECTRICITY COMPANY LIMITED**

**DIRECTORS**

**MR. MILAN B. DALAL**

**MR. SATYEN B. DALAL**

**MR. DEEPAK SHETH**

**MR. NITIN E. VELHAL**

**THE SOUTH INDIAN BANK LTD.**  
MUMBAI

**AUDITORS**

Messrs. GANESH & RAJENDRA ASSOCIATES

**REGISTERED OFFICE**

17-B, HORNIMAN CIRCLE, FORT  
MUMBAI 400 023

**A REQUEST**

The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued in view of the high cost of paper and printing. You are, therefore, requested to bring your copy of the Annual Report at the Meeting. Please bring with you the Entrance Pass duly completed.

**NOTICE**

**NOTICE** is hereby given that the **SEVENTY-FIFTH ANNUAL GENERAL MEETING** of the Members of **THE AMALGAMATED ELECTRICITY COMPANY LIMITED** will be held on Saturday, 19<sup>th</sup> June, 2010 at 11.00 a.m. at Tea Centre, 78, Resham Bhavan, V.N.Road, Churchgate, Mumbai 400 020, to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2010 and the Profit & Loss Account of the Company for the year ended on that date alongwith the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr.Satyen B.Dalal who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and to fix their remuneration.

**SPECIAL BUSINESS:**

4. 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 17 and other applicable provisions, if any, of the Companies Act, 1956 and subject to confirmation by the Company Law Board, Clause III of the Memorandum of Association of the Company be and is hereby altered and amended in the following manner :

- i. Renumbering the existing Clauses 1 to 6 as Clauses I to VI.
- ii. Bifurcating the renumbered Clause III into Clause III(A) and Clause III(B) under the heads "MAIN OBJECTS" and "OBJECTS INCIDENTAL OR ANCILLIARY TO THE ATTAINMENT OF THE MAIN OBJECTS".
- iii. Renumbering the existing sub-clauses (a) and (b) as sub-clauses (1) and (2) and inserting them under the bifurcated Clause III (A).
- iv. Inserting the following sub-clause as sub-clause (3) as part of Clause III (A) under the heading "MAIN OBJECTS".
  - (3) To carry on, in India or overseas, the business of manufacturers, importers, exporters, contractors, suppliers, engineers, hirers, dealers and distributors for industrial, commercial or domestic purposes, equipments, apparatus, accessories and spare parts of all kinds of electrical, electronic and wireless equipments for generation, distribution, transmission, control and utilization of electrical, atomic or any other energy, hydraulic, mechanical, pneumatic, aviation, refrigeration, air-conditioning equipments, apparatus, accessories and spare parts thereof, office equipments, wire and cables in all their branches
- v. Renumbering the existing sub-clauses (c) to (uu) as sub-clauses (4) to (48) and inserting them under the bifurcated Clause III (B).
- vi. Inserting the following sub-clauses as part of a new Clause III (C) under the heading "OTHER OBJECTS": and numbering them as sub-clauses (49), (50), (51), (52), (53), (54), (55), (56) and (57)

(49) To carry on, in India or overseas, the business of manufacturers, importers, exporters, contractors, suppliers, engineers, hirers, dealers and distributors for industrial, commercial or domestic purposes, equipments, apparatus, accessories and spare parts of all kinds of electrical, electronic and wireless equipments for generation, distribution, transmission, control and utilization of electrical, atomic or any other energy, hydraulic, mechanical, pneumatic, aviation, refrigeration, air-conditioning equipments, apparatus, accessories and spare parts thereof, office equipments, wire and cables in all their branches.

(50) To establish, maintain and work, within India or overseas, broadcasting stations for broadcasting to the public by means of wireless, telephone, telegraph and television, concerts, lectures, educational subjects, weather reports, theatrical, entertainment and other matter (commonly known as broadcast electronics and television matters) and to obtain and hold necessary licence(s) therefor.

(51) To manufacture, purchase, import, export, lease or otherwise acquire and to install, sell, hire, distribute, use, deal in and otherwise dispose off plant, machinery, equipment and apparatus of every description for industrial, commercial and domestic use pertaining to electrical, wireless, telegraphy, telephony, radio and television, broadcasting and reception, mechanical, electrical and electronic reproduction of sound and images and for all materials, articles, accessories, spare parts and things as may be deemed necessary in relation thereto and in connection therewith.

(52) To carry on, establish, organize and conduct the business of electrical, civil, mechanical, structural and general engineers and wiring contractors and manufacturers of electrical apparatus of all kinds.

(53) To carry on the business of mechanical, electrical and chemical engineers for commercial, industrial and domestic purposes.

(54) To carry on in India or overseas all or any business of theatre, cinema, multiplexes, music halls, concert halls, ball room and restaurant proprietors, caterers, manufacturers of audio and video programmes, producers of plays, cinemas and all forms of entertainments, to produce, represent and perform concerts, lectures and public meetings.

(55) To apply for, purchase or otherwise acquire and obtain any patents, permissions, trademarks, concessions, processes and the like conferring any exclusive or limited right (either in point of time or otherwise), and to use the same or any secret or other information as to any invention which may seem capable of being used for any purpose of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop or grant licences in respect of or otherwise turn to account any such patents, inventions, licences, permissions, trademarks, concessions, processes and the like and the information as required.

## THE AMALGAMATED ELECTRICITY COMPANY LIMITED

- (56) To carry on the business of trading and retailing, and for the purpose, acquiring all kinds of goods, articles and merchandise from the manufacturers, traders, agents, distributors, franchise holders, importers, exporters in India and abroad, including fashion wares, toiletries, fashion accessories, handicrafts, lifestyle products, men's, women's and children's clothing, leather garments, durables etc, furniture store, florists, sporting goods stores and book stores, food products, footwear, health and beauty products, jewellery, home products, white goods, consumer electronics and all such personal and home consumption items in general by way of commercial arrangements with all or each of such supplier of goods to be made available at the locations wherever, at the Company's warehousing facilities and to sell, distribute, exhibit, launch fares for the retailing of all such items through the shops established by the Company or under the selling arrangements with shoppers in India and abroad, retailing and trading through departmental or concessionaire stores operated by itself or by franchisees by entering into necessary franchise agreements.
- (57) To manage, render advice and franchise in the business of retail including departmental store, direct to home, mail orders and catalogue orders for all kinds of products and services in India and abroad.
- (58) To own, construct, take on lease or in any other manner or to run, render technical advice in constructing, furnishing, running and management of retail business, including departmental stores, direct to home and mail order catalogue of products and services and dealing in all kinds of goods, materials and items in India or in any other part of the world.
- (59) To engage in the business of providing services, rendering advice, undertaking consultancy in the areas of accounting operations and other fields as well as in the areas of project implementation, project financing, fund structuring, working capital management for corporate(s), firm(s) or any person(s) whether in India or abroad.
- (60) To purchase or otherwise acquire, buy, lease, hold, sell, exchange, grant, dispose of, erect, maintain, reconstruct lands, and take over any business or undertaking which the Company may desire to acquire or become interested in and in the process therefor acquire all or any of the assets and liabilities of such business or undertaking and to carry on the same, to dispose of, remove, put an end to or otherwise deal with such business or undertaking as may seem expedient.
- (61) To collaborate with foreign firms for acquiring or offering technology know how, or to employ foreign technology.
- (62) To provide technical know-how and management service to parties
- (63) To enter into any partnership or into any arrangement for sharing profits, union of interest, cooperation, joint ventures, etc.
- (64) To enter into contract(s), agreement(s) with any government authority, municipal or local or otherwise that may be deemed conducive to the interests of the Company.
- (65) To acquire, buy, purchase, lease or otherwise acquire, hold, sell, exchange, grant, dispose of, erect, maintain or reconstruct lands, buildings, offices etc., found necessary or convenient for the purpose of the Company or otherwise.
- (66) To invest and deal with the money of the Company and to draw, make, accept, issue, endorse, negotiate, execute or discount bills of exchange, cheques, promissory notes, etc.
- (67) To employ experts to investigate and examine into the condition, prospects, value, character and circumstances of any business concern or undertaking having similar objects and generally of any assets, property or rights.
- (68) To borrow or raise money and secure and discharge any debt or obligation or binding on the Company in such manner as may be thought fit, and in particular by mortgages of the undertaking and all or any of the immovable and movable property (present and future) and the uncalled capital of the Company, or by the creation and issue on such terms as may be thought expedient, of debentures or debenture stock, perpetual or otherwise, or other securities of any description subject to provisions of Section 58A and Reserve Bank of India directives.
- (69) To purchase, take on lease, or exchange, hire or otherwise acquire any immovable or movable property, patents, licences, rights and privileges which the Company may think necessary or convenient for the purpose of its business and to pay for the same either in cash or in shares or securities and to sell, lease or underlease or otherwise dispose off or grant rights over any property, movable or immovable, belonging to the Company.
- (70) To give any guarantee in relation to the payment of any debentures, debenture-stock, bonds, obligations or securities and to guarantee the payment of interest thereon or of dividends on any stock or shares of the Company.
- (71) To manage land, buildings and other property both movable and immovable whether belonging to the Company and to collect rents and income and to supply to tenants and occupiers, attendants, servants, waiting rooms, reading rooms and other conveniences.
- (72) To develop and turn to account any land acquired by the Company or in which it is interested and in particular, by laying on and preparing the same for building purpose, constructing, altering, pulling down decoration, maintaining, fitting up, and improving building, and by planting, paving, draining, cultivating and letting on building lease or building agreement and by advancing money to and entering into contracts and agreements of all kinds with buildings and others.
- (73) To obtain any provisional order or Act of the Government for enabling the Company to carry its objects, into effect or for effecting any modification of the Company's constitution.

- (74) To open current or other accounts with any banks, to pay money into and draw money from such accounts.
- (75) To distribute amongst the members of the Company in specie or kind, any property of the Company in the event of winding up of the Company subject to the provisions of the Companies Act.
- (76) To pay all costs, charges and expenses incurred or sustained in or about the promotion, incorporation and establishment of the Company or which the Company shall consider preliminary out of the funds of the Company.
- (77) To cause the Company to be registered in any foreign country or place.
- (78) To open branches in any place within the country or in any foreign country.
- (79) To enter into foreign collaborations, partnerships or any arrangements for sharing of or pooling profits, amalgamations, unions of interest, co-operation, joint ventures, reciprocal concessions or otherwise or amalgamate or join hands with any person, firm, business, organisation, company, trust, co-operative society, association of persons or other business enterprise.
- (80) To enter into the arrangement or process of demerger of this Company by transferring the assets, properties or liabilities pertaining to that division or undertaking of the Company which is required to be demerged in to a separate incorporated company which is engaged in or authorised or about to carry any business or transaction which this Company is authorised to carry on.
- (81) To amalgamate with any other company whose objects are or include objects similar to those of this Company, whether by sale or purchase (for fully or partly paid up shares or otherwise) of all or a controlling interest in the shares or stock of this or any such other company as aforesaid or in any other manner.
- (82) To acquire or undertake the whole or part of the business or property and liabilities of any person or company carrying on any business which the Company is authorised to carry on or possessed of property suitable for the purpose of this Company
- (83) To institute and to defend any suit, appeal, application for review or revision or any other application of any nature whatsoever, to take out executions, to enter into agreements of reference to arbitration and to enforce and, where need be, to contest any awards and for all such purposes to engage or retain counsels, attorneys and agents and when necessary to remove them.
- (84) To carry on business of finance, to lend, or advance money to builders and other persons or securities of all descriptions whether real or personal and to grant loans upon mortgage of any lands, buildings and hereditaments, of whatever tenure, for the improvements thereof or otherwise.
- (85) To carry on the business of an investment company and to invest in stock, or to acquire, or hold or sell, or buy or otherwise deal in shares, units, obligations and other securities of any company or other securities issued by any government or lawful authority.
- (86) To undertake, carry out, promote and sponsor rural development, including any programme or promoting the social and economic welfare for the uplift of the people in any rural area and incur any expenditure on any programme of rural development and to assist education and promotion thereof, either directly or through any agency or in any other manner, without prejudice to the generality of the foregoing programme promoting the social and economic welfare for the rural development, and that the word "rural area" shall include such areas as may be regarded as "rural areas" under the Income-tax Act or any other law which may be in force from time to time, relating to the rural development and in order to implement any of the above mentioned objects or purpose, transfer without consideration or at a fair or concessional value and subject to the provisions of the Companies Act, divest the ownership of the property of the Company to or in favour of any public or local body or authority or Central or State Government or any public institution or trust or any other agency engaged in any programme of rural development.
- (87) To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of national economy and for discharging social and moral responsibilities of the Company, to the public, to promote national welfare or social, economic or moral uplift of the public and in such manner and by such means and in order to complement any of the above mentioned objects or purpose, transfer without consideration or at a fair or concessional value and from time to time to undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspapers etc. or for organising lectures or seminars, likely to advance these objects or for giving merit awards, scholarships, loans or any other assistances to deserving students or other scholars or persons to enable them to prosecute their studies or academic pursuits or researches or to take up establishment of any Medical Research Centre, to collect information and advices on modern techniques for treatment of diseases for the benefit of the rural areas either by itself or through any of the agencies and for establishing, conducting or assisting any institution, fund, trust, etc. having any one of the aforesaid objects as one of its objects by giving donations or otherwise in any other manner, in order to implement any of the abovementioned objects or purposes, transfer without consideration or at fair or concessional value and subject to the provisions of the Companies Act, divest the ownership of any property of the Company to or in favour of, any public or local body or authority or Central and/or State Government(s) or any public institutions.
- (88) To act as managers for public issue of other companies, to act as investment advisers, financial advisers to individuals or companies or advise on portfolio management to corporations, companies or individuals.

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- (89) To carry on the business of storing and preserving all types of articles, commodities, goods by constructing, erecting, purchasing or otherwise acquiring and maintaining godowns, storehouses, warehouses, galas, depots, storage tanks, cold storage and other places.
- (90) To carry on business as stationers, printers, lithographers, stenotypers, electrotypers, photographic printers, engravers, designers, envelop manufacturers, binders, cardboard manufacturers, type founders.
- (91) To carry on the business of producing and distributing energy from solar, geothermal, biomass or any other sources.
- (92) To carry on the business of advisers and consultants on all matters and problems relating to engineering, administration, finance, organisation, management, personnel, commencement and expansion of industries, purchasing techniques, production, storage, purchase, sales, marketing, distribution, advertising, publicity, materials, cost and quality control, export, import and the rendering of engineering services to individuals, firms, bodies corporate, institutions, associations and departments of the Central and State Governments.
- (93) To cultivate, grow, produce or deal in any dairy products, and to carry on the business of farmers, dairymen, contractors, dairy farmers, millers, purveyors and vendors of milk, cream, cheese, butter and other milk products, poultry, provisions of all kinds, growing of and dealers in corn, hay and straw, seedsmen and nurserymen and to buy, sell and trade in any of the above business or any other business associated with the farming industry which may be advantageously carried on by the Company.
- (94) To purchase, sell, import, export, produce or otherwise deal in preserved, vegetables, tinned fruits and all types of food products and foodgrains, develop and exploit farms, horticulture, agriculture, animal husbandry, dairy, poultry and allied farming lines which can be conveniently carried on in farming business and to carry on the business of farming and aerial spraying.
- (95) To treat, cure, submit to any process of manufacture and prepare for the market (whether on account of the Company or others) agricultural products of all kinds or things whatsoever and to deal in dairy, piggery, farm and garden produce of all kinds.
- (96) To carry on the business of manufacturers and dealers in pulp and paper of all kinds and articles made from paper or pulp, and materials used in the manufacture or treatment of paper, including cardboard, mill boards, and oil papers and packing cartons and newspapers and photographic raw films.
- (97) To carry on all or any of the businesses of manufacturers, importers, exporters, buyers, sellers and distributing agents of and dealers in all kinds of patent, pharmaceutical, medicinal and medicated preparations, patent medicines, drugs, herbs, and in pharmaceutical, medicinal, proprietary and industrial preparations, compounds and articles of all kinds, chemists, druggists, and chemical manufactures and to manufacture, make up, prepare, buy, sell and deal in all articles, substances and things commonly or conveniently used in or for making up, preparing or packing any of the products in which the Company is authorised to deal or which may be required by customers or persons having dealings with the Company.
- (98) To manufacture, purchase, sell, import or otherwise deal in paper, newsprint, paperboard, strawboard, hardboard, fibreboard, chipboard, corrugated paper, transparent craftpaper, carbons, inks, parchment and corks.
- (99) To carry on the business of interior and exterior decorators, construction contractors, furnishers, designers, consultants, and planners of buildings, landscapes.
- (100) To carry on the business of film manufacturers, video magazines, television serials, radio programmes film apparatus manufacturers, film producers, both sound and silent, hippodrome and circus proprietors, managers of cinema houses, theatres, concert halls, picture places and studios, to carry on the business of letting or sub-letting the use of cinema halls, theatres, picture places, studios, video theatres or other machinery, apparatus, building or structure of the Company for purposes of use, exhibitions, displays of films, dramatic or theatrical performances, concerts or other entertainments or amusements or objects allied to or of similar kind as of the Company and to provide for the production, direction, exhibition, representation, display, whether by mechanical means or otherwise, of plays, open-air or other theatrical performances, operas, vaudevilles, ballets, pantomines, juggling, mesmeric, yogic, hypnotic, spectacular.
- (101) To carry on the business of production, distribution of films and motion pictures, including that of running theatres, cinemas, studios and cinematographic shows, exhibitions and other cultural and entertainment programmes.
- (102) To carry on the business of warehousemen, stores, custodians, surveyors, assessors, provision of safe deposit vaults and auctioneers of goods and articles of every description and to issue receipts, certificates and warrants to persons warehousing goods and articles with the Company.
- (103) To carry on the business of manufacturers of and/or dealers in radios, transistors, television sets, wireless instruments and devices, tape recorders, record-players, loudspeakers, amplifiers, gramophones and recorders.
- (104) To carry on the business of travelling agents, forwarding and clearing agents, lightermen, wharfingers and to lease, charter or hire for any period or number of journeys, cars, lorries, buses, trucks, tractors, boats, ships, aircrafts, carriages, vehicles and conveyances of all descriptions and kinds whatsoever, and any other business which can be carried on in connection with the same.

- (105) To construct, build, equip and maintain cold storage, storage chambers, refrigerators, room coolers and freezing houses for storage and preserving all types of all fruits and vegetables, dehydrated food, provisions, medicines, commodities, articles, things and preparation of all kinds and descriptions whatsoever.
- (106) To carry on the business of Stock and Share Brokers, Underwriters, Sub-Underwriters, Issue House, Managers, Advisors, Agents, as Members of the Stock Exchange.
- (107) To carry on business as insurance brokers, re-insurance brokers and agents in respect of all classes of insurance, including marine, fire, life, accident, burglary, workmen's compensation, indemnity and motor.
- (108) To establish and run diagnostic centres, research centres, nature cure clinics, polyclinics, health centres, hospitals, nursing homes, oxygen service centres, blood banks, eye banks, immunization centres, laboratories and to acquire whether by purchase, lease or hire, medical and medicinal equipments such as Body Scanners, CAT Scanners, MRI, surgical equipments, X-ray units, radiological instruments, medical glasses, dentures and other dental goods, optical goods, artificial limbs, anaesthetical materials, drugs, pharmaceuticals, medicines, vaccines, contraceptives, biologicals, insecticides, antibiotics and to make the above articles available for own use or to sell, lease or hire them to any other individual, body corporate, institute, centre etc. carrying on any of the above mentioned activities and generally to provide medical aid and relief and also to enter into franchise agreements.
- (109) To run business centres on hourly, daily, monthly or annual basis and for the purpose make available ready-to-use offices and to provide complete turnkey officing solutions catering to specific needs of clients, cost effective access to essential business services of all types including state-of-the-art communication facilities, sophisticated presentation systems, video conferencing, workspaces, workstations, meeting rooms, conference rooms, call centre facilities, secretarial services, multilingual trained staff, pantry and all allied logistics.

- vii. Renumbering the existing sub-clause (vv) as sub-clause (110) and inserting the same under the bifurcated Clause III (C).

**FURTHER RESOLVED THAT** an application be made to the Company Law Board under Section 17 of the Companies Act, 1956 for confirmation to the said alterations.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to agree to such verification or modification in the proposed alteration as the Company Law Board or other authority may require, direct, suggest or make while granting such confirmation and which the Directors may think fit to accept in the best interest of the Company.

**AND FURTHER RESOLVED THAT** the Board of Directors be and is hereby authorised to do such acts, things and deeds as are necessary or desired to give effect to these resolutions.

**AND RESOLVED FURTHER THAT** authority pursuant to Section 149(2A) of the Companies Act, 1956 be and is hereby given to the Board of Directors of the Company to undertake and commence all or any of the aforesaid activities."

5. 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, the regulations contained in the draft Articles of Association, placed at this Meeting and initialled by the Chairman for purposes of identification, be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles thereof."

6. 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 100 of the Companies Act, 1956, and subject to the confirmation by the Hon'ble High Court of Judicature at Mumbai, the equity share capital of the Company be and is hereby authorised to be reduced from Rs.1,38,82,560/- (Rupees One Crore Thirty Eight Lacs Eighty Two Thousand Five Hundred Sixty only) divided into 13,88,256 (Thirteen Lacs Eighty Eight Thousand Two Hundred Fifty Six) equity shares of Rs.10/- (Rupees Ten only) each to Rs.83,29,536/- (Rupees Eighty Three Lacs Twenty Nine Thousand Five Hundred Thirty Six only) divided into 13,88,256 (Thirteen Lacs Eighty Eight Thousand Two Hundred Fifty Six) equity shares of Rs.6/- (Rupees Six only) each and that such reduction be and is hereby authorised to be effected by canceling the equity capital which has been lost or is unrepresented by available assets to the extent of Rs.6/- (Rupees Six only) per equity share upon each of the 13,88,256 (Thirteen Lacs Eighty Eight Thousand Two Hundred Fifty Six) equity shares which have been issued and by reducing the nominal amount of all the equity shares in the Company's equity capital from Rs.10/- (Rupees Ten only) to Rs.6/- (Rupees Six only) per equity share.

**FURTHER RESOLVED THAT** consequential amendments be and are hereby authorised to be made in the Capital Clause of the Memorandum of Association of the Company upon such reduction becoming operative and effective."

**BY ORDER OF THE BOARD**

MUMBAI  
DATED : 7<sup>th</sup> May, 2010

**MILAN B. DALAL**  
**DIRECTOR**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed.
3. The Register of Members and Share Transfer Books of the Company will remain closed on Saturday, 19<sup>th</sup> June, 2010.
4. The instrument appointing the proxy should be deposited with the Company at least 48 hours before the commencement of the Meeting.

# THE AMALGAMATED ELECTRICITY COMPANY LIMITED

## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

The following Explanatory Statement sets out material facts relating to items of Special Business mentioned in the accompanying Notice convening the Seventy-Fifth Annual General Meeting of the Company.

#### Item No.4

The Company's activities as permitted by its Memorandum of Association, relates to generation, development and accumulation of electrical power. With the said activity having come to a standstill, the growth of the Company was stunted. As part of the growth plans, it is contemplating to venture into new territories and engage in various kinds of business, including those that are allied to the activities for which the Company was incorporated.

Accordingly, the Objects Clause of the Memorandum of Association of the Company is proposed to be altered by making suitable amendments as stated in the foregoing resolution.

The proposed alteration requires the approval of the shareholders by passing a special resolution to that effect. Further, Section 149(2A) of the Companies Act, 1956 requires prior approval of the shareholders giving authority to the Board of Directors to commence any new activity under the objects specified in the "Other Objects" category.

Hence the Special Resolution.

None of the Directors are interested or concerned in the above resolution except to the extent of their shareholding, if any.

#### Item No.5

In line with the enactment of the Companies (Amendment) Act, 2000, it is essential for the Company to effect appropriate alterations in its Articles of Association of the Company to give effect to various provisions of the said Act. Many of the provisions contained in the Articles are not in conformity with the provisions of the Companies Act, 1956. The Board considers it desirable to take this opportunity

of adopting new Articles of Association which will not only be in conformity with the provisions of the Act and the various rules made thereunder but also with the requirements of Bombay Stock Exchange Limited, Mumbai where the equity shares of the Company are listed.

A copy of the Memorandum and Articles of Association of the Company with the proposed alterations incorporated therein will be available for inspection by the shareholders at the Registered Office of the Company between 11.00 a.m. and 2.00 p.m. on any day from Monday to Friday, except on public holidays upto the date of the ensuing Annual General Meeting.

The Directors are deemed to be interested or concerned in the above resolution to the extent of their shareholding(s), if any.

#### Item No.6

The Company's accumulated as at 31<sup>st</sup> March, 2010 is Rs.52,06,097/- (Rupees Fifty Two Lacs Six Thousand and Ninety-Seven only). Since there are no reserves, the paid-up capital is unrepresented by available assets to the extent of accumulated losses. Given the magnitude of the accumulated losses, the Company's efforts to wipe of the same have not been successful and hence it is proposed to reduce the paid-up capital thereby wiping off the accumulated losses totally and leaving a surplus of Rs.3,46,927/- (Rupees Three Lacs Forty Six Thousand Nine Hundred Twenty Seven only) which will help the Company start afresh.

The Company will make necessary application to the Hon'ble High Court of Judicature at Mumbai after the shareholders pass the relevant resolution in the accompanying Notice. Pursuant to Section 100 of the Companies Act, 1956, the resolution will become effective on confirmation by the said Hon'ble High Court.

The Directors are deemed to be interested or concerned in the above resolution to the extent of their shareholding (s), if any.

**BY ORDER OF THE BOARD**

MUMBAI  
DATED: 7<sup>th</sup> May, 2010

**MILAN B.DALAL**  
**DIRECTOR**



**REPORT OF THE DIRECTORS TO THE SHAREHOLDERS**

Your Directors present the SEVENTY-FIFTH ANNUAL REPORT of the Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2010.

**FINANCIAL RESULTS**

	Amount (Rs.)	
	Year ended 31 <sup>st</sup> March, 2010	Year ended 31 <sup>st</sup> March, 2009
Profit/(Loss) for the year	94,635	47,722
Less: Provision for Taxation		--
	<u>94,635</u>	<u>47,722</u>
Add/Less: Deferred Tax Provision	536	2,999
Prior year taxes	--	--
Add: Deficit brought forward from last year	94,099	44,723
Deficit carried to Balance Sheet	<u>53,00,196</u>	<u>53,44,919</u>
	<u>52,06,097</u>	<u>53,00,196</u>

**DIVIDEND**

In view of the accumulated losses, your Directors do not recommend any dividend for the year under report.

**RESTORATION OF LISTING STATUS**

Subsequent to the year under report, Bombay Stock Exchange Limited (BSE), where the Company's securities are listed, have restored the listing status, earlier suspended due to operational inadequacies, and permitted trading in physical form.

The Company is initiating steps for dematerialisation of the securities and as and when the same is achieved, approval of BSE will be sought for trading in demat form also.

**CAPITAL REDUCTION**

As part of the efforts to wipe off the accumulated losses and starting operations afresh, the Company intends to reduce the equity capital.

A Special Resolution for the purpose is placed before the Members for approval and forms part of the accompanying Notice.

Your Directors recommend the Special Resolution.

The process of obtaining necessary approvals from the High Court will be initiated on obtaining the approval of the shareholders.

**FIXED DEPOSITS**

As on 31<sup>st</sup> March, 2010, there were no fixed deposits remaining overdue.

**DIRECTORS**

Mr. Satyen B. Dalal retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment.

**PARTICULARS OF EMPLOYEES**

During the year under report, there was no employee of the category mentioned in Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and hence information in this regard is not required to be furnished.

**DIRECTORS' RESPONSIBILITY STATEMENT**

As required under Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm that:

1. In the preparation of the Annual Accounts, the applicable accounting standards have been followed.
2. They 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 at the end of the financial year covered under this Report and of the profit of the Company for the year.
3. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Annual Accounts have been prepared on a going concern basis.

**COMPLIANCE CERTIFICATE**

A compliance certificate received from M/s Sanjay Soman & Associates, Practising Company Secretaries, pursuant to Section 383A(1) of the Companies Act, 1956, read together with the Companies (Compliance Certificate) Rules, 2001, is attached hereto and forms part of this Report.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

As the Company is not engaged in any manufacturing activity, furnishing of information in respect of conservation of energy and technology absorption as required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 does not arise for your Company.

Further, the Company neither used nor earned any foreign exchange during the year under report.

**SUBSIDIARY COMPANY**

Statement pursuant to Section 212 of the Companies Act, 1956 in respect of the Company's Subsidiary is annexed and forms part of this Report.

**AUDITORS**

M/s Ganesh Rajendra & Associates, Chartered Accountants, Mumbai, hold office as Auditors of the Company upto the conclusion of the forthcoming Annual General Meeting. A certificate has been obtained from them pursuant to Section 224(1-B) of the Companies Act, 1956 to the effect that their appointment, if made, would be within the limits prescribed thereunder.

**ACKNOWLEDGEMENTS**

Your Directors wish to place on record their appreciation of the co-operation and diligent efforts of the employees of the Associate Companies.

FOR AND ON BEHALF OF THE BOARD

MUMBAI

DATED: 7<sup>th</sup> May, 2010

MILAN B. DALAL  
DIRECTOR

SATYEN B. DALAL  
DIRECTOR

# THE AMALGAMATED ELECTRICITY COMPANY LIMITED

## COMPLIANCE CERTIFICATE

### THE MEMBERS OF

#### **Amalgamated Electricity Company Limited**

We have examined the registers, records, books and papers of **Amalgamated Electricity Company Limited** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the Rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended on 31<sup>st</sup> March, 2010. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid Financial Year:

1. The Company is registered under CIN U31100MH1936-PLC002497 with the Registrar of Companies, Maharashtra and having its Registered Office at Dena Bank Building, 1<sup>st</sup> Floor, 17-B, Horniman Circle, Fort, Mumbai 400023 has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns prescribed under the Act and the rules made thereunder as stated in Annexure 'B' to this certificate with the Registrar of Companies, Maharashtra or other authorities within the time prescribed under the Act.
3. The Company is a Public Limited Company, comments are not required.
4. The Board of Directors duly met 7 (seven) times on the under mentioned dates:  
29<sup>th</sup> April, 2009  
31<sup>st</sup> July, 2009  
4<sup>th</sup> September, 2009  
30<sup>th</sup> September, 2009  
30<sup>th</sup> December, 2009  
28<sup>th</sup> January, 2010  
5<sup>th</sup> March, 2010  
in respect of which Meetings, proper Notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members on September 30, 2009 and necessary compliance of Section 154 of the Act has been made.
6. The 74<sup>th</sup> Annual General Meeting for the Financial Year ended on 31<sup>st</sup> March, 2009 was held on 30<sup>th</sup> September, 2009 after giving due Notice to the Members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book of the Company.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has entered into certain contracts/arrangements for services sold which were of special nature, which are outside the purview of Section 297 of the Act.
10. The Company has made necessary entries in the Register maintained under Section 301 of the Act.
11. The Company has obtained necessary approvals from the Board of Directors and Members pursuant to Section 314 of the Act wherever applicable.
12. The Share Transfer Committee, constituted by the Board of Directors, has approved the issue of duplicate share certificates and the Directors have ratified the same at the next Board Meeting.
13. The Company has:
  - (i) delivered all the certificates on lodgement thereof for transfer/ transmission or any other purpose in accordance with the provisions of the Act.
  - (ii) not declared dividend during the Financial Year ended 31<sup>st</sup> March, 2009.
  - (iii) duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointments of Directors and Additional Directors have been duly made.
15. The Company has not appointed any Managing Director/Whole-time Director/ Manager during the Financial Year.
16. The Company has not appointed any sole-selling agents during the year.
17. During the year the Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies, Maharashtra or such other authorities as are prescribed under the various provisions of the Act.
18. All the Directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the section 299 Act and the rules made thereunder.
19. The Company has not issued any shares/debentures/other securities during the Financial Year.
20. The Company has not bought back any shares during the Financial Year.
21. The Company has no Preference Share Capital nor has it issued any debentures, hence there had been no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The Company has neither invited nor accepted any deposits during the period under scrutiny.
24. The Company has not borrowed any amount from Directors, Members, public, financial institutions, banks and others during the financial year ended 31<sup>st</sup> March, 2010.

25. The Company has not made any loans and investments, or given guarantees or provided securities to other bodies corporate during the year under scrutiny.
26. The Company has not altered the provisions of the Memorandum of Association with respect to situation of the Company's Registered Office from one state to another during the year under scrutiny
27. The Company has not altered the provisions of the Memorandum of Association with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum of Association with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum of Association with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against the Company nor were any show cause notices received by the Company and no fines or penalties or any other punishment has been imposed on the Company during the Financial Year for offences, if any, under the Act.
32. The Company has not received any money as security from its employees during the Financial Year.
33. The Company has deposited both employees and employers contribution of Provident Fund with the prescribed authorities.

For Sanjay Soman & Associates

MUMBAI  
DATED: 7<sup>th</sup> May, 2010

Sanjay Soman (CP 817)

**Annexure- A**

**Registers as maintained by the Company**

1. Application for and Allotment of Shares Register
2. Register of Members under Section 150
3. Register of Charges under Section 143
4. Register of Transfers
5. Register of Directors, Managing Directors etc. under Section 303
6. Register of Directors' shareholdings under Section 307
7. Attendance Register
8. Register of Contracts under Section 301
9. Register of Contracts, Companies and Firms in which Directors are interested under Section under Section 301(3)
10. Board Minutes Book and General Body Minutes Book under Section 193
11. Books of Accounts under Section 209
12. Register of Deposits under Section 58A
13. Register of Investments under Section 49(7)
14. Index of Members under Section 151

**Annexure B**

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31<sup>st</sup> March, 2009

1. Annual Return dated 30<sup>th</sup> September, 2009 – Not filed
2. Audited Statements of Accounts, Directors' and Auditors' Reports thereon – Not Filed.
3. Secretarial Compliance Certificate u/s 383 A(1) --Not Filed

# THE AMALGAMATED ELECTRICITY COMPANY LIMITED

## AUDITORS' REPORT

To The Members of

THE AMALGAMATED ELECTRICITY COMPANY LIMITED

1. We have audited the attached Balance Sheet of THE AMALGAMATED ELECTRICITY COMPANY LIMITED as at 31st March 2010, Profit and Loss Account and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a Statement on the matters specified in the paragraph 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in Paragraph (3) above, we report that :
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books;
  - c) the Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the Books of Account;
  - d) in our opinion, the Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Company, 1956 in so far as they apply to Company ;
  - e) in our opinion and based on information and explanations given to us, none of the directors are disqualified as on 31st March, 2010 from being appointed as directors in terms of clause (g) of subsection (1) of section 274 of Companies Act 1956 ;
  - f) in our opinion and to the best of our information and according to the explanations given to us the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-
    - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2010;

- ii) in the case of the Profit and Loss Account, of the profit for year ended on that date; and
- iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Ganesh Mehta**  
Partner  
Membership No. 32939

For and on behalf of  
**Ganesh & Rajendra Associates**  
Chartered Accountants  
ICAI Firm Registration No. 103055W

MUMBAI

DATED : 7<sup>th</sup> May 2010

## ANNEXURE TO AUDITORS' REPORT

Referred to in Paragraph 3 of our Report of even date.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.  
(b) All the assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.  
(c) The Company has not disposed off substantial part of the fixed assets during the year.
- (ii) Considering the activity carried out during the year, in our opinion the provision of clause 4(ii) of the Companies (Auditors' Report) Order, 2003 are not applicable.
- (iii) The Company has not granted or taken any loans, secured or unsecured to/from companies, firms or other parties covered in the registered maintained U/s. 301 of the Act. Hence the provision of clause 4 (iii) (a), (b), (c), (d), (e) & (f) of the Companies (Auditors Report) Order 2003 are not applicable.
- (iv) In our opinion and according to the information and explanations given to us and in view of the activities carried on by the Company, the provision of clause 4(iv) of the Companies (Auditors Report) Order , 2003 are not applicable to the Company.
- (v) According to the information and explanations given to us, we are of the opinion that there were no contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956. Hence the provision of clause 4(v) (a) & (b) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
- (vi) The Company has not accepted any deposits from the public during the year, therefore, in our opinion the question of applicability of directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA of the Act and the rules framed there under does not arise.
- (vii) Considering the size of business and number of transactions as carried out, the management is of the opinion that the company did not require internal audit system.

## SEVENTY-FIFTH ANNUAL REPORT 2009-2010

(viii) As informed to us, the maintenance of cost records has not been prescribed by the Central Government U/s. 209(1)(d) of the Companies Act, 1956, in respect of the activities carried on by the company.

(ix) (a) The Company did not have to pay any undisputed statutory dues except Income Tax and Tax Deducted at source under Income Tax Act, 1961 as under :

Nature of Dues	Assessment Year	Amount	Due Date
Income Tax	2001 - 02	3,80,360/-	27/10/2009
	2002 - 03	4,12,659/-	27/10/2009
		7,93,019/-	

However, the company has already paid Rs. 4,50,000/- during the previous year against those tax liabilities.

(b) According to the information and explanation given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess, which have not been deposited on account of any dispute.

(x) In our opinion, the accumulated losses of the Company are not more than fifty percent of its net worth. The company has not incurred cash loss during the current financial year and immediate preceding year.

(xi) The Company has no dues payable to financial institutions, banks or debenture holders during the year.

(xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities

(xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the companies (Auditor's Report) Order, 2003 are not applicable to the Company.

(xiv) The Company has maintained proper records of the transactions and contracts in respect of shares and debentures and other securities and timely entries have been made therein.

(xv) As per the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

(xvi) The Company has not taken term loans during the year.

(xvii) The Company has not raised any fund either short term or long term during the year. Accordingly the clause 4(xvii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.

(xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained U/s. 301 of the Act during the year.

(xix) The Company has not issued any debentures and hence the question of creating securities thereof does not arise.

(xx) The Company has not raised money by public issue during the year.

(xxi) According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For GANESH & RAJENDRA ASSOCIATES**  
CHARTERED ACCOUNTANTS

**(GANESH MEHTA)**  
PARTNER

(Membership No. 32939)  
ICAI Firm Registration No. 103055W

MUMBAI,

DATED : 7<sup>th</sup> May 2010

### CERTIFICATE

We have examined the attached Cash Flow Statement of Amalgamated Electricity Company Limited for the period ended 31st March 2010. The statement has been prepared by the Company in accordance with the requirements of listing agreement clause 32 with Bombay Stock Exchange and is based on and in agreement with the corresponding profit and loss account and balance sheet of the Company covered by our report of 7<sup>th</sup> May 2010 to the members of the Company.

**For GANESH & RAJENDRA ASSOCIATES**  
CHARTERED ACCOUNTANTS

**(GANESH MEHTA)**  
PARTNER

(Membership No. 32939)  
ICAI Firm Registration No. 103055W

MUMBAI,

DATED : 7<sup>th</sup> May 2010

**THE AMALGAMATED ELECTRICITY COMPANY LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2010**

	Schedule	Rupees	31st March 2010 Rupees	31st March 2009 Rupees
<b>I SOURCES OF FUNDS :</b>				
1	Shareholders funds :			
	a) Capital	(1)	<b>13,882,560</b>	13,882,560
2	Deferred tax liability		<b>20,242</b>	19,706
			<b>13,902,802</b>	<b>13,902,266</b>
<b>II APPLICATION OF FUNDS :</b>				
1	Fixed assets :	(2)		
	a) Gross block		<b>432,163</b>	432,163
	b) Less : Depreciation		<b>400,497</b>	395,524
	c) Net block		<b>31,666</b>	36,639
2	Investments	(3)	<b>296,921</b>	6,908,121
3	Current assets, loans & advances :			
	a) Sundry debtors	(4)	<b>6,828,139</b>	663,241
	b) Cash and bank balances	(5)	<b>54,088</b>	153,161
	c) Loans and advances	(6)	<b>1,620,772</b>	1,208,772
			<b>8,502,999</b>	2,025,174
	Less : Current liabilities & provisions :			
	a) Liabilities	(7)	<b>134,881</b>	367,864
			<b>134,881</b>	367,864
	Net current assets		<b>8,368,118</b>	1,657,310
4	Profit and loss account		<b>5,206,097</b>	5,300,196
			<b>13,902,802</b>	<b>13,902,266</b>
	Notes to the accounts	(9)		

As per our report attached

For **Ganesh & Rajendra Associates**  
Chartered Accountants

**Ganesh Mehta**  
Partner  
Membership No. 32939  
ICAI Firm Registration No. 103055W

Mumbai

DATED : 7<sup>th</sup> May 2010

For and on behalf of the Board

**MILAN B. DALAL** Director

**SATYEN B. DALAL** Director

**SEVENTY-FIFTH ANNUAL REPORT 2009-2010**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010**

	Schedule	31st March 2010 Rupees	31st March 2009 Rupees
<b>INCOME :</b>			
Computer hire income		42,000	78,000
Professional fees		250,000	100,000
Misc. income		435	20,000
Balances / accounts write back		302,397	-
		<u>594,832</u>	<u>198,000</u>
<b>EXPENDITURE :</b>			
Administrative & other expenses	(8)	495,224	145,351
Depreciation		4,973	4,927
		<u>500,197</u>	<u>150,278</u>
Profit before adjustments		94,635	47,722
Provision for deferred tax		536	2,999
		94,099	44,723
Deficit brought forward from last year		5,300,196	5,344,919
Deficit carried to balance sheet		5,206,097	5,300,196
Earning per share ( Basic / Diluted )		0.07	0.03
Nominal value of share		10	10
[ See note No. x of schedule 9(2) ]			
Notes to the accounts	(9)		

As per our report attached

For **Ganesh & Rajendra Associates**  
Chartered Accountants

**Ganesh Mehta**  
Partner  
Membership No. 32939  
ICAI Firm Registration No. 103055W

Mumbai

DATED : 7<sup>th</sup> May 2010

For and on behalf of the Board

**MILAN B.DALAL** Director

**SATYEN B.DALAL** Director

# THE AMALGAMATED ELECTRICITY COMPANY LIMITED

## SCHEDULES FORMING PART OF THE BALANCE SHEET

	31st March 2010 Rupees	31st March 2009 Rupees		31st March 2010 Rupees	31st March 2009 Rupees
<b>1 SHARE CAPITAL :</b>					
Authorised :			Issued, subscribed and paid-up :		
14,00,000 equity shares of Rs.10/- each.	14,000,000	14,000,000	13,88,256 equity shares of Rs. 10/- each fully paid up.	13,882,560	13,882,560
6,00,000 unclassified shares of Rs.10/- each	6,000,000	6,000,000	(Of the above 2,65,948 equity shares of Rs.10/- each are allotted pursuant to the amalgamation scheme without payment being received in cash and 3,47,064 equity shares of Rs. 10/- each are allotted as fully paid up bonus shares by capitalising Rs.25,00,000/- and Rs.9,70,640/- out of the Capital Redemption Reserve and General Reserve respectively.)		
25,000 10% (Free of Company's Income Tax but subject to deduction of tax at source and at the prescribed rates applicable) cumulative redeemable preference shares of Rs. 100/- each. Redeemable at per wholly or partly at the Company's option at any time after the expiry of four years from the date of allotment by giving three months previous notice in writing and in any case redeemable at par wholly on the expiry of seven years from the date of allotment thereof.	2,500,000	2,500,000			
	<b>22,500,000</b>	<b>22,500,000</b>			

### 2. FIXED ASSETS :

PARTICULARS	GROSS BLOCK			DEPRECIATION			NETBLOCK		
	AS ON 4/1/2009 Rs.	ADDITION Rs.	AS ON 3/31/2010 Rs.	AS ON 4/1/2009 Rs.	DEDUC- TION Rs.	FOR THE YEAR Rs.	AS ON 3/31/2010 Rs.	AS ON 3/31/2010 Rs.	AS ON 3/31/2009 Rs.
Plant and Machinery	301,307	-	301,307	264,668	-	4,973	269,641	31,666	36,639
Furnitures, Fixtures & Equipments	130,856	-	130,856	130,856	-	-	130,856	-	-
<b>TOTAL</b>	<b>432,163</b>	<b>-</b>	<b>432,163</b>	<b>395,524</b>	<b>-</b>	<b>4,973</b>	<b>400,497</b>	<b>31,666</b>	<b>36,639</b>
PREVIOUS YEAR	432,163	-	432,163	390,597	-	4,927	395,524	36,639	41,566



## SCHEDULES FORMING PART OF THE PROFIT &amp; LOSS ACCOUNT

		31st March 2010 Rupees	31st March 2009 Rupees
<b>3 INVESTMENTS (At cost) :</b>	Face Value		
(Unless otherwise stated)			
<b>NON TRADE INVESTMENTS :</b>			
Unquoted :			
In subsidiary company			
In Amalgamated Investments Ltd.			
25192 Equity shares of Rs.10/- each fully paid-up.	10	251,921	251,921
Others			
In Globex Financial Services Ltd.			
(66112) 8% cumulative redeemable preference share of Rs. 100/- each	100	-	6,611,200
In Pursarth Trading Company Pvt. Ltd.			
4500 Equity Shares of Rs. 10/- each	10	45,000	45,000
		<u>296,921</u>	<u>6,908,121</u>
<b>4 SUNDRY DEBTORS :</b>			
(Considered good unless otherwise specified)			
Unsecured - debts outstanding for a period exceeding six months		6,828,139	555,139
Other Debts		-	108,102
		<u>6,828,139</u>	<u>663,241</u>
<b>5 CASH AND BANK BALANCES :</b>			
Cash in hand		44,223	129,023
Balance with Schedule Banks :			
In current accounts		9,865	24,138
		<u>54,088</u>	<u>153,161</u>
<b>6 LOANS AND ADVANCES :</b>			
(Unsecured and considered good unless otherwise specified)			
Miscellaneous advances and claims receivable		1,434,541	1,022,541
Prepaid taxes		186,231	186,231
		<u>1,620,772</u>	<u>1,208,772</u>
<b>7 CURRENT LIABILITIES :</b>			
Sundry creditors		134,881	367,864
		<u>134,881</u>	<u>367,864</u>
<b>8 ADMINISTRATIVE &amp; OTHER EXPENSES :</b>			
Rent, rates & taxes		31,322	31,322
Auditors' remuneration		24,818	13,299
Administrative & other expenses		6,954	22,689
Computer hire charges		-	12,000
Listing fees		349,298	15,684
Professional fees		79,022	25,757
Repair & maintenance expenses		-	22,350
Electricity charges		3,810	2,250
		<u>495,224</u>	<u>145,351</u>

## THE AMALGAMATED ELECTRICITY COMPANY LIMITED

### 9 NOTES ON THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

#### 1 Contingent Liability :

- i) With regard to the claim of Rs. 78,600/- by a consumer of erstwhile Ajmer undertaking, the company does not expect any liability and if any arises, same is unascertainable.
- ii) The company is occupying the premises at the first floor, presently known as Dena Bank Building, Horniman Circle, Mumbai, as the tenant since its inception in 1936. Dena Bank has served notices for Termination of Tenancy and for eviction of Un-authorized Occupants. Further, the bank has claimed damages Rs. 12,61,500/- p.m. with interest @ 12% p.a. till such realization. The company has challenged the claim of the bank on the ground that the company was in possession of the property before it was sold to the Government. The company has filed affidavit with Estate Office at Dena Bank and hearing of the matter is under process. No outcome has come so far. The company has therefore not provided for any contingent liabilities in view of uncertainty of the matter. The liability will be provided in the year it is legally crystallized and finalisation has achieved in the matter.

#### 2 Statement of Accounting Policies :

##### i) BASIS OF ACCOUNTING :

The financial statements have been prepared under the historical cost convention in accordance with the accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, as adopted consistently by the Company. All income & expenditure having the material bearing on the financial statements are recognized on accrual basis.

##### ii) USE OF ESTIMATES :

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and a reported amount of revenues and expenses during the reporting period. Difference between the actual expenses and estimates is recognized in the period in which the results are known/materialised.

##### iii) REVENUE RECOGNITION :

Revenue is recognized only when no significant uncertainties as to the measurability or realisability of any claim exists. In case of uncertainties in either aspects, revenue recognition is postponed to the time of realizing such claims.

##### iv) FIXED ASSETS & DEPRECIATION :

All the Fixed Assets are stated at cost of acquisition less accumulated depreciation. The depreciation has been provided on straight line method at the rates prescribed in Schedule XIV of the Companies Act, 1956.

#### v) INVESTMENTS :

Investments are capitalised at cost plus brokerage and stamp charges. The profit/(loss) on the sale of investments is dealt with at the time of actual sale/redemption. Provision is made for depletion in market value of Long Term Investments, if the same is considered permanent in nature by the management. Current Investments are valued at lower of Cost or fair value.

#### vi) RETIREMENT BENEFITS :

In absence of employees, the company does not require to make any provision in respect of retirement benefits.

#### vii) SEGMENT REPORTING :

Considering the activity of the company during year with the objective of the Accounting Standards 17 and the company having no products and services, the information is not furnished.

#### viii) BORROWING COST :

Borrowing cost are charged to the profit & loss account in the year in which they are incurred.

#### ix) TAXES ON INCOME :

- a Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income-tax Act, 1961.
- b Deferred tax is recognised, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- c Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised if there is virtual certainty that there will be sufficient future taxable income available to realise such losses.
- d The company has not recognised the net deferred tax assets in respect of accumulated losses in view of the uncertainty of availing the benefit in future.

#### x) EARNINGS PER SHARE :

	31st March 2010	31st March 2009
1 Profit after taxation	94,099	44,723
2 Average number of Equity shares outstanding	1,388,256	1,388,256
3 Basic earnings per share in rupees (Face value - Rs.10/- per share)	0.07	0.03

#### xi) AUDITORS REMUNERATION :

As audit fees	11,030	9,927
As taxation & other matters	13,788	3,372
	<u>24,818</u>	<u>13,299</u>

## SEVENTY-FIFTH ANNUAL REPORT 2009-2010

3 The Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosures relating to amount unpaid as at end of the year together with interest payable as required under the said act has not been furnished and provision for interest, if any, on delayed payment is not ascertainable at this stage. No interest payment is made during the year.

#### 4 DEFERRED TAX :

The break up of deferred tax liabilities as on 31st March, 2010 is as under :

PARTICULARS	AS ON 3/31/2009	CURRENT YEAR	AS ON 3/31/2010
Difference between book and tax depreciation	19,706	536	20,242
	<u>19,706</u>	<u>536</u>	<u>20,242</u>

5 Income tax department have raised Rs. 3,80,360/- for AY 2001-02 and Rs. 4,12,659/- for AY 2002-03 which are not disputed by the company. Against these liabilities the company has made a claim for interest on delayed income tax refund to the extent of Rs. 3,32,000/-. Also the company has further paid Rs. 4,50,000/- which has still remained unadjudged.

6 Certain Debit and Credit balances have remained unconfirmed.

#### 7 RELATED PARTY DISCLOSURES :

Disclosures as required by the Accounting Standard 18 "Related

Party Disclosures" are given below.

#### I) List of Related Parties :

- |    |   |                              |
|----|---|------------------------------|
| a) | Holding company                             | None                         |
| b) | Subsidiary company                          | Amalgamated Investments Ltd. |
| c) | Associate concerns                          |                              |
|    | 1 Cifco Limited                             |                              |
|    | 2 Tropical Securities & Investments P. Ltd. |                              |
|    | 3 Western Press Pvt. Ltd.                   |                              |
|    | 4 Cifco Properties Pvt. Ltd.                |                              |
|    | 5 Cifco Travels Pvt. Ltd.                   |                              |
|    | 6 Bombay Swadeshi Store Ltd.                |                              |
|    | 7 Gateway International Pvt. Ltd.           |                              |
|    | 8 Grishma Construction & Trading Pvt. Ltd.  |                              |
|    | 9 Sam Leasco Ltd.                           |                              |
|    | 10 Arcadia Investments Co. Ltd.             |                              |
|    | 11 Apurva Investments Co. Ltd.              |                              |
|    | 12 Chasam Investment & Leasing Pvt. Ltd.    |                              |
|    | 13 Milan Investments Pvt. Ltd.              |                              |
|    | 14 Harbinger Trading Co. Pvt. Ltd.          |                              |
| d) | Key management personnel and relatives      | Shri Milan B. Dalal          |
|    | Key management personnel                    | Shri Satyen B. Dalal         |

#### II) Transactions with related parties:

	Related Parties	Nature of Transaction	31st March 2010 Rupees	31st March 2009 Rupees
a)	Capital transactions :			
	Amalgamated Investments Limited	Investments	-	16,000
	Amalgamated Investments Limited	Advance	412,000	-
	Western Press Pvt. Ltd.	Receipt of debts	-	120,000
b)	Revenue transactions :			
	Cifco Ltd.	Computer hire charges	42,000	37,200
	Western Press Pvt. Ltd.	Professional fees	-	100,000
		Out of pocket expenses	-	20,000
	Amalgamated Investments Limited	Repair & others	-	30,300
		Professional fees	-	37,449
c)	Payment of expenses / others			
	S. Ramdas (Mr. M. B. Dalal)	On account	203,052	-
d)	Receipts of debtors / on account			
	Amalgamated Investments Limited	Sundry advances	-	211,164
	S. Ramdas (Mr. M. B. Dalal)	Sundry advances	23,100	179,952
	Cifco Ltd.	Sundry debtors	37,400	44,200
e)	Outstanding at the year end :			
	Cifco Ltd.	Sundry creditors/(debtors)	-	4,600
	S. Ramdas	Sundry advances	-	179,952
	Amalgamated Investments Limited	Sundry debtors	761,819	349,819

## THE AMALGAMATED ELECTRICITY COMPANY LIMITED

8	BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE		Profit/Loss Before tax	95
			Profit/Loss After tax	94
I	Registration Details		Earning per share in Rs.	0.07
	Registration No.	U31100MH1936PLC002497	Dividend	NIL
	State Code	11	V Generic Names of Three Principal Product/ Services of company (as per monetary terms.)	
	Balance Sheet Date	31-Mar-2010	Item Code No. (ITC Code)	N.A.
II	Capital Raised during the year (Rupees in Thousands).		Service Description	
	Public Issue	NIL	FINANCE AND INVESTMENT	
	Rights Issue	NIL	9 Figures of the previous year are re-grouped / re-arranged to make them comparable with the figures of the year under review.	
	Bonus Issue	NIL		
	Private Placement	NIL		
III	Position of Mobilization and Deployment of funds (Rupees in Thousands).			
	Total Liabilities	13,903	As per our report attached	For and on behalf of the Board
	Total Assets	13,903	For <b>Ganesh &amp; Rajendra Associates</b>	
	Source of Funds :		Chartered Accountants	<b>MILAN B.DALAL</b> Director
	Paid-up Capital	13,883	<b>Ganesh Mehta</b>	<b>SATYEN B.DALAL</b> Director
	Reserves & Surplus	NIL	Partner	
	Secured Loans	NIL	Membership No. 32939	
	Unsecured Loans	NIL	ICAI Firm Registration No. 103055W	
	Deferred tax liability (net)	20		
	Application of Funds			
	Net Fixed Assets	32	MUMBAI	
	Investments	297	DATED : 7 <sup>th</sup> May 2010	
	Net Current Assets	8,368		
	Misc.Expenditure	NIL		
	Accumulated Losses	5,206		
IV	Performance of company(Rupees in Thousands).			
	Turnover (Net Income from finance and other income)	595		
	Total Expenditure	500		

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	Year ended 31st March 2010 Rupees	Year ended 31st March 2009 Rupees
A. Cash Flow from operating activities :		
Net profit before tax and extraordinary items	94,099	44,723
Adjustment for :		
Deferred Tax	536	2,716
Depreciation	4,973	2,379
Operating Profit before working capital charges	99,608	49,818
Adjustment for :		
Trade and other receivable	(6,164,898)	338,379
Loans & advances	(412,000)	-
Trade payable	(232,983)	(257,272)
Cash generated from operating activities	(6,710,273)	130,926
Direct taxes paid including prior years tax adjustment	-	-
Cash from Operating Activities before extraordinary items :	-	-
Net cash from operating activities (A)	(6,710,273)	130,926
B. Cash Flow from investment activities :		
Investment in shares	6,611,200	(30,680)
Net cash used in Investing activities (B)	6,611,200	(30,680)
C. Cash Flow from Financing activities :		
	-	100,000
Net cash used in Financing activities (C)	-	100,000
Net increase in cash and cash equivalent (A+B+C)	(99,073)	200,246
Cash & Cash equivalent at the beginning of the year	153,161	4,677
Cash & Cash equivalent at the end of the year	54,088	153,161

As per our report attached

For **Ganesh & Rajendra Associates**  
Chartered Accountants**Ganesh Mehta**  
Partner  
Membership No. 32939  
ICAI Firm Registration No. 103055W

Mumbai

DATED : 7<sup>th</sup> May 2010

For and on behalf of the Board

**MILAN B.DALAL** Director**SATYEN B.DALAL** Director

**THE AMALGAMATED ELECTRICITY COMPANY LIMITED**

**STATEMENT PURSUANT TO SECTION 212 OF  
THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY**

1.	Name of the Subsidiary Company	AMALGAMATED INVESTMENTS LIMITED
2.	Financial Year of the Subsidiary	31 <sup>st</sup> March, 2010
3.	Equity shares of the Subsidiary held by THE AMALGAMATED ELECTRICITY COMPANY LIMITED	25,192
	i. Number of shares and face value per share	25,192 equity shares of Rs.10/- each
	ii. Extent of holding	50.38%
4.	Net aggregate amount of profit/(losses) of the Subsidiary for its financial year so far as they concern members of THE AMALGAMATED ELECTRICITY COMPANY LIMITED	
	i. Dealt with in the accounts of THE AMALGAMATED ELECTRICITY COMPANY LIMITED for the year ended 31 <sup>st</sup> March, 2010.	Nil (Previous year – Nil)
	ii. Not dealt with in the accounts of THE AMALGAMATED ELECTRICITY COMPANY LIMITED for the year ended 31 <sup>st</sup> March, 2010.	Rs.2,10,643/- (Previous year – Rs.1,39,175/-)
5.	Net aggregate amount of profit/(losses) of the Subsidiary for its previous financial years since it became Subsidiary so far as they concern members of THE AMALGAMATED ELECTRICITY COMPANY LIMITED	
	i. Dealt with in the accounts of THE AMALGAMATED ELECTRICITY COMPANY LIMITED for the year ended 31 <sup>st</sup> March, 2010.	Nil (Previous year – Nil)
	ii. Not dealt with in the accounts of THE AMALGAMATED ELECTRICITY COMPANY LIMITED for the year ended 31 <sup>st</sup> March, 2010.	Nil (Previous year – Nil)
6.	Change of interest of THE AMALGAMATED ELECTRICITY COMPANY LIMITED between the end of the financial year of the subsidiary and that of THE AMALGAMATED ELECTRICITY COMPANY LIMITED	Nil
7.	Material changes between the end of the financial year of the subsidiary and that of THE AMALGAMATED ELECTRICITY COMPANY LIMITED in respect of Subsidiary's fixed assets, investments, lending and borrowings.	Nil

**For and on behalf of the Board**

**MILAN B.DALAL** Director

**SATYEN B.DALAL** Director

Mumbai:

Dated: 7<sup>th</sup> May, 2010

CONSOLIDATED AUDITORS' REPORT

To The Members of  
THE AMALGAMATED ELECTRICITY COMPANY LIMITED

1. We have audited the attached Consolidated Balance Sheet of THE AMALGAMATED ELECTRICITY COMPANY LIMITED (the Company), its subsidiary as at 31st March 2010, and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date. These consolidated financial statements are the responsibility of the company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatement. An audit includes examine, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirement of Accounting Standard 21, Consolidated Financial Statements, Accounting Standard 23, Accounting for Investments in Associates in Consolidated Financial Statements prescribed

by the Central Government under Section 211(3C) of the Companies Act, 1956 and other recognized accounting practices and policies.

4. Based on our audit and on the other financial information, in our opinion and to the best of information and according to the explanations given to us, the attached consolidated financial statements read with the notes thereon give a true and fair view in conformity with the accounting principles generally accepted in India :
  - i) in the case of the Consolidated Balance Sheet, of the consolidated affairs of the Company as at 31st March 2010;
  - ii) in the case of the Consolidated Profit and Loss Account, of the profit for year ended on that date; and
  - iii) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

For and on behalf of  
**Ganesh & Rajendra Associates**  
Chartered Accountants

**Ganesh Mehta**  
Partner  
Membership No. 32939  
ICAI Firm Registration No. 103055W

Place : Mumbai  
Dated : 7<sup>th</sup> May 2010

**THE AMALGAMATED ELECTRICITY COMPANY LIMITED**

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010**

	Schedule	31st March 2010 Rupees	31st March 2009 Rupees
<b>I SOURCES OF FUNDS :</b>			
1 Shareholders funds :			
Capital	(1)	13,882,560	13,882,560
2 Reserve & surplus		20,154	20,154
3 Deferred tax liability		20,242	19,706
		<u>13,922,956</u>	<u>13,922,420</u>
<b>II APPLICATION OF FUNDS :</b>			
1 Fixed assets :	(2)		
a) Gross block		612,330	612,330
b) Less : Depreciation		<u>574,035</u>	<u>567,836</u>
c) Net block		38,295	44,494
2 Investments	(3)	45,000	6,656,200
3 Current assets, loans & advances :			
a) Sundry debtors	(4)	6,478,320	313,423
b) Cash and bank balances	(5)	64,912	155,231
c) Loans and advances	(6)	<u>6,112,956</u>	<u>6,119,957</u>
		<u>12,656,188</u>	<u>6,588,611</u>
Less : Current liabilities & provisions :			
a) Liabilities	(7)	3,989,369	5,051,934
b) Provisions	(8)	<u>80,000</u>	<u>31,500</u>
		<u>4,069,369</u>	<u>5,083,434</u>
Net current assets		8,586,819	1,505,177
4 Minority interest		(111,798)	71,586
5 Profit and loss account		<u>5,364,640</u>	<u>5,644,962</u>
		<u>13,922,956</u>	<u>13,922,420</u>
Notes to the accounts	(10)		

As per our report attached

For and on behalf of the Board

For **Ganesh & Rajendra Associates**  
Chartered Accountants

**MILAN B.DALAL** Director

**Ganesh Mehta**  
Partner  
Membership No. 32939  
ICAI Firm Registration No. 103055W

**SATYEN B.DALAL** Director

Mumbai

DATED : 7<sup>th</sup> May 2010



## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Schedule	31st March 2010 Rupees	31st March 2009 Rupees
<b>INCOME :</b>			
Computer hire income		42,000	78,000
Professional fees		250,000	100,000
Misc. income		600,435	620,000
Balances / accounts write back		<u>302,997</u>	<u>488</u>
		<u>1,195,432</u>	<u>798,488</u>
<b>EXPENDITURE :</b>			
Administrative & other expenses	(9)	676,490	468,062
Depreciation		<u>6,199</u>	<u>6,454</u>
		<u>682,689</u>	<u>474,516</u>
Profit before adjustments		512,743	323,972
Provision for current taxation		48,500	-
Provision for deferred tax		<u>536</u>	<u>2,999</u>
		<u>463,707</u>	<u>320,973</u>
Minority interest		183,385	339,512
Deficit brought forward from last year		<u>5,644,962</u>	<u>6,305,447</u>
Deficit carried to balance sheet		<u>5,364,640</u>	<u>5,644,962</u>
Earning per share ( Basic / Diluted )		0.33	0.23
Nominal value of share		10	10
[ See note no. x of schedule 10(2) ]			
Notes to the accounts	10		

As per our report attached

For **Ganesh & Rajendra Associates**  
Chartered Accountants**Ganesh Mehta**  
Partner  
Membership No. 32939  
ICAI Firm Registration No. 103055W

Mumbai

DATED : 7<sup>th</sup> May 2010

For and on behalf of the Board

**MILAN B.DALAL** Director**SATYEN B.DALAL** Director

**THE AMALGAMATED ELECTRICITY COMPANY LIMITED**

**CONSOLIDATED SCHEDULES FORMING PART OF THE BALANCE SHEET**

	31st March 2010 Rupees	31st March 2009 Rupees		31st March 2010 Rupees	31st March 2009 Rupees
<b>1 SHARE CAPITAL :</b>			Issued, subscribed and paid-up :		
Authorised :			13,88,256 equity shares of Rs. 10/- each fully paid up.	<b>13,882,560</b>	13,882,560
14,00,000 equity shares of Rs.10/- each.	<b>14,000,000</b>	14,000,000	(Of the above 2,65,948 equity shares of Rs.10/- each are allotted pursuant to the amalgamation scheme without payment being received in cash and 3,47,064 equity shares of Rs. 10/- each are allotted as fully paid up bonus shares by capitalising Rs.25,00,000/- and Rs.9,70,640/- out of the Capital Redemption Reserve and General Reserve respectively.)		
6,00,000 unclassified shares of Rs.10/- each	<b>6,000,000</b>	6,000,000			
25,000 10% (Free of Company's Income Tax but subject to deduction of tax at source and at the prescribed rates applicable) cumulative redeemable preference shares of Rs. 100/- each. Redeemable at per wholly or partly at the Company's option at any time after the expiry of four years from the date of allotment by giving three months previous notice in writing and in any case redeemable at par wholly on the expiry of seven years from the date of allotment thereof.	<b>2,500,000</b>	2,500,000			
	<b>22,500,000</b>	22,500,000		<b>13,882,560</b>	13,882,560

**2. FIXED ASSETS :**

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS ON 4/1/2009	ADDITION	AS ON 3/31/2010	AS ON 4/1/2009	DEDUC- TION	FOR THE YEAR	AS ON 3/31/2010	AS ON 3/31/2010	AS ON 3/31/2009
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Plant and Machinery	301,307	-	301,307	264,668	-	6,199	270,867	30,440	36,639
Furnitures, Fixtures & Equipments	130,856	-	130,856	130,856	-	-	130,856	-	-
Office Equipments	89,017	-	89,017	81,673	-	-	81,673	7,344	7,344
Computer	91,150	-	91,150	90,639	-	-	90,639	511	511
<b>TOTAL</b>	<b>612,330</b>	<b>-</b>	<b>612,330</b>	<b>567,836</b>	<b>-</b>	<b>6,199</b>	<b>574,035</b>	<b>38,295</b>	<b>44,494</b>
	612,330	-	612,330	561,382	-	6,454	567,836	44,494	50,948

**CONSOLIDATED SCHEDULES FORMING PART OF THE BALANCE SHEET**

		31st March 2010 Rupees	31st March 2009 Rupees
3	INVESTMENTS (At cost) : (Unless otherwise stated) NON TRADE INVESTMENTS : Others	Face Value	
	In Globex Financial Services Ltd. 66112 8% cumulative redeemable preference share of Rs. 100/- each	100	-
	In Pursarth Trading Company Pvt. Ltd. 4500 Equity Shares of Rs. 10/- each	10	6,611,200
		<u>45,000</u>	<u>45,000</u>
		<u>45,000</u>	<u>6,656,200</u>
4	SUNDRY DEBTORS : (Considered good unless otherwise specified)  Unsecured - debts outstanding for a period exceeding six months Other Debts		
		6,478,320	313,423
		-	-
		<u>6,478,320</u>	<u>313,423</u>
5	CASH AND BANK BALANCES : Cash in hand Balance with Schedule Banks : In current accounts		
		44,993	131,093
		19,919	24,138
		<u>64,912</u>	<u>155,231</u>
6	LOANS AND ADVANCES : (Unsecured and considered good unless otherwise specified)  Miscellaneous advances and claims receivable Prepaid taxes		
		5,307,700	5,412,681
		805,256	707,276
		<u>6,112,956</u>	<u>6,119,957</u>
7	CURRENT LIABILITIES : Sundry creditors Other liabilities Deposits		
		12,971	84,183
		442,458	931,791
		3,533,940	4,035,960
		<u>3,989,369</u>	<u>5,051,934</u>
8	PROVISIONS : Provision for current taxation		
		80,000	31,500
		<u>80,000</u>	<u>31,500</u>

**CONSOLIDATED SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT**

		31st March 2010 Rupees	31st March 2009 Rupees
9	ADMINISTRATIVE & OTHER EXPENSES :		
	Rates & taxes	400	400
	Auditors' remuneration	29,230	17,711
	Administrative & other expenses	21,126	52,841
	Computer hire charges	-	12,000
	Listing fees	349,298	15,684
	Company profession tax	5,000	5,000
	Professional fees	239,204	162,145
	Repair & maintenance expenses	-	167,319
	Rent	28,422	28,422
	Electricity charges	3,810	6,540
		<u>676,490</u>	<u>468,062</u>

# THE AMALGAMATED ELECTRICITY COMPANY LIMITED

## 10 CONSOLIDATED NOTES ON THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

### 1 Contingent Liability :

- i) With regard to the claim of Rs. 78,600/- by a consumer of erstwhile Ajmer undertaking, the company does not expect any liability and if any arises, same is unascertainable.
- ii) The company is occupying the premises at the first floor, presently known as Dena Bank Building, Horniman Circle, Mumbai, as the tenant since its inception in 1936. Dena Bank has served notices for Termination of Tenancy and for eviction of Un-authorized Occupants. Further, the bank has claimed damages Rs. 12,61,500/- p.m. with interest @ 12% p.a. till such realization. The company has challenged the claim of the bank on the ground that the company was in possession of the property before it was sold to the Government. The company has filed affidavit with Estate Office at Dena Bank and hearing of the matter is under process. No outcome has come so far. The company has therefore not provided for any contingent liabilities in view of uncertainty of the matter. The liability will be provided in the year it is legally crystallized and finalisation has achieved in the matter.

### 2 Statement of Accounting Policies :

#### i) BASIS OF ACCOUNTING :

The financial statements have been prepared under the historical cost convention in accordance with the accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, as adopted consistently by the Company. All income & expenditure having the material bearing on the financial statements are recognized on accrual basis.

#### ii) USE OF ESTIMATES :

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and a reported amount of revenues and expenses during the reporting period. Difference between the actual expenses and estimates is recognised in the period in which the results are known/materialised.

#### iii) REVENUE RECOGNITION :

Revenue is recognised only when no significant uncertainties as to the measurability or realisability of any claim exists. In case of uncertainties in either aspects revenue recognition is postponed to the time of realizing such claims.

#### iv) FIXED ASSETS & DEPRECIATION :

All the Fixed Assets are stated at cost of acquisition less accumulated depreciation. For the holding company, the depreciation has been provided on straight line method at the rates prescribed in Schedule XIV of the Companies Act, 1956. In case of the subsidiary company, the depreciation has been provided on 'written down value method' as per rates specified in Schedule XIV to the Companies Act, 1956.

#### v) INVESTMENTS :

Investments are capitalised at cost plus brokerage and

stamp charges. The profit/(loss) on the sale of investments is dealt with at the time of actual sale/redemption. Provision is made for depletion in market value of Long Term Investments, if the same is considered permanent in nature by the management. Current Investments are valued at lower of Cost or fair value.

#### vi) RETIREMENT BENEFITS :

In absence of employees, the company does not require to make any provision in respect of retirement benefits.

#### vii) SEGMENT REPORTING :

Considering the activity of the company during year with the objective of the Accounting Standards 17 and the company having no products and services, the information is not furnished.

#### viii) BORROWING COST :

Borrowing cost are charged to the profit & loss account in the year in which they are incurred.

#### ix) TAXES ON INCOME :

- a Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income-tax Act, 1961.
- b Deferred tax is recognised, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- c Deferred tax assets in respect of unabsorbed depreciation carry forward of losses are recognised if there is virtual certainty that there will be sufficient future taxable income available to realise such losses.
- d The company has not recognised the net deferred tax assets in respect of accumulated losses in view of the uncertainty of availing the benefit in future.

	31st March 2010	31st March 2009
x) EARNINGS PER SHARE :		
1 Profit after taxation	463,707	320,973
2 Weighted average number of Equity shares outstanding	1,388,256	1,388,256
3 Basic earnings per share in rupees (Face value Rs. 10/- per share)	0.33	0.23
xi) AUDITORS REMUNERATION :		
As audit fees	29,230	17,711
	<u>29,230</u>	<u>17,711</u>

- 3 The Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosures relating to amount unpaid as at end of the year together with interest payable as required under the said act has not been furnished and provision for interest, if any, on delayed payment is not ascertainable at this stage. No interest payment is made during the year.

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**4 DEFERRED TAX :**

The break up of deferred tax liabilities as on 31st March, 2010 is as under :

PARTICULARS	AS ON 3/31/2009	CURRENT YEAR	AS ON 3/31/2010
Difference between book and tax depreciation	19,706	536	20,242
	<u>19,706</u>	<u>536</u>	<u>20,242</u>

5 Income tax department have raised Rs. 3,80,360/- for AY 2001-02 and Rs. 4,12,659/- for AY 2002-03 which are not disputed by the company. Against these liabilities the company has made a claim for interest on delayed income tax refund to the extent of Rs. 3,32,000/-. Also the company has further paid Rs. 4,50,000/- which has still remained unadjusted.

6 Certain Debit and Credit balances have remained unconfirmed.

**7 RELATED PARTY DISCLOSURES :**

Disclosures as required by the Accounting Standard 18 "Related Party Disclosures" are given below.

**i) List of Related Parties :**

- a) Associate concerns
- |    |   |
|----|---|
| 1  | Cifco Limited                               |
| 2  | Tropical Securities & Investments Pvt. Ltd. |
| 3  | Western Press Pvt. Ltd.                     |
| 4  | Cifco Properties Pvt. Ltd.                  |
| 5  | Cifco Travels Pvt. Ltd.                     |
| 6  | Bombay Swadeshi Store Ltd.                  |
| 7  | Gateway International Pvt. Ltd.             |
| 8  | Grishma Construction & Trading Pvt. Ltd.    |
| 9  | Sam Leasco Ltd.                             |
| 10 | Arcadia Investments Co. Ltd.                |
| 11 | Apurva Investments Co. Ltd                  |

- |    |                                       |
|----|---------------------------------------|
| 12 | Chasam Investment & Leasing Pvt. Ltd. |
| 13 | Milan Investments Pvt. Ltd.           |
| 14 | Harbinger Trading Co. Pvt. Ltd.       |
| 15 | The Amalgamated Invesments Ltd.       |
| 16 | Cheotha Holdings Pvt. Ltd.            |
| 17 | Swaruadhara Holdings Pvt. Ltd.        |
| 18 | Satyajothi Holdings Pvt. Ltd.         |
| 19 | Regent Publishers Pvt. Ltd.           |

- b) Key management personnel and relatives
- |                          |  |
|--------------------------|--|
| Key management personnel | Shri Milan B. Dalal<br>Shri Satyen B. Dalal<br>Shri Satish Sheth |
|--------------------------|--|

**ii) Transactions with related parties:**

Related Parties	Nature of Transaction	31st March 2010 Rupees	31st March 2009 Rupees
<b>a) Capital transactions :</b>			
Western Press Pvt. Ltd.	Receipt of debts	-	120,000
Nitin Valhal	Sundry advances	12,000	-
<b>b) Revenue transactions :</b>			
Cifco Ltd.	Computer hire charges	42,000	37,200
Western Press Pvt. Ltd.	Profession fees	-	100,000
	Out of pocket expenses	-	20,000
<b>c) Receipts of debtors / on account</b>			
S. Ramdas (Mr. M. B. Dalal)	Sundry advances (Net)	354,981	2,540,840
Cifco Ltd.	Sundry debtors	37,400	44,200
<b>d) Outstanding at the year end :</b>			
Cifco Ltd.	Sundry creditors/(debtors)	-	4,600
S. Ramdas	Sundry advances	2,185,859	2,540,840

- 8 a. Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the parent company's financial statement.

As per our report attached

For **Ganesh & Rajendra Associates**  
Chartered Accountants

**Ganesh Mehta**  
Partner  
Membership No. 32939  
ICAI Firm Registration No. 103055W

MUMBAI

DATED : 7<sup>th</sup> May 2010

For and on behalf of the Board

**MILAN B.DALAL** Director

**SATYEN B.DALAL** Director

**THE AMALGAMATED ELECTRICITY COMPANY LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010**

Year ended  
31st March 2010  
Rupees

<b>A. Cash Flow from operating activities :</b>	
Net profit before tax and extraordinary items	463,707
Adjustment for :	
Deferred Tax	536
Depreciation	6,199
Provision for taxation	48,500
Interest & Dividend	-
Operating Profit before working capital charges	518,942
Adjustment for :	
Loan & advance	7,001
Trade and other receivable	(6,164,897)
Trade payable	(1,062,565)
Cash generated from operating activities	(6,701,518)
Direct taxes paid including prior years tax adjustment	-
Cash from Operating Activities before extraordinary items :	-
Net cash from operating activities (A)	(6,701,518)
<b>B. Cash Flow from investment activities :</b>	
Investment in shares	6,611,200
Net cash used in Investing activities (B)	6,611,200
<b>C. Cash Flow from Financing activities :</b>	
Interest received	-
Net cash used in Financing activities (C)	-
Net increase in cash and cash equivalent (A+B+C)	(90,318)
Cash & Cash equivalent at the beginning of the year	155,231
Cash & Cash equivalent at the end of the year	64,912

As per our report attached

**For and on behalf of the Board**

For **Ganesh & Rajendra Associates**  
Chartered Accountants

**MILAN B. DALAL** Director

**Ganesh Mehta**  
Partner  
Membership No. 32939  
ICAI Firm Registration No. 103055W

**SATYEN B. DALAL** Director

MUMBAI

DATED : 7<sup>th</sup> May 2010

**DIRECTORS' REPORT TO THE SHAREHOLDERS**

Your Directors present the **TWENTY-NINTH ANNUAL REPORT** of the Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2010.

**FINANCIAL RESULTS**

During the year under report, the Company's operations, from various activities in the nature of consultancy, resulted in profit of Rs.4,18,109/-, after providing Rs.1,226/- towards depreciation. The activities included development, maintenance and upkeep of property at Delhi in possession of the Company.

After providing Rs.48,500/- towards taxation and adjusting Rs.6,84,279/-, being losses brought forward from earlier years, the net loss of Rs.3,14,670/- has been carried to the Balance Sheet..

**DIVIDEND**

In view of the accumulated losses, your Directors do not recommend any dividend for the year under report.

**FIXED DEPOSITS**

During the year under report, the Company had neither accepted nor invited any deposits as governed by Reserve Bank of India Directions, 1977.

**DIRECTORS**

Mr.Pravin Darji retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment.

**PARTICULARS OF EMPLOYEES**

During the year under report, there was no employee of the category mentioned in Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company has no activity relating to conservation of energy or technology absorption. Hence, furnishing of information in respect of conservation of energy and technology absorption as required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 does not arise for the Company.

Further, the Company neither used nor earned any foreign exchange during the year under report.

**AUDITORS**

M/s Ganesh & Rajendra, Chartered Accountants, Mumbai, hold office as Auditors of the Company upto the conclusion of the forthcoming Annual General Meeting. A certificate has been obtained from them pursuant to Section 224(1-B) of the Companies Act, 1956 to the effect that their appointment, if made, would be within the limits prescribed thereunder.

**DIRECTORS' RESPONSIBILITY STATEMENT**

As required under Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm that:

1. In the preparation of the Annual Accounts, the applicable accounting standards have been followed.
2. They 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 at the end of the financial year covered under this Report and of the profit of the Company for the year.
3. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Annual Accounts have been prepared on a going concern basis.

**FOR AND ON BEHALF OF THE BOARD****SATISH SHETH**  
DIRECTOR**DEEPAK SHETH**  
DIRECTOR

Mumbai  
Dated: 6<sup>th</sup> May, 2010

## AMALGAMATED INVESTMENTS LIMITED

### AUDITORS' REPORT

To the Members of

AMALGAMATED INVESTMENTS LIMITED

1. We have audited the attached Balance Sheet of AMALGAMATED INVESTMENTS LIMITED as at 31<sup>st</sup> March 2010 and also the Profit and Loss Account for the year ended on that date. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. This report does not include a statement on the matters specified in paragraph 4 of the Companies (Auditor's Report) Order, 2003, issued by the Department of Company Affairs, in terms of section 227(4A) of the Companies Act, 1956, since in our opinion and according to the information and explanations given to us, the said order is not applicable to the company.
4. Further to our comments in paragraph (3) above, we report that :
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books;

- c) the Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the Books of Account;
- d) in our opinion, the Balance Sheet and the Profit and Loss Account dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Company, 1956 in so far as they apply to Company;
- e) in our opinion and based on information and explanations given to us, none of the directors are disqualified as on 31<sup>st</sup> March, 2010 from being appointed as directors in terms of clause(g) of subsection(1) of section 274 of Companies Act 1956;
- f) in our opinion and to the best of our information and according to the explanations given to us the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-
  - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2010; and
  - ii) in the case of the Profit and Loss Account, of the profit of the Company for year on that date.

As per our report attached

For **Ganesh & Rajendra Associates**  
Chartered Accountants

**Ganesh Mehta**

Partner

Membership No. 32939

ICAI Firm Registration No. 103055W

MUMBAI

DATED : 6<sup>th</sup> May 2010



**BALANCE SHEET AS AT 31ST MARCH, 2010**

	Schedule	Rupees	31st March 2010 \	31st March 2009
			Rupees	Rupees
<b>I. SOURCES OF FUNDS</b>				
1 Shareholders' funds				
a) Capital	(1)		500,000	500,000
b) Reserve & surplus	(2)		40,000	40,000
			<u>540,000</u>	<u>540,000</u>
<b>II. APPLICATION OF FUNDS</b>				
1 Fixed assets	(3)			
a) Gross block		180,167		180,167
b) Less : Depreciation		<u>173,538</u>		<u>172,312</u>
c) Net block			6,629	7,855
2 Current assets, loans and advances				
a) Cash & bank balances	(4)	10,823		2,070
b) Loans & advances	(5)	<u>4,629,085</u>		<u>4,816,038</u>
		<u>4,639,908</u>		<u>4,818,108</u>
Less : Current liabilities and Provisions				
a) Liabilities	(6)	4,341,207		4,938,741
b) Provisions	(7)	<u>80,000</u>		<u>31,500</u>
		<u>4,421,207</u>		<u>4,970,241</u>
Net current assets			218,701	(152,133)
3 Profit & loss account			<u>314,670</u>	<u>684,278</u>
			<u>540,000</u>	<u>540,000</u>
Notes to the accounts	(9)			

As per our report attached

For and on behalf of the Board

For **Ganesh & Rajendra Associates**  
Chartered Accountants

**SATISH SHETH** Director

**Ganesh Mehta**  
Partner  
Membership No. 32939  
ICAI Firm Registration No. 103055W

**DEEPAK SHETH** Director

MUMBAI

DATED : 6<sup>th</sup> May 2010

**AMALGAMATED INVESTMENTS LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010**

	Schedule	31st March 2010 Rupees	31st March 2009 Rupees
<b>INCOME :</b>			
Other income		600,000	600,000
Sundry balance w/back		600	488
		<u>600,600</u>	<u>600,488</u>
<b>EXPENDITURE :</b>			
Miscellaneous expenses	(8)	16,671	36,942
Professional fees		160,182	136,388
Repair & maintenance		-	144,969
Audit fees		4,412	4,412
Depreciation		1,226	1,527
		<u>182,491</u>	<u>324,238</u>
Profit for the year		418,109	276,250
Less : Provision for taxation		48,500	-
		<u>369,609</u>	<u>276,250</u>
Deficit brought forward from last year		684,279	960,528
Deficit carried to balance sheet		314,670	684,278
Earning per share ( Basic )		7.39	5.52
Nominal value of share		10	10
(See note no.3 of schedule 9)			
Notes to the accounts	(9)		

As per our report attached

**For and on behalf of the Board**

For **Ganesh & Rajendra Associates**  
Chartered Accountants

**SATISH SHETH** Director

**Ganesh Mehta**  
Partner  
Membership No. 32939  
ICAI Firm Registration No. 103055W

**DEEPAK SHETH** Director

MUMBAI

DATED : 6<sup>th</sup> May 2010

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

	31st March 2010 Rupees	31st March 2009 Rupees
(1) SHARE CAPITAL :		
Authorised :		
50,000 equity shares of Rs.10/- each	500,000	500,000
Issued, subscribed and paid-up :		
50,000 equity shares of Rs.10/- each fully paid-up	500,000	500,000
(2) RESERVE & SURPLUS :		
General reserve	40,000	40,000
	<b>40,000</b>	<b>40,000</b>

**3. FIXED ASSETS :**

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	AS ON 01-04-2009	ADDITION	AS ON 31-03-2010	AS ON 01-04-2009	FOR THE YEAR	AS ON 31-03-2010	AS ON 31-03-2010	AS ON 31-03-2009
1) Office equipments	89,017	-	89,017	81,673	1,022	82,695	6,322	7,344
2) Computer	91,150	-	91,150	90,639	204	90,843	307	511
<b>TOTAL</b>	<b>180,167</b>	<b>-</b>	<b>180,167</b>	<b>172,312</b>	<b>1,226</b>	<b>173,538</b>	<b>6,629</b>	<b>7,855</b>
PREVIOUS YEAR	180,167	-	180,167	170,785	1,527	172,312	7,855	9,382

	31st March 2010 Rupees	31st March 2009 Rupees
(4) CASH AND BANK BALANCES :		
Cash on hand	770	2,070
Balance with a scheduled bank in current account	10,053	-
	<b>10,823</b>	<b>2,070</b>
(5) LOANS AND ADVANCES :		
(Unsecured, considered good)		
Advance recoverable in cash or in kind or for value to be received	4,285,159	4,570,092
Prepaid taxes	343,926	245,946
	<b>4,629,085</b>	<b>4,816,038</b>
(6) LIABILITIES :		
Sundry creditors	774,789	385,996
Other liabilities	32,478	516,785
Deposits	3,533,940	4,035,960
	<b>4,341,207</b>	<b>4,938,741</b>
(7) PROVISIONS :		
Provision for current taxation	80,000	31,500
	<b>80,000</b>	<b>31,500</b>
(8) MISCELLANEOUS EXPENSES		
Printing & stationery	-	160
Filing fees	12,800	3,000
Electricity charges	-	4,290
Profession tax	2,500	2,500
Bank charges	951	1,337
Office expenses	-	25,655
Employers cont. to PF	420	-
	<b>16,671</b>	<b>36,942</b>

## AMALGAMATED INVESTMENTS LIMITED

### (9) NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS :

#### 1 Statement of Accounting Policies :

##### i) BASIS OF ACCOUNTING :

The financial statements have been prepared under the historical cost convention in accordance with the accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, as adopted consistently by the Company. All income & expenditure having the material bearing on the financial statements are recognized on accrual basis.

##### ii) USE OF ESTIMATES :

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and a reported amount of revenues and expenses during the reporting period. Difference between the actual expenses and estimates is recognised in the period in which the results are known/ materialised.

##### iii) FIXED ASSETS :

Fixed assets are capitalised at cost inclusive of legal and/or installation expenses.

##### iv) DEPRECIATION :

Depreciation has been provided on 'written down value method' as per rates specified in Schedule XIV to the Companies Act, 1956.

##### v) CONTINGENCY & EVENT OCCURRING AFTER THE BALANCE SHEET DATE :

There has been no material events occurring after the balance sheet date that require adjustments so as to require disclosure in the financial statements.

##### vi) REVENUE RECOGNITION :

Dividend income is accounted for as and when declared. Sale / purchase of shares / securities are considered on contract basis inclusive of stamp & transfer fees. Interest income is considered on accrual basis over the full financial year.

##### vii) INVESTMENTS :

Investments are capitalised at cost plus brokerage and stamp charges. The profit/(loss) on the sale of investments is dealt with at the time of actual sale/redemption. Provision is made for depletion in market value of Long Term Investments, if the same is considered permanent in nature by the management. Current Investments are valued at lower of Cost or fair value.

##### viii) RETIREMENT BENEFITS :

In absence of employees, the company does not require to make any provision in respect of retirement benefits.

##### ix) BORROWING COST :

Borrowing cost are charged to the profit & loss account in the year in which they are incurred.

##### x) TAXES ON INCOME :

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income-tax Act, 1961.

Deferred tax is recognised, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets in respect of carry forward losses is recognised if there is virtual certainty that there will be sufficient future taxable income available to realise such losses.

The company has not recognised the deferred tax in respect of accumulated losses and in respect of time differences considering the materiality view.

- 2 The Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosures relating to amount unpaid as at end of the year together with interest payable as required under the said act has not been furnished and provision for interest, if any, on delayed payment is not ascertainable at this stage. No interest payment is made during the year.

#### 3 EARNING PER SHARE :

	Current Year	Previous Year
1) Profit for the year	369,609	276,250
2) Weighted average number of equity shares outstanding	50,000	50,000
3) Basic earnings per share in Rs. (Face value Rs. 10/- per share)	7.39	5.52

#### 4 RELATED PARTIES DISCLOSURES :

The particulars of related parties, as certified by the management, together with the transactions during the year and related balances as on 31st March, 2010 are as under:

##### i) List of Related Parties :

a) Holding company :	The Amalgamated Electricity Co. Ltd.
b) Subsidiary company :	None
c) Associate concerns :	Harbinger Trading Co. Pvt. Ltd. Cheshtha Holdings Pvt. Ltd. Swaranadhara Holdings Pvt. Ltd. Satyajyoti Holdings Pvt. Ltd. Regent Publishers Pvt. Ltd.
d) Key management personnel and relatives	Mr. Satish Sheth

##### ii) Transactions with related parties:

Related Parties	Nature of Transaction	31st March 2010 Rupees	31st March 2009 Rupees
Capital transactions :			
The Amalgamated Electricity Co. Ltd.	Repayment of dues	-	211,164
The Amalgamated Electricity Co. Ltd.	Receipt	412,000	-
Revenue transactions :			
The Amalgamated Electricity Co. Ltd.	Repair & others	-	30,300
	Professional fees	-	37,449
Outstanding at the year end :			
The Amalgamated Electricity Co. Ltd.	Sundry creditor	761,819	349,819

**TWENTY-NINTH ANNUAL REPORT 2009-2010**

<p>5 BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE :</p> <p>I Registration details :</p> <p>Registration no. U67120MH1981PLC025433</p> <p>State code 11</p> <p>Balance sheet date 31-Mar-2010</p> <p>II Capital raised during the year (Rupees in thousands) :</p> <p>Public issue NIL</p> <p>Rights issue NIL</p> <p>Bonus issue NIL</p> <p>Private placement NIL</p> <p>III Position of Mobilisation and Deployment of Funds (Rupees in Thousands) :</p> <p>Total liabilities 540</p> <p>Total assets 540</p> <p>Sources of funds :</p> <p>Paid-up capital 500</p> <p>Reserve &amp; surplus 40</p> <p>Secured loans NIL</p> <p>Unsecured loans NIL</p> <p>Application of funds : Investments NIL</p>	<p>Net fixed assets 7</p> <p>Net current assets 219</p> <p>Misc. expenditure NIL</p> <p>Accumulated losses 315</p> <p>IV Performance of company (Rupees in thousands)</p> <p>Turnover 601</p> <p>Total expenditure 182</p> <p>Profit / (Loss) before tax 418</p> <p>Profit / (Loss) after tax 418</p> <p>Earning per share in Rs. 7.39</p> <p>Dividend NIL</p> <p>V Generic names of three principal products / services of Company (as per monetary terms).</p> <p>Item code no. (ITC code) N.A.</p> <p>Product description Share transfer agent &amp; registrar for fixed deposit scheme</p> <p>6 Previous years' figures have been regrouped/rearranged wherever considered necessary.</p>
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As per our report attached

**For and on behalf of the Board**

**For Ganesh & Rajendra Associates**  
Chartered Accountants

**SATISH SHETH** Director

**Ganesh Mehta**  
Partner  
Membership No. 32939  
ICAI Firm Registration No. 103055W

**DEEPAK SHETH** Director

MUMBAI

DATED : 6<sup>th</sup> May 2010