

**THE AMALGAMATED
ELECTRICITY COMPANY
LIMITED**

2007-2008

73rd Annual Report

2007-2008

THE AMALGAMATED ELECTRICITY COMPANY LIMITED

DIRECTORS

Shri MILAN B. DALAL

Shri CHAMPAK KANABAR

Shri SATYEN B. DALAL

Shri S.R. MISHRA

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-THIRD ANNUAL GENERAL MEETING of the Members of THE AMALGAMATED ELECTRICITY COMPANY LIMITED will be held on Tuesday, 30th September, 2008 at 11.00 a.m. at "Orchid", 1st Floor, MVRDC, World Trade Centre, Centre 1, Cuffe Parade, Mumbai 400 005, to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2008 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.Champak Kanabar 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:

1. Renumbering the existing Clauses I to 6 as Clauses I to VI
2. 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".
3. Renumbering the existing sub-clauses (a) and (b) as sub-clauses (1) and (2) and inserting them under the bifurcated Clause III (A).
4. Renumbering the existing sub-clauses (c) to (vv) as sub-clauses (3) to (48) and inserting them under the bifurcated Clause III (B).
5. 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 and all materials and things necessary thereto.
- (52) To manufacture, purchase, import, export, lease or otherwise acquire and to sell, hire, distribute, use, deal in and otherwise dispose off all kinds of machinery, equipment and apparatus for mechanical, electrical and electronic reproduction of sound and images and for all materials, articles accessories and spare parts in relation thereto and in connection therewith.
- (53) 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.
- (54) To carry on the business of mechanical, electrical and chemical engineers for commercial, industrial and domestic purposes.
- (55) To carry on the business of importers, exporters and dealers in electrical, mechanical and hardware goods and machinery of every description.
- (56) To carry on in India or overseas all or any business of theatre, cinema, 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.
- (57) 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

THE AMALGAMATED ELECTRICITY COMPANY LIMITED

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.

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."

By Order of the Board
MMan B. Dalal
Director

Mumbai
Dated: 29th July, 2008

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 Instrument appointing the proxy should be deposited with the Company at least 48 hours before the commencement of the Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed on Tuesday, 30th September, 2008.
5. Members are requested to intimate change of address, if any, to the Company.

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-Third Annual General Meeting of the Company.

ITEM NO.4

Alteration of the Objects Clause of the Memorandum of Association

As part of the Company's growth plans, it plans 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.

By Order of the Board
MMan B. Dalal
Director

Mumbai
Dated: 29th July, 2008

REPORT OF THE DIRECTORS TO THE SHAREHOLDERS

Your Directors present the SEVENTY-THIRD ANNUAL REPORT of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2008.

FINANCIAL RESULTS

	Amount (Rs.)	
	Year ended 31st March, 2008	Year ended 31st March, 2007
Profit/(Loss) for the year	(35,173)	8,521
Less: Provision for Taxation	-	-
	<u>(35,173)</u>	<u>8,521</u>
Add/less: Deferred Tax Provision	(2,715)	1,407
Prior year taxes	-	(24,852)
	<u>(37,889)</u>	<u>118,924</u>
Add: Deficit brought forward from last year	(53,07,030)	(52,90,106)
Deficit carried to Balance Sheet	<u>(53,44,919)</u>	<u>(53,07,030)</u>

PENDING LEGAL DISPUTES

The Appeal filed in the Hon'ble Rajasthan High Court by a consumer of the Company's erstwhile Ajmer undertaking involving a claim of Rs.78,600/- is still pending.

DIVIDEND

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

FIXED DEPOSITS

As on 31st March, 2008, there were no fixed deposits remaining overdue.

ALTERATION OF THE OBJECTS CLAUSE OF THE MEMORANDUM OF ASSOCIATION

As part of the Company's growth plans, it plans 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.

The necessary resolution for the same forms part of the accompanying Notice.

Your Directors recommend the resolution for approval by the Members.

DIRECTORS

Mr. Champak N. Kanabar retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself 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)(g) 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.

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 hereunder.

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

Milan B. Dalal Satyan B. Dalal
Director Director

Mumbai
Dated: 29th July, 2008

THE AMALGAMATED ELECTRICITY COMPANY LIMITED

ANNEXURE - A

Annexed to the Compliance Certificate dated 29th July, 2008
Registers as maintained by the Company

1. Application for end 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 301(3).
10. Board Minutes Book and General Body Minutes Book under Section 103.
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 161.

ANNEXURE - B

Annexed to the Compliance Certificate dated 29th July, 2008
Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director,
Central Government or other authorities during the
Financial Year ended on 31st March, 2008.

Sl. No.	Form / Return	Filed under Section	For	Date of Filing	Whether filed within prescribed time Yes / No	If delay in filing, whether requisite additional fees paid Yes / No
1.	Annual Return	189	2008-2007	—	No	—
2.	Audited Statements of Accounts, Directors' and Auditors' Reports thereon,	220	31 st March, 2007	—	No	—
3.	Secretarial Compliance Certificate	383A(1)	31 st March, 2007	—	No	—

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, 2008, 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 Indian auditing standards issued by the Institute of Chartered Accountants of India. Our audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates and judgements made by the management in the preparation of financial statements and evaluating the overall financial statement presentation. We planned and performed our audit, so as to obtain all the information and explanations which we considered necessary in order to provide us the sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements and to provide a reasonable basis for our opinion.

3. As required by the Companies (Auditors' Report) Order, 2003, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we give 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 related 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, 2008 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, 2008;

- ii) in the case of the Profit and Loss Account, of the loss 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.

For GANESH & RAJENDRA ASSOCIATES
CHARTERED ACCOUNTANTS

(GANESH MEHTA)
PARTNER

(Membership No. 32939)

MUMBAI, DATED : 29th July, 2008

ANNEXURE TO AUDITORS' REPORT

Related 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(v) of the Companies (Auditors' Report) Order, 2003 are not applicable
- (iii) The Company has not granted or taken any loans, secured or unsecured from companies, firms or other parties covered in the register 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) As informed to us, the Company did not have formal internal audit system during the year.
- (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.

THE AMALGAMATED ELECTRICITY COMPANY LIMITED

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

Nature of Dues	Assessment Year	Amount	Due Date
Income Tax	2001-02	5,782/-	08/08/2005
	2002-03	5,28,055/-	27/09/2005
		<u>5,33,837/-</u>	

(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. However, Company has incurred cash loss of Rs. 32,794/- during the year and Rs. 2,098/- during 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 (xii) 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. The shares, securities, debentures and other investments have

been held by the Company in its own name except in case of investments in Preference Shares of Rs. 68,11,200/- and we have been informed that the transfer is still in process.

(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)

MUMBAI, DATED : 29th July, 2008

CERTIFICATE

We have examined the attached Cash Flow Statement of Amalgamated Electricity Company Limited for the period ended 31st March 2008. 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 26th July 2008 to the members of the Company.

For GANESH & RAJENDRA ASSOCIATES
CHARTERED ACCOUNTANTS

(GANESH MEHTA)
PARTNER
(Membership No. 32939)

MUMBAI, DATED : 29th July, 2008

BALANCE SHEET AS AT 31ST MARCH, 2008

	Schedule	Rupees	31st March 2008 Rupees	31st March 2007 Rupees
I. SOURCES OF FUNDS :				
(1) Shareholders' funds :				
Capital	(1)		13,882,560	13,882,560
(2) Deferred Tax Liability			16,707	13,991
TOTAL			13,899,267	13,896,551
APPLICATION OF FUNDS :				
(1) Fixed assets :				
(a) Gross block	(2)	432,163		401,483
(b) Less : Depreciation		390,597		368,218
(c) Net block			41,566	13,265
(2) Investments	(3)		6,892,121	6,892,121
(3) Current assets, loans & advances :				
(a) Sundry debtors	(4)	773,174		1,011,554
(b) Cash & bank balances	(5)	22,310		4,677
(c) Loans and advances	(6)	1,215,321		1,315,320
		2,010,805		2,331,551
Less : Current liabilities & provisions :				
Liabilities	(7)	390,144		647,418
		390,144		647,416
Net current assets			1,620,661	1,684,135
(4) Profit and loss account			5,344,919	5,307,090
TOTAL			13,899,267	13,896,551
Notes to the accounts	(9)			

As per our report attached

For GANESH & RAJENDRA ASSOCIATES
Chartered AccountantsGANESH MEHTA
Partner
(Membership No. 32833)

MUMBAI, Dated: 29th July, 2008

For and on behalf of the Board

MILAN B. DALAL Director

BITYEN B. DALAL Director

THE AMALGAMATED ELECTRICITY COMPANY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

Schedule	31st March 2008 Rupees	31st March 2007 Rupees
INCOME :		
Computer Hire Income	74,400	10,000
Interest	-	435
Sundry balance / accounts write back	200,330	37,808
	<u>274,730</u>	<u>48,343</u>
EXPENDITURE :		
Administrative & other expenses (8)	307,524	37,312
Depreciation	2,379	4,510
	<u>309,903</u>	<u>41,822</u>
(Loss) / Profit before adjustments	(35,173)	6,521
Deferred Tax Provision	2,716	1,407
Prior year Taxes	-	24,852
Deficit brought forward from last year	(37,889)	(15,924)
Deficit carried to balance sheet	5,307,030	5,290,106
	<u>5,344,919</u>	<u>5,307,030</u>
Earning per share (Basic / Diluted)	(0.03)	(0.01)
Nominal value of share [See note No. viii of schedule 9(2)]	10	10
Notes to the accounts (9)		

As per our report attached

For **GANESH & RAJENDRA ASSOCIATES**
Chartered Accountants

GANESH MENTA
Partner
(Membership No. 32939)

MUMBAI, Dated: 29th July, 2008

For and on behalf of the Board

MILAN B. DALAL Director

SATYEN B. DALAL Director

SCHEDULES FORMING PART OF THE BALANCE SHEET

	31st March 2008	31st March 2007
	Rupees	Rupees
1. SHARE CAPITAL :		
Authorised:		
14,00,000 equity shares of Rs. 10/- each	14,000,000	14,000,000
6,00,000 unclassified shares of Rs. 10/- each	6,000,000	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 par 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
	<u>22,500,000</u>	<u>22,500,000</u>

2. FIXED ASSETS :

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS ON 04/01/07 Rs.	ADDITION Rs.	AS ON 31/03/08 Rs.	AS ON 04/01/07 Rs.	DEDUC- TION Rs.	FOR THE YEAR Rs.	AS ON 31/03/08 Rs.	AS ON 31/03/08 Rs.	AS ON 31/03/07 Rs.
Plant and Machinery	270,627	30,600	301,907	259,455	-	286	259,741	41,666	11,172
Furniture, Fixtures & Equipments	130,856	-	130,856	128,783	-	2,093	130,856	-	2,093
TOTAL	401,483	30,600	432,183	388,238	-	2,379	390,597	41,566	13,265
PREVIOUS YEAR	401,483	-	401,483	383,706	-	4,510	388,216	13,265	17,775

	31st March 2008	31st March 2007
	Face Value	Rupees Rupees
3 INVESTMENTS (At cost) : (Unless otherwise stated)		
NON TRADE INVESTMENTS :		
Unquoted:		
In Global Financial Services Ltd 66112 8% cumulative redeemable preference share of Rs. 100/- each	100	8,811,200
In Pursant Trading Company Pvt. Ltd. 4500 Equity Shares of Rs. 10/- each	10	45,000
* In Amalgamated Investments Ltd 23592 (23592) equity shares of Rs. 10/- each fully paid-up.	10	235,921
		<u>6,892,121</u>
4 SUNDRY DEBITORS : (Considered good unless otherwise specified)		
Unsecured - debts outstanding for a period exceeding six months		734,774
Other debts		1,001,554
		<u>1,011,554</u>
5 CASH AND BANK BALANCES :		
Cash in hand		633
Balance with Schedule Bank :		
In current accounts		21,777
		<u>22,310</u>

	31st March 2008	31st March 2007
	Rupees	Rupees
issued, subscribed and paid-up :		
13,88,256 equity shares of Rs. 10/- each fully paid-up	13,882,560	13,882,560
(Of the above 2,85,848 equity shares of Rs. 10/- each are allotted pursuant to the amalgamation scheme without payment being received in cash and 3,47,084 equity shares of Rs. 10/- each are allotted as fully paid up bonus shares by capitalising Rs. 25,00,000/- and Rs. 9,70,840/- out of the Capital Redemption Reserve and General Reserve respectively.)		

	31st March 2008	31st March 2007
	Rupees	Rupees
6 LOANS AND ADVANCES : (Unsecured and considered good unless otherwise specified)		
Inter-company deposits		21,310
Miscellaneous advances and claims receivable	1,184,011	1,294,010
	<u>1,215,321</u>	<u>1,315,320</u>
7 CURRENT LIABILITIES :		
Sundry creditors	390,144	447,300
Unclaimed amount of unsecured bonds	-	172,750
Unclaimed interest on bonds	-	27,360
	<u>390,144</u>	<u>647,410</u>
8 ADMINISTRATIVE & OTHER EXPENSES :		
Rent, rates & taxes	329,678	13,400
Auditors' remuneration	12,360	9,550
Administrative & office expenses	3,194	2,352
Computer hire charges	24,000	2,000
Listing fees	18,000	10,000
Professional fees	38,000	-
Conveyance expenses	1,500	-
Prior year expenses	6,800	-
	<u>397,524</u>	<u>37,312</u>

THE AMALGAMATED ELECTRICITY COMPANY LIMITED

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

i) Contingent Liability :

With regard to the claim of Rs. 78,600/- by a consumer of electricity Ajmer undertaking, the Company does not expect any liability and if any arises, same is unascertainable.

2. Statement on accounting policies

(i) System of accounting :

The Financial statements are prepared on an accrual basis. 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 realising such claims.

ii) Contingency & event occurring after the balance sheet date :

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

iii) Fixed assets and depreciation

All the Fixed Assets are valued at cost of acquisition less accumulated depreciation. Depreciation has been calculated on straight line method in accordance with section 205(2)(b) of the Companies Act, 1956 on the cost of the assets as per Circular Nos. 1/1/88-CL-V and 15/100/84-CL-V dated, 21/05/1985 issued by the Department of Company Affairs, Government of India, on assets acquired before 02/04/1987 and on the Assets acquired thereafter, depreciation has been calculated on the straight line method at the rates prescribed in Schedule XIV of the Companies Act, 1956.

iv) Investments :

Investments are valued at cost inclusive of all expenses incidental to their acquisition. In case of substantial diminution in the value of Investments, necessary provision is made in the accounts.

v) Retirement Benefits :

The Company is not required to contribute towards provident fund and ESIC scheme. In case of other retirement benefits, the company follows 'pay as you go' method.

vi) 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.

vii) Related party disclosures :

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

List of Related Parties :

Associated Companies :

1. Celco Limited
2. Tropical Securities & Investments P. Ltd.
3. Western Press Pvt. Ltd.
4. Celco Properties Pvt. Ltd.
5. Celco Travels Pvt. Ltd.
6. Bombay Sweets N Store Ltd.
7. Gateway International Pvt. Ltd.

Key management personnel and relatives

Key management personnel

1. Shri M. B. Datta
2. Shri Satyan B. Datta
3. Shri Champak Kanabar
4. Shri S. R. Mehra

	31st March 2008 Rupees	31st March 2007 Rupees
Payment of expenses		
S. Ramdas (M. M. B. Datta)	31,300	-
Finance given		
S. Ramdas (M. M. B. Datta)	28,410	-

viii) EARNINGS PER SHARE :

1. Loss after taxation	37,859	18,924
2. Weighted average number of Equity shares outstanding	1,388,256	1,388,258
3. Basic and diluted earnings per share in rupees (Face value - Rs.10/- per share)	(0.03)	(0.01)

ix) 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 originates in one period and are capable of reversal in one or more subsequent periods.

The company has not recognised the net deferred tax assets in respect of accumulated losses and unabsorbed depreciation in view of the uncertainty of availing the benefit in future.

3. There are no small scale industries to whom the company owes more than 1 Lakh outstanding for more than 30 days as on 31st March, 2008.

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding as at the Balance Sheet date.

NOTES ON THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

4. DEFERRED TAX :

The break up of deferred tax liabilities as on 31st March, 2008 is as under :

PARTICULARS	AS ON 31/3/2007	CURRENT YEAR	AS ON 31/3/2008
Difference between book and tax depreciation	13,991	2,718	16,707
	<u>13,991</u>	<u>2,718</u>	<u>16,707</u>

5. The Income Tax assessments of the Company are completed upto the Assessment Year 2003-2004.

6. Income tax department have asked Rs. 4,62,806/- for AY 2001-02 and Rs. 5,28,055/- 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/- and balance of Rs. 2,01,347/- is still payable.

7. Rent, Rates and taxes includes amount of municipal taxes of Rs. 1,88,350/- for the period from August, 1992 to March, 2008.

8. Certain Debt and Cred-1 balances have remained unconfirmed.

9 BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details	
Registration No.	UD11004MH1906PLC002497
State Code	11
Balance Sheet Date	31/3/2008
II Capital Raised during the year (Rupees in Thousands)	
Public Issue	NIL
Rights Issue	NIL
Bonus Issue	NIL
Private Placement	NIL
III Position of Mobilization and Deployment of funds (Rupees in Thousands).	
Total Liabilities	13,899
Total Assets	13,899
Source of Funds	
Paid-up Capital	13,893
Reserves & Surplus	NIL
Secured Loans	NIL
Unsecured Loans	NIL
Deferred tax liability (net)	17
Application of Funds	
Net Fixed Assets	42
Investments	6,892
Net Current Assets	1,624
Misc Expenditure	NIL
Accumulated Losses	5,345

IV Performance of company (Rupees in Thousands)

Turnover (Net Income from finance and other income)	275
Total Expenditure	310
Profit/Loss Before tax	(35)
Profit/Loss After tax	(38)
Earning per share in Rs.	(0.00)
Dividend	NIL

V Generic Names of Three Principal Products/ Services of company (as per monetary terms)

I Item Code No. (ITC Code)	N/A
Service Description	FINANCE AND INVESTMENT

10 Figures of the previous year are re-grouped / re-arranged to make them comparable with the figures of the year under review

As per our report attached

For GANESH & RAJENDRA ASSOCIATES Chartered Accountants For and on behalf of the Board

GANESH MEHTA
Partner
(Membership No. 32939)

MILAN B. DALAL Director

BATYEN B. DALAL Director

MUMBAI, Dated : 29th July, 2008

THE AMALGAMATED ELECTRICITY COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2008.

	Year ended 31st March 2008 Rupees	Year ended 31st March 2007 Rupees
A. Cash Flow from operating activities :		
Net profit before tax and extraordinary items	(37,889)	(15,924)
Adjustment for :		
Deferred Tax	2,716	(1,407)
Depreciation	2,378	4,510
Provision for doubtful loan	-	-
Interest & Dividend	-	(435)
Operating Profit before working capital charges	<u>(32,794)</u>	<u>(14,256)</u>
Adjustment for :		
Trade and other receivable	338,379	393,466
Trade payable	(257,272)	(384,730)
Cash generated from operating activities	<u>48,314</u>	<u>(5,520)</u>
Direct taxes paid including prior years tax adjustment	-	-
Cash from Operating Activities before extraordinary items :	<u>-</u>	<u>-</u>
Net cash from operating activities (A)	<u>48,314</u>	<u>(5,520)</u>
B. Cash Flow from investment activities :		
Purchase of Plant and Machinery	(30,680)	-
Net cash used in investing activities (B)	<u>(30,680)</u>	<u>-</u>
C. Cash Flow from Financing activities :		
Interest received	-	435
Net cash used in Financing activities (C)	<u>-</u>	<u>435</u>
Net increase in cash and cash equivalent (A+B+C)	17,634	(5,085)
Cash & Cash equivalent at the beginning of the year	4,677	9,762
Cash & Cash equivalent at the end of the year	<u>22,311</u>	<u>4,677</u>

For and on behalf of the Board

MILAN B. DALAL Director

SATYEN B. DALAL Director

MUMBAI,

Dated : 29th July, 2008

CERTIFICATE

We have examined the attached Cash Flow Statement of Amalgamated Electricity Company Limited for the period ended 31st March, 2008. 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 28th July, 2008 to the members of the Company.

For GANESH & RAJENDRA ASSOCIATES
CHARTERED ACCOUNTANTS

(GANESH MEHTA)
PARTNER

MUMBAI, DATED : 29th July, 2008

(Membership No. 32939)

The Amalgamated Electricity Company Limited

17-B, Horniman Circle, Fort, Mumbai 400 023.

ENTRANCE PASS - to be presented at the entrance

Annual General Meeting :

FOLIO NO. NO. OF SHARES

FULL NAME
(IN BLOCK LETTERS)

SIGNATURE

PROXY FORM

The Amalgamated Electricity Company Limited

17-B, Horniman Circle, Fort, Mumbai 400 023.

L/F NO.	
---------	--

We

of being a member/
members of The Amalgamated Electricity Company Limited hereby appoint

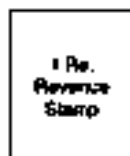
of or calling him

of as my/our

Proxy to vote for me/us and on my/our behalf at the Seventy-Third Annual General Meeting of the Company to be held at 11.00 a.m. on 30th September, 2008 and at any adjournment thereof.

As witness my/our hand(s) this day of2008

Signed by the said



.....

Note : The proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.

BOOK POST

if undelivered, please return to:

THE AMALGAMATED ELECTRICITY COMPANY LIMITED
Registered Office : 17-B, Martman Circle, Fort, Mumbai 400 023.