



**Generate, Measure & Manage Energy**

## Annual Report 2012

**ADVANCE METERING TECHNOLOGY LIMITED**

**driving  
innovation  
and life**

# FROM THE DESK OF THE CHAIRMAN

On the occasion of the First Annual General Meeting of the company I take this opportunity to welcome the shareholders.

Eon Electric Limited (formerly Indo Asian Fusegear Limited) recently divested its switchgear business to a French company Legrand as slump sale. To utilize the cash generated through the slump sale and in the interest of various stakeholders, the business of Metering Division, Energy Management and Power Generation Business was vested into your company on 8<sup>th</sup> april 2012, by the scheme of arrangement duly approved by the Hon'ble High Court of Punjab and Haryana vide its order dated 27<sup>th</sup> March 2012.

The Business of Advance Metering Technology is Energy Centric and is categorised into three related fields viz.

1. Power Generation (mainly Renewable)
2. Electric Meters ( Metering)
3. Energy Audit / Management Services.

## Power Generation Business

Electricity is a prime mover of economic development. Creation of world class power infrastructure is a prerequisite for sustained development of the economy. India ranks fifth in the world with a total installed capacity of around 17,000 MW of wind power as on 31<sup>st</sup> March 2012. The growth of wind energy has been largely due to favourable policy, depreciation benefits, generation based incentive and renewable purchase obligation. In 2010, the Indian wind sector experienced its strongest annual growth ever with 2.1 GW of new installations. This trend is likely to continue in 2012- 2013.

The Company's plans to install 50 MW of Wind Installed capacity before the end of the year 2014. The company is in the process of installing new wind turbines in the state of Rajasthan in the current year and will end up having an installed capacity of 11.70 MW. Apart from this, the company has also a road map for installation of a reasonable sized Hydro, and Bio Mass Power generation capacity by the end of 2017 to supply renewable green power to the National Grid. With the current capacity, the Company has generated approximately 6 Million units of electricity as on date.

## Energy Management Services

The most economical and easiest source of energy is "Energy Conservation" by way of energy efficiency improvement of existing industries and commercial businesses. To reduce the gap between the demand and supply of energy and to encourage resource conservation, the Ministry of Power, Govt of India has launched the "Energy Conservation Act 2001 and subsequent amendment made in 2010. It is now mandatory for designated consumers to make e-filing of energy balance every year. For any commercial building having more than 100 KW load, it is now mandatory to follow "Energy Conservation Building Code". Various States of India are also making the "Energy Audit" mandatory for all the industrial and commercial consumers.

The company has a group of experts for Energy Efficiency improvement and most of them are "Certified Energy Auditors"/Managers. The Company is accredited by the Bureau of Energy Efficiency and is also an empanelled auditor for PCRA, Ministry of Petroleum & Natural Gas for Demand Side Energy Management. The company has already carried out energy audit assignments in various manufacturing industries and commercial buildings. Keeping in view the importance given by the Government in Energy conservation, this vertical of the company has a very bright future.

## Metering Business

The Electricity Act 2003 aims at liberalizing the power sector by creating a vibrant and progressive legislative frame work to facilitate India's economic growth. The Government has also formulated a road map for increased participation by private sector in the power industry. This kind of liberal power reform is not possible without reliable and accurate energy measurement. Hundred percent metering is the goal of all state regulatory commissions and utilities and with full support by Ministry of Power, through reform programmes. Overall environment for metering industry has been generally good. The Metering Division of the company is still in its nascent stage and with strong research and development activities, it will start showing its increased presence in the market.

## Our Commitment and Mission

- To have a sustained growth and improved operational efficiency.
- To attain global best practices.
- To consistently achieve high growth and with highest levels of productivity.
- To promote work culture that fosters individual growth and team spirit.
- To be a technology driven and a financially sound organisation.

With your valuable guidance and support, we would not only help us achieve but surpass the goals set and create greater value for all our stakeholders. I take this opportunity to thank all the stake holders for the unstilted support.



**P. K. Ranade**  
Chairman and Managing Director

**DIRECTORS**

Mr. P. K. Ranade  
*Chairman and Managing Director*

Mr. Vikram Ranade  
*Executive Director*

Mr. Prashant Ranade  
*Executive Director*

Mr. V. P. Mahendru

Mr. Vinay Mahendru

Mr. R. C. Bansal

Dr. Sai Ramachandran

Mr. A. K. Ghosh

**SENIOR EXECUTIVES**

Mr. Suresh Kumar Garg  
*Sr. Vice President - Corporate Finance*

Mr. Jaspreet Singh  
*Company Secretary*

**Auditors**

M/s S. S. Kothari Mehta & Co.  
146-149, Tribhuvan Complex  
Iswar Nagar, Mathura Road  
New Delhi-110065

**Registrar & Transfer Agent**

M/s Alankit Assignments Ltd.  
Alankit House  
2E/21, Jhandewalan Extension  
New Delhi 110 055  
Tel. (011) - 42541234, 23451234  
Fax (011) - 42541967  
E-mail : jksingla@alankit.com

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**Registered Office :** Office No. 14, Near Airtel Tower, G. T. Road, Murthal  
Chowk, Sonapat, Haryana – 131027

**Corporate Office :** C-124, Hosiery Complex, Noida Phase II Extn.,  
Noida - 201305, U.P.

**Website:** [www.pkrgroup.in](http://www.pkrgroup.in)

**Tel.:** +91-120-3011300, 3011306; **Fax:** +91-120-3011301

### NOTICE

**NOTICE** is hereby given that the 1<sup>st</sup> Annual General Meeting of the Members of Advance Metering Technology Limited will be held on Saturday, the 29<sup>th</sup> September, 2012 at 9.00 A.M. At Hotel Kuber, 51-52 K.M. Stone, Murthal, G. T. Karnal Road, District- Sonapat, Haryana, to transact the following business:

#### Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint M/s S. S. Kothari Mehta & Co., Chartered Accountants, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

#### Special Business

To transact the following business as special business

3. 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 and any statutory modification or re-enactment thereof, for the time being in force, the Paragraph 4 of the Article No. 90 of the Articles of Association of the Company be and is hereby deleted and in place thereof the following Paragraph 4 be substituted as follows :

“Subject to the provisions of Section 255 of the Companies Act, 1956, except the Managing Director of the Company, all other directors shall be liable to retire by rotation.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to file such Forms and other documents with the Registrar of Companies and to do all the acts, deeds and things as may be necessary to give effect to this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the aforesaid powers to any committee of Directors/officers, one or more director or any other principal officer of the Company on such conditions as the Board may deem fit and to take all such steps that may be required to give effect to this resolution.”

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

**“RESOLVED THAT** Mr. P. K. Ranade, who was appointed as the first director of the Company by the Articles of Association and who vacates his office at this Annual General Meeting be and is hereby appointed as the Director of the Company not liable to retire by rotation.”

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

**“RESOLVED THAT** Mr. Vikram Ranade, who was appointed as the first director by the Articles of Association and who vacates his office at this Annual General Meeting be and is hereby appointed as the Director of the Company liable to retire by rotation.”

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

**“RESOLVED THAT** Mr. Prashant Ranade, who was appointed as an Additional Director of the Company on 28<sup>th</sup> July 2011 be and is hereby appointed as the Director of the Company liable to retire by rotation.”

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

**“RESOLVED THAT** Mr. R. C. Bansal who was appointed as Additional Director of the Company on 6<sup>th</sup> April 2012 and who vacates his office at this Annual General Meeting be and is hereby appointed as the Director of the Company liable to retire by rotation.”

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

**“RESOLVED THAT** Dr. Sai Ramachandran who was appointed as Additional Director of the Company on 6<sup>th</sup> April 2012 and who vacates his office at this Annual General Meeting be and is hereby appointed as the Director of the Company liable to retire by rotation.”

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

**“RESOLVED THAT Mr. A. K. Ghosh who was appointed as Additional Director of the Company on 6<sup>th</sup> April 2012 and who vacates his office at this Annual General Meeting be and is hereby appointed as the Director of the Company liable to retire by rotation.”**

For and on behalf of the Board of Directors

Place: Noida  
Date: 14/08/2012

P. K. Ranade  
Chairman and Managing Director

**Notes:**

- a.) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY, A BLANK FORM OF PROXY IS ENCLOSED HERewith AND IF INTENDED TO BE USED, IT SHOULD BE RETURNED, DULY FILLED IN, TO THE REGISTERED/CORPORATE OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.**
- b.) The Register of Members and Share Transfer Book of the Company will remain closed from Wednesday, the 26<sup>th</sup> September, 2012 to Saturday, the 29<sup>th</sup> September, 2012 (both days inclusive).
- c.) Shareholders are requested to intimate the change of address, if any, to the Company's Registrar & Transfer Agent M/s. Alankit Assignments Limited, 2E/21, Alankit House, Jhandewalan Extn, New Delhi – 110055
- d.) Shareholders who are willing to receive General Meeting Notices, Annual Reports etc. via email, can send their request at [investors@pkrgroup.in](mailto:investors@pkrgroup.in). Shareholders can also download the Notice of General Meeting from the website of the Company [www.pkrgroup.in](http://www.pkrgroup.in).
- e.) Members /Proxies should bring the attendance slip enclosed herewith duly filled in for attending the meeting. Members, who hold shares in dematerialized form are requested to bring their Client ID and DP ID Number for easy identification of attending at the meeting. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a Certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- f.) Shareholders seeking any information or having any query with regard to accounts are requested to write to the Company at least seven days before the date of the meeting, so as to enable the management to keep the information ready.
- g.) Additional information as to brief resume and other details of the Directors recommended by the Board for appointment / re-appointment, being the First Directors and Additional Directors of the Company, at the Annual General Meeting pursuant to Clause 49(G)(i) of the Listing Agreement with Stock Exchanges forms part of the Report on Corporate Governance in the Annual Report.
- h.) Members are requested to bring their copies of Annual Reports with them to the meeting, as extra copies of the Annual Reports will not be available for distribution at the meeting.

**ANNEXURE TO NOTICE**

**Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956.**

**ITEM NO. 3**

The proposed amendment in the Articles of Association of the Company as given in the resolution are as per the requirements of Section 255 and 256 of the Companies Act, 1956. Since Mr. P. K. Ranade is appointed as the Chairman and Managing Director of the Company, it is proposed that he be the only Director not liable to retire by rotation and all other directors be appointed as the Directors liable to retire by rotation.

The alteration of the Articles of Association of the Company require the approval of the shareholders by way of a special resolution.

Mr. Vikram Ranade and Mr. Prashant Ranade being sons of Mr. P. K. Ranade are concerned or interested in the said resolution alongwith Mr. P. K. Ranade himself.

**ITEM NO. 4**

Mr. P. K. Ranade was appointed as first director as per the Articles of Association of the Company at the time of incorporation. He has been appointed as the Chairman and Managing Director of the Company by the shareholders by way of Postal Ballot, the results of which were declared on 8<sup>th</sup> August 2012.

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his

appointment as a Director of the Company.

Your Directors recommend the resolution for your approval.

Mr. Vikram Ranade and Mr. Prashant Ranade being sons of Mr. P. K. Ranade are concerned or interested in the said resolution alongwith Mr. P. K. Ranade himself.

**ITEM NO. 5**

Mr. Vikram Ranade was appointed as the first director of the Company as per the Articles of Association of the Company at the time of incorporation. He has been appointed as an Executive Director of the Company by the shareholders by way of Postal Ballot, the results of which were declared on 8<sup>th</sup> August 2012.

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his appointment as a Director of the Company.

Your Directors recommend the resolution for your approval.

Mr. Prashant Ranade being brother of Mr. Vikram Ranade and Mr. P. K. Ranade being father of Mr. Vikram Ranade are concerned or interested in the said resolution alongwith Mr. Vikram Ranade himself.

**ITEM NO. 6**

Mr. Prashant Ranade was appointed as the additional director by the Board at its meeting held on 28<sup>th</sup> July 2011 and the shareholders at their meeting held on 14<sup>th</sup> April 2012 appointed him as a director. He has been appointed as an Executive Director of the Company by the shareholders by way of Postal Ballot, the results of which were declared on 8<sup>th</sup> August 2012.

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his appointment as a Director of the Company.

Your Directors recommend the resolution for your approval.

Mr. Vikram Ranade being brother of Mr. Prashant Ranade and Mr. P. K. Ranade being father of Mr. Prashant Ranade are concerned or interested in the said resolution alongwith Mr. Prashant Ranade himself.

**ITEM NO. 7**

Mr. R. C. Bansal was appointed as an additional director of the Company by the Board of Directors in their meeting held on 6<sup>th</sup> April 2012. He is holding 800 Equity Shares in Eon Electric Limited (Listed Company).

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his appointment as a Director of the Company.

Your Directors recommend the resolution for your approval.

Except Mr. R. C. Bansal no other director of the company is interested or concerned in the resolution.

**ITEM NO.9**

Dr. Sai Ramachandran was appointed as the additional director of the Company by the Board of Directors in their meeting held on 6<sup>th</sup> April 2012.

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his appointment as a Director of the Company.

Your Directors recommend the resolution for your approval.

Except Dr. Sai Ramachandran no other director of the company is interested or concerned in the resolution.

**ITEM NO.10**

Mr. AK Ghosh was appointed as the additional director of the Company by the Board of Directors in their meeting held on 6<sup>th</sup> April 2012.

The Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his appointment as a Director of the Company.

Your Directors recommend the resolution for your approval.

Except Mr. A. K. Ghosh no other director of the company is interested or concerned in the resolution.

For and on behalf of the Board of Directors

Place: Noida  
Date: 14/08/2012

P. K. Ranade  
Chairman and Managing Director

## DIRECTORS' REPORT

To  
The Members

The Directors have the privilege of presenting the First Annual Report of your company for the period ended on 31<sup>st</sup> March 2012.

### **IMPLEMENTATION OF THE SCHEME OF ARRANGEMENT**

The Hon'ble High Court for the States of Punjab and Haryana vide its order dated 27<sup>th</sup> March 2012 approved the Scheme of Arrangement between Eon Electric Limited (formerly Indo Asian Fusegear Limited) and Advance Metering Technology Limited. The Appointed date of the Scheme of Arrangement is 1<sup>st</sup> April 2011 and in terms of the said order, the effective date is 8<sup>th</sup> April 2012, the date of filing of the said order with the Registrar of Companies.

In terms of the Scheme of Arrangement, the Metering Division and the proposed Power Generation Business were transferred to your Company with effect from 8<sup>th</sup> April 2012 being the effective date. Eon Electric Limited carried on the business in trust on behalf of your Company for the period 1<sup>st</sup> April 2011 to 8<sup>th</sup> April 2012. The financial statements for the period 1<sup>st</sup> April 2011 to 8<sup>th</sup> April 2012, being the period during which the meter division business of your company which was being carried on in trust on behalf of your company by the Eon Electric Limited, are encompassed in Note No. 11 to the Notes of accounts forming a part of the audited annual accounts.

### **ALLOTMENT OF SHARES**

Pursuant to the Scheme of Arrangement, the face value of Equity Shares of Eon Electric Limited was changed from Rs 10/- per share to Rs 5/- per share and the Board of Directors on 12<sup>th</sup> May 2012 issued and allotted 1,60,57,466 fully paid equity shares of Rs.5/- each to the shareholders of Eon Electric Limited whose names appeared in the Records of Eon Electric Limited as on 9<sup>th</sup> May 2012 being the record date, in the ratio of one equity share of Rs.5/- each for every one equity share of Rs 5/- each held in Eon Electric Limited.

In terms of para 1.18 (d) and (e) of the Scheme of Arrangement, the shares held by Promoter Group I in the De-merged company i.e. Eon Electric Limited, shall stand transferred to Promoter Group II in the proportion of their shareholding in terms of Section 47 (vid) of the Income Tax Act, 1961 as on the record date and the shares held by Promoter Group II in the Resulting Company i.e. Advance Metering Technology Limited shall stand transferred to Promoter Group I in the proportion of their shareholding in terms of Section 47 (vid) of the Income Tax Act, 1961 as on the record date. The said shares are in the process of being transferred.

### **LISTING ON STOCK EXCHANGES**

The equity shares of your Company have since been listed on the National Stock Exchange and the Bombay Stock Exchange and the trading of the said shares commenced with effect from 6<sup>th</sup> August 2012.

### **FINANCIAL PERFORMANCE**

| Particulars         | Amount (in Rs.) |
|---------------------|-----------------|
| Total Income        | NIL             |
| Total Expenditure   | 66,993          |
| Less deferred Tax   | (8,764)         |
| Loss for the period | (58,229)        |

In terms of the Scheme of Arrangement, the Meter Division and the Power Generation Business of Eon Electric Limited were vested into your Company w.e.f. 8<sup>th</sup> April 2012 being the effective date. Accordingly, the financial performance of Meter Division and the Power Generation Business will be reflected in the accounts of your Company in the financial statements for the year ending on 31<sup>st</sup> March 2013.

### **DIRECTORS**

Mr. P K Ranade, Mr. Vikram Ranade, Mr. V. P. Mahendru and Mr. Vinay Mahendru were the First Directors of your Company. Mr. P K Ranade and Mr. Vikram Ranade have offered themselves for re-appointment as Directors. During the year under review, Mr. Prashant Ranade was co-opted on the Board at the meeting of the Board of Directors held on 28<sup>th</sup> July 2011 as an additional director. He has also offered himself to be appointed as a Director.

With the vesting of the Metering Business and the Power Generation Business into your Company with effect from 8<sup>th</sup>

April 2012, the Board at its meeting held on 12<sup>th</sup> May 2012 appointed Mr. P. K. Ranade as the Chairman and Managing Director, Mr. Vikram Ranade as the Executive Director and Mr. Prashant Ranade as the Executive Director. These appointments were subject to the approval of the Shareholders and the Central Government. The approval of the Shareholders was sought by postal ballot. The postal ballot results approving the appointments were declared on the 8<sup>th</sup> August 2012.

In order to strengthen and broad base the Board, the Board of Directors pursuant to section 260 of the Companies Act, 1956, at its meeting held on 6<sup>th</sup> April 2012, co opted Mr. R. C. Bansal a renowned Chartered Accountant, Dr. Sai Ramachandran, an authority in the field of Marketing, and Mr. A. K. Ghosh, a Chartered Accountant, as Additional Directors on the Board of your Company. They hold office of directorship upto the date of the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

Additional information as to brief resume and other details of the Directors recommended by the Board for appointment / re-appointment, being the First Directors and Additional Directors of the Company, at the Annual General Meeting pursuant to Clause 49(G)(i) of the Listing Agreement with Stock Exchanges forms part of the Report on Corporate Governance in the Annual Report.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

As required under section 217(2AA) of the Companies Act, 1956, ("the Act") we hereby state:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) That the Directors 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 as at 31<sup>st</sup> March 2012 and its loss for the year ended on that date;
- c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the Directors have prepared the annual accounts on a going concern basis.

#### **CORPORATE GOVERNANCE**

Your Company believes in conducting the business with due compliance of all the applicable laws, rules and regulations. Your Company has implemented the system of corporate governance as per the requirements of the Listing Agreement. A detailed Report on the Corporate Governance along with the Certificate of Compliance from the Statutory Auditors are given in the Annexures 'A' & 'B' and form a part of this report.

#### **AUDITORS**

You are requested to appoint Auditors for the current year. The retiring auditors M/s S.S. Kothari Mehta & Co., Chartered Accountants, are eligible and have offered themselves for re-appointment.

#### **AUDITORS' REPORT**

The Notes on Accounts referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further comments.

#### **CONSERVATION OF ENERGY, TECHNOLOGY AND ABSORPTION**

Your company did not undertake any manufacturing process during the year under review, accordingly a statement containing information as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 is not appended.

#### **FOREIGN EXCHANGE USED AND EARNED**

There is no Foreign Exchange earned and outgo involved during the period under review.

#### **PARTICULARS OF EMPLOYEES**

Your Company has not paid any remuneration attracting the provisions of the Companies (Particulars of Employees) Rules read with Section 217(2A) of the Companies Act, 1956. Hence no information is required to be appended to this report.

**FIXED DEPOSIT**

Your Company has not accepted any fixed deposit from the public during the year under review.

**ACKNOWLEDGMENTS**

Your Directors would like to place on record their appreciation for the contributions made and support provided by the shareholders, employees, the Bankers, Government Authorities and Business Associates during the year under review.

**For and on Behalf of the Board of Directors**

**P. K. Ranade**

**Chairman and Managing Director**

**Place : Noida**

**Date : 14<sup>th</sup> August 2012**

## MANAGEMENT DISCUSSION AND ANALYSIS

This is the first year of operation of your Company. The Meter Business and the Power Generation Business of Eon Electric Limited was demerged and vested into your Company with effect from 8<sup>th</sup> April 2012 being the date of the filing of the order passed by the Hon'ble High Court for the States of Punjab and Haryana, approving the Scheme of Arrangement, with the Registrar of Companies.

During the year under review, the focus was on the improvement of Energy Meters through Research and Development and to make the division competitive in the Indian and International Market.

### **Debt Position:**

Your Company has not availed any secured credit facilities from financial institutions/banks as on the date of this Annual Report.

### **Risks and Concerns:**

Your Company shall adopt an appropriate risk management policy to, inter alia, provide for risk identification, assessment, reporting and mitigation procedure. The risk management framework will actively support the Board in its strategic decision making.

An analysis of the Company's key business risks are as follows:

#### **i. Competition Risk**

Your Company operates in a competitive scenario comprising of Indian and multinational players resulting in a stiff competition from these players.

#### **ii. Human Resource Risk**

Company's ability to deliver value is shaped by its ability to attract, train, motivate, empower and retain the best professional talents. It shall continuously benchmark HR policies and practices with the best in the industry and shall carry out necessary improvements to attract and retain the best talent.

#### **iii. Interest Rate Risk**

Your Company may be exposed to interest rate fluctuations on its borrowings. Your Company proposes to use a judicious mix of fixed and floating rate debt within stipulated parameters to mitigate the interest rate risk and whenever required, may use hedging tools to minimise interest rate risk.

### **Corporate Social Responsibility:**

One of the aims of your company is to contribute to the well being of the society by being a responsible corporate citizen.

### **Internal Control Systems and their Adequacy:**

Consequent to the vesting of the Metering Division and the Power Generation Business into the company with effect from 8<sup>th</sup> April 2012, the company has implemented an internal audit programme designed to ensure extensive review of the business operations and will not be restricted to only review of financial accounting functions.

### **Cautionary Statement:**

Statements in the report particularly which relate to the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

**For and on Behalf of the Board of Directors**

**P. K. Ranade**  
Chairman and Managing Director

**Place : Noida**

**Date : 14<sup>th</sup> August, 2012**

## Annexure 'A' of the Directors' Report

### CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

#### COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance primarily involves transparency, full disclosure, independent monitoring of the state of affairs and being fair to all stakeholders. A good Corporate Governance leads to long term shareholders value and enhances interest of other stakeholders. It brings in to focus the fiduciary and trusteeship role of the Board to align and direct the actions of the organization towards creating wealth and shareholder value.

Your Company's philosophy of corporate governance aims at setting the highest standards in good and ethical corporate governance. Good corporate governance will not only assist the management in managing the company's business in an efficient and transparent manner towards fulfilling the corporate objectives but would also lead to long term shareholders value and enhanced interest of the stakeholders.

#### BOARD OF DIRECTORS

The Board comprised of five directors as on 31<sup>st</sup> March 2012. Pursuant to the scheme of arrangement becoming effective on 8<sup>th</sup> April 2012 and the allotment of shares to the shareholders of Eon Electric Limited (Demerged Company) as per the scheme of arrangement on 12<sup>th</sup> May, 2012, the Board was broad based by co-opting three more directors. In order to comply with Section 269 of the Companies Act, 1956 the Board appointed, subject to the approval of the shareholders and other requisite approvals, Mr. P. K. Ranade as the Chairman and Managing Director, Mr. Vikram Ranade as the Executive Director and Mr. Prashant Ranade as the Executive Director of the Company. The shareholders approved the appointments by postal ballot, the results of which were declared on 8<sup>th</sup> August, 2012.

Presently the Board consists of three whole time directors, one non-executive director and four independent directors, which duly complies with the requirement of Clause 49 of the Listing Agreement.

| S. No. | Particulars          | Category                       | No. of Share Held in the Company as on 14 <sup>th</sup> August 2012. | % of shares held |
|--------|----------------------|--------------------------------|--|------------------|
| 1      | Mr. P. K. Ranade     | Chairman and Managing Director | 4,15,840   | 2.59%            |
| 2      | Mr. Vikram Ranade    | Executive Director             | 4,98,681   | 3.11%            |
| 3      | Mr. Prashant Ranade  | Executive Director             | 5,14,815   | 3.21%            |
| 4      | Mr. V. P. Mahendru   | Non Executive Director         | 4,45,000   | 2.77%            |
| 5      | Mr. Vinay Mahendru   | Independent Director           | 2,53,500   | 1.58%            |
| 6      | Mr. R. C. Bansal     | Independent Director           | 800  | 0.005%           |
| 7      | Dr. Sai Ramachandran | Independent Director           | 0  | 0.00%            |
| 8      | Mr. A. K. Ghosh      | Independent Director           | 0  | 0.00%            |

#### NUMBER OF BOARD MEETINGS

During the year under review 8 (Eight) board meetings were held on 5<sup>th</sup> March 2011, 11<sup>th</sup> May 2011, 28<sup>th</sup> July 2011, 7<sup>th</sup> November, 2011, 20<sup>th</sup> January 2012, 15<sup>th</sup> February 2012, 7<sup>th</sup> March 2012 and 26<sup>th</sup> March 2012.

The ensuing Annual General Meeting is the first Annual General Meeting of the Company.

#### CATEGORY AND ATTENDANCE OF DIRECTORS

Your Company was incorporated on 7<sup>th</sup> February 2011. During the year under review, the Company was an unlisted company with a paid up share capital of Rs.5,00,000/-. As on 31<sup>st</sup> March 2012, the Company did not have any Managing Director. The Managing Director and two Executive Directors were appointed on 12<sup>th</sup> May 2012. The names of the

directors, their attendance at the Board Meetings held during the financial year 2011 – 2012 are as follows:

| Name                | Category                       | No. of Board Meetings held during the financial year 2011-2012 | No. of Board Meetings attended during the financial year 2011-2012 | No. of Directorships in other companies* |              | Number of Committee** position held in other public limited companies |            |
|---------------------|--------------------------------|--|--|--|--------------|---|------------|
|                     |                                |  |  | Chairman of the Board                    | Board Member | Audit Committee Grievances Committee                                  | Investors' |
| Mr. P. K. Ranade    | Chairman and Managing Director | 8  | 8  | 1  | 5            | 1   | Nil        |
| Mr. Vikram Ranade   | Executive Director             | 8  | 8  | NIL                                      | 4            | Nil   | Nil        |
| Mr. Prashant Ranade | Executive Director             | 8  | 6  | NIL                                      | 3            | Nil   | Nil        |
| Mr. V. P. Mahendru  | Non Executive Director         | 8  | 1  | 1  | 4            | Nil   | Nil        |
| Mr. Vinay Mahendru  | Non Executive Director         | 8  | 1  | NIL                                      | 5            | Nil   | 1          |

**Note :**

- \* Excludes Companies registered under Section 25 of the Companies Act, 1956 and Government Companies.
- \*\* Only Audit Committee and Shareholders / Investors Grievance Committee have been considered for the Committee position

**BRIEF RESUMES OF THE DIRECTORS TO BE APPOINTED**

**1. Mr. P. K. Ranade**

Mr. P. K. Ranade is aged around 65 years. He holds a Bachelor's degree in Science and a Master's degree in Mechanical Engineering from AACHAN University, Germany. He is also one of the founder Directors of Eon Electric Limited (formerly Indo Asian Fusegear Ltd.) since its inception in 1984.

Mr. P. K. Ranade holds 4,15,840 equity shares of the Company.

Mr. P. K. Ranade is the father of Mr. Vikram Ranade and Mr. Prashant Ranade.

| S. No. | Other Directorships                                      | Board Position held     | Committee Memberships held                               |
|--------|--|-------------------------|--|
| 1      | Eon Electric Limited (Formerly Indo Asian Fusegear Ltd.) | Joint Managing Director | Eon Electric Limited (Formerly Indo Asian Fusegear Ltd.) |
| 2      | PKR Technologies (P) Ltd.                                | Director                | Member in Audit Committee                                |
| 3      | PKR Energy Limited                                       | Director                |  |
| 4      | PKR Power Private Limited                                | Director                |  |
| 5      | Novateur Electrical and Digital Systems (P) Ltd          | Director                |  |

**2. Mr. Vikram Ranade**

Mr. Vikram Ranade aged 34 years is a M. Tech (Electrical Power Engineering) from University of Karlsruhe, Germany. He has rich and diversified experience in engineering technology and implementation for development of products and efficient manufacturing process. He has also has vast experience in Information Technology and Electrical power Engineering.

Mr. Vikram Ranade holds 4,98,681 equity shares of the Company.

Mr. Vikram Ranade is the son of Mr. P. K. Ranade and brother of Mr. Prashant Ranade.

| S. No. | Other Directorships         | Board Position held | Committee Memberships held |
|--------|-----------------------------|---------------------|----------------------------|
| 1      | PKR Energy Limited          | Director            | NIL                        |
| 2      | PKR Technologies (P) Ltd.   | Director            |                            |
| 3      | IndoAsian Marketing (P) Ltd | Director            |                            |
| 4      | PKR Power Private Limited   | Director            |                            |

### 3. Mr. Prashant Ranade

Mr. Prashant Ranade is aged about 32 years. He is a Bachelor of Engineering (Electrical) and holds a Masters degree in Business Administration (Marketing) from the London School of Economics. He has rich and diversified experience in information technology, implementation of ERP systems, International business, setting up new projects and production as well as marketing of Switchgear & lighting products.

Mr. Prashant Ranade holds 5,14,815 equity shares of the Company.

Mr. Prashant Ranade is the son of Mr. P. K. Ranade and brother of Mr. Vikram Ranade.

| S. No. | Other Directorships       | Board Position held | Committee Memberships held |
|--------|---------------------------|---------------------|----------------------------|
| 1      | PKR Energy Limited        | Director            | NIL                        |
| 2      | PKR Technologies (P) Ltd. | Director            |                            |
| 3      | PKR Power Private Limited | Director            |                            |

### 4. Mr. R. C. Bansal –

Mr. R. C. Bansal, aged around 73 years, has done B Com (Hons) and is Chartered Accountant by profession. He is practicing as a Chartered Accountant since 1962 with specialization in Finance and Management.

Mr. R. C. Bansal holds 800 equity shares of the Company.

Mr. R. C. Bansal is not related to any member of the Board of Directors or to any Management Personnel of the Company.

| S. No. | Other Directorships                                       | Board Position held | Committee Memberships held  |
|--------|---|---------------------|---|
| 1      | Citycap Print Media Pvt. Ltd.                             | Director            | - Eon Electric Ltd. (Formerly Indo Asian Fusegear Ltd.)<br>Member in Audit Committee and Remuneration Committee |
| 2      | Citicap Channels Ltd.                                     | Director            |   |
| 3      | Citicab Housing Director Development Ltd.                 |                     |   |
| 4      | M/s Eon Electric Ltd. (Formerly Indo Asian Fusegear Ltd.) | Director            |   |

### 5. Dr. Sai Ramachandran

Dr Sai Ramachandran is aged around 66 years. He has done M. Sc. (Chemistry) from Madras University, Ph. D from M.D. University, Rohtak and MBA in Marketing from University of Minnesota, U.S.A. He has been conferred with many prestigious awards like Marketing Man of the year 1996, Indira Gandhi Priyadarshini Award 1991, Kohinoor Ratna Award, Gem of India Award, Udyog Shree Award etc.

Dr. Sai Ramachandran does not hold any shares of the Company.

Dr. Sai Ramachandran is not related to any member of the Board of Directors or to any Management Personnel of the Company.

| S No. | Other Directorships                                   | Board Position held | Committee Memberships held  |
|-------|---|---------------------|---|
| 1     | Pearl Polymers Ltd.                                   | Director            | -Eon Electric Ltd. (Formerly Indo Asian Fusegear Ltd.)                                  |
| 2     | Eon Electric Ltd. (Formerly Indo Asian Fusegear Ltd.) | Director            | Member in Audit Committee, Remuneration Committee and Shareholders' Grievance Committee |
|       |   |                     | - Pearl Polymers Ltd.<br>Chairman in Audit Committee and Remuneration Committee         |

#### 6. Mr. A. K. Ghosh

Mr. A. K. Ghosh, aged around 73 years, is a Member of the Institute of Chartered Accountants of India and passed his Master's Degree in Commerce from the University of Kolkata. Mr Ghosh has more than 40 years of experience in Financial Management, Tax Planning, Project Management and General Management.

Mr. A. K. Ghosh does not hold any shares of the Company.

Mr. A. K. Ghosh is not related to any member of the Board of Directors or to any Management Personnel of the Company.

| S. No. | Other Directorships                                   | Board Position held | Committee Memberships held                              |
|--------|---|---------------------|---|
| 1      | Gardtools Pvt. Ltd.                                   | Director            | - Eon Electric Ltd. (Formerly Indo Asian Fusegear Ltd.) |
| 2      | Eon Electric Ltd. (Formerly Indo Asian Fusegear Ltd.) | Director            | Member in Remuneration Committee                        |
| 3      | Cico Technologies Ltd.                                | Director            |   |

#### AUDIT COMMITTEE, REMUNERATION COMMITTEE AND THE SHARE TRANSFER CUM SHAREHOLDER/ INVESTORS GRIEVANCE COMMITTEE.

During the year under review, Section 292A of the Companies Act, 1956 was not applicable since the paid up share capital of your Company was less than Rupees Five Crores and Clause 49 of the listing agreement was also not applicable as the shares of the Company had yet not been listed. The equity shares of your Company were allotted on 12<sup>th</sup> May 2012 to the shareholders of Eon Electric Limited pursuant to the Scheme of Arrangement and at the same time, your Company constituted the Audit Committee, the Remuneration Committee and the Share Transfer cum Shareholder / Investors Grievance Committee duly complying with the requirement of Clause 49 of the Listing Agreement. The shares of the Company were listed on 6<sup>th</sup> August 2012. The Composition of these Committees is as given below :

#### - AUDIT COMMITTEE

| S. No. | Name of Member       | Designation | Category                           |
|--------|----------------------|-------------|------------------------------------|
| 1      | Mr. R. C. Bansal     | Chairman    | Independent Non-Executive Director |
| 2      | Dr. Sai Ramachandran | Member      | Independent Non-Executive Director |
| 3      | Mr. Vikram Ranade    | Member      | Executive Director                 |

Mr. Jaspreet Singh, Company Secretary of the Company acts as the Secretary to the Committee.

- **REMUNERATION COMMITTEE**

| S No. | Name of Member       | Designation | Category                           |
|-------|----------------------|-------------|------------------------------------|
| 1     | Mr. R. C. Bansal     | Chairman    | Independent Non-Executive Director |
| 2     | Dr. Sai Ramachandran | Member      | Independent Non-Executive Director |
| 3     | Mr. A. K. Ghosh      | Member      | Independent Non-Executive Director |

Mr. Jaspreet Singh, Company Secretary of the Company acts as the Secretary to the Committee.

- **SHARE TRANSFER CUM SHAREHOLDER/ INVESTORS GRIEVANCE COMMITTEE**

| S No. | Name of Member       | Designation | Category                           |
|-------|----------------------|-------------|------------------------------------|
| 1     | Mr. R. C. Bansal     | Chairman    | Independent Non-Executive Director |
| 2     | Dr. Sai Ramachandran | Member      | Independent Non-Executive Director |
| 3     | Mr. Vikram Ranade    | Member      | Executive Director                 |

Mr. Jaspreet Singh, Company Secretary of the Company acts as the Compliance Officer and Secretary to the Committee.

**DETAILS ON GENERAL BODY MEETINGS**

**Extra Ordinary General Meetings:**

| Extra Ordinary General Body Meeting | Date                           | Time       | Venue  | Details of Special Resolutions passed  |
|-------------------------------------|--------------------------------|------------|--|--|
| Statutory Meeting                   | 17 <sup>th</sup> February 2012 | 11.30 A.M. | Office No. 14, Near Airtel Tower, G. T. Road, Murthal Chowk, Sonapat, Haryana – 131027 | <b>No Special Resolution was passed</b> (Statutory Report of the Company was approved and adopted) |
| EGM                                 | 9 <sup>th</sup> March 2012     | 10.00 A.M. | Office No. 14, Near Airtel Tower, G. T. Road, Murthal Chowk, Sonapat, Haryana – 131027 | <b>No Special Resolution was passed</b>  |

**Postal Ballot:**

During the year under review, no resolution was passed through the process of Postal Ballot.

**DISCLOSURES**

- No transaction of material nature has been entered into by the Company with its Directors or Management and their relatives etc. that may have a potential conflict with the interests of the Company.
- Transactions with related parties are disclosed in Note 15 of the Notes to the Accounts in the Annual Report.
- Your Company does not have any formal whistle blower policy. However any employee if he so desires would not be denied access to the Audit Committee.
- Your Company was listed on the National Stock Exchange and the Bombay Stock Exchange on 6th August 2012.

**MANDATORY REQUIREMENTS**

The equity shares being listed with effect from 6<sup>th</sup> August 2012, your Company shall comply with all the mandatory requirements of Clause 49 of the Listing Agreement relating to Corporate Governance.

**MEANS OF COMMUNICATION**

**Quarterly Results:**

The first quarterly results for the quarter ended on 30<sup>th</sup> June 2012 after the listing of the equity shares of the Company on 6<sup>th</sup> August 2012 were forthwith sent to the Stock Exchanges where the shares are listed and displayed on the Company's website [www.pkrgroup.in](http://www.pkrgroup.in) and were also published in the Financial Express (All Editions) (English) and Jansatta (Delhi Edition) (Hindi) within 48 hours of approval thereof.

**Website:**

Your Company's website [www.pkrgroup.in](http://www.pkrgroup.in) contains a separate dedicated section "investors" where shareholders information is available.

**General Shareholder information:**

Your Company is registered with the Registrar of Companies, National Capital Territory of Delhi and Haryana. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate affairs (MCA) is U31401HR2011PLC042015.

**Annual General Meeting:**

|  |  |
|--|--|
| <b>Annual General Meeting</b>                          | 29 <sup>th</sup> September 2012.   |
| <b>Time</b>  | 9.00 A.M.  |
| <b>Venue</b>   | Hotel Kuber, 51-52 K.M. Stone, Murthal, G. T. Karnal Road, District -Sonapat, Haryana              |
| <b>Financial Year</b>                                  | 7 <sup>th</sup> February 2011 to 31 <sup>st</sup> March 2012 (first financial year of the Company) |
| <b>Book Closure Date</b>                               | 26 <sup>th</sup> September 2012 to 29 <sup>th</sup> September 2012 (both days inclusive)           |
| <b>Financial Calender</b>                              | 1 <sup>st</sup> April to 31 <sup>st</sup> March  |
| <b>Financial reporting for</b>                         | 2012-2013  |
| <b>Quarter ending 30<sup>th</sup> June 2012</b>        | On or before 14 <sup>th</sup> August 2012  |
| <b>Half Year ending 30<sup>th</sup> September 2012</b> | On or before 14 <sup>th</sup> November 2012  |
| <b>Quarter ending 31<sup>st</sup> December 2012</b>    | On or before 14 <sup>th</sup> February 2013  |
| <b>Year ending 31<sup>st</sup> March 2013</b>          | On or before 30 <sup>th</sup> May 2013   |
| <b>Annual General Meeting</b>                          | August / September 2013  |

**Payment of Listing Fee:**

Annual Listing Fee to NSE and BSE for the Financial year 2012- 2013 has been paid by the Company.

**Stock Code:**

|   |                       |
|---|-----------------------|
| <b>National Stock Exchange of India Limited (NSE)</b> | AMTL (Trading symbol) |
| <b>BSE Limited (BSE)</b>                              | 534612                |
| <b>ISIN</b>   | INE436N01029          |

**Stock Market Data:**

The equity shares of your Company were listed on 6<sup>th</sup> August 2012. The month wise stock market data as required to be given under clause 49 of the Listing Agreement will be incorporated in the next Corporate Governance Report.

**Share Transfer Agents:**

M/s Alankit Assignments Limited  
Alankit House  
2E/21, Jhandewalan Extension  
New Delhi 110 055  
Tel. (011) – 42541234, 23451234  
Fax (011) – 42541967  
E-mail : jksingla@alankit.com

**Share Transfer System (in physical segment):**

Share in physical form are processed by the Registrar and Share Transfer Agent within 15 days from the date of receipt, if the documents are complete in all respects. The Chairman and Managing Director, the Executive Directors and the Company Secretary have been severally authorised to approve the transfers.

In case of shares in electronic form, the transfers are processed by NSDL / CDSL through respective Depository Participants.

**Distribution of Shareholding and Category of Shareholding :**
**DISTRIBUTION OF SHAREHOLDING**

The Company was incorporated with an authorized, issued, subscribed and paid up share capital of Rs 5,00,000/-. In terms of Para 1.22(f), of the Scheme of Arrangement duly approved by the Hon'ble High Court of Punjab and Haryana, the existing paid up capital of Rs 5,00,000/- of the Company has been reduced to nil by paying of the shareholders for cash at par on the record date. As per Para 1.22(C) of the said scheme of arrangement, all the shareholders of Eon Electric Limited have been allotted one equity share of Rs.5/- each fully paid up of Advance Metering Technology Limited in the same proportion as their holding in Eon Electric Limited as on the record date i.e 9<sup>th</sup> May 2012.. Accordingly the distribution and category of shareholding as on the date of the report i.e. 14<sup>th</sup> August.2012 are as under

- **Distribution of 16057466 (EQUITY SHARES)**
- **Total nominal value** - Rs. 8,02,87,330/-
- **Nominal value of each share/unit** – Rs. 5/-
- **Total Number of shares/units** - 1,60,57,466 Equity Shares
- **Paid up value per share/unit** - Rs. 5/-

**Distinctive Nos** - From 00001 to 16057466

| SHARE OR DEBENTURE HOLDING OF NOMINAL VALUE OF |                   | SHARE/DEBENTURE HOLDERS |                | SHARE/DEBENTURE AMOUNT |                |
|--|-------------------|-------------------------|----------------|------------------------|----------------|
| Rs.  | Rs.               | Number                  | % to Total     | In Rs.                 | % to Total     |
| (1)  | (2)               | (2)                     | (3)            | (4)                    | (5)            |
| <b>Upto</b>                                    | <b>- 5,000</b>    | 15,808                  | 95.89%         | 14326865               | 17.84%         |
| <b>5,001</b>                                   | <b>- 10,000</b>   | 331                     | 2.01%          | 2569030                | 3.20%          |
| <b>10,001</b>                                  | <b>- 20,000</b>   | 156                     | 0.95%          | 2256680                | 2.81%          |
| <b>20,001</b>                                  | <b>- 30,000</b>   | 64                      | 0.39%          | 1565905                | 1.95%          |
| <b>30,001</b>                                  | <b>- 40,000</b>   | 24                      | 0.15%          | 849335                 | 1.06%          |
| <b>40,001</b>                                  | <b>- 50,000</b>   | 22                      | 0.13%          | 1028340                | 1.28%          |
| <b>50,001</b>                                  | <b>- 1,00,000</b> | 44                      | 0.27%          | 3248180                | 4.05%          |
| <b>1,00,001 and above</b>                      |                   | 36                      | 0.22%          | 54442995               | 67.81%         |
| <b>TOTAL</b>                                   |                   | <b>16,485</b>           | <b>100.00%</b> | <b>802,87,330</b>      | <b>100.00%</b> |

**CATEGORY OF SHAREHOLDERS AS ON 14<sup>th</sup> AUGUST, 2012**

| S No. | Category                              | No of Shareholders | No of Shares      | % to total No of Shares |
|-------|---------------------------------------|--------------------|-------------------|-------------------------|
| 1     | PROMOTER & PROMOTER GROUP             | 6                  | 67,85,812         | 42.26%                  |
| 2     | PUBLIC SHAREHOLDING –                 |                    |                   |                         |
|       | (1) INSTITUTIONS (MUTUAL FUNDS)       | 1                  | 5,000             | 0.03%                   |
|       | (2) NON INSTITUTIONS (CORPORATE BODY) | 364                | 14,04,153         | 8.75%                   |
|       | (3) INDIVIDUAL SHAREHOLDERS           | 16,008             | 76,72,505         | 47.78%                  |
|       | (4) NON RESIDENT INDIAN               | 106                | 1,89,996          | 1.183%                  |
|       | <b>TOTAL</b>                          | <b>16,485</b>      | <b>16,057,466</b> | <b>100.00%</b>          |

**Investors Correspondence may be addressed to the Compliance Officer of the Company:**

To Contact R&TA for all matters relating to Shares : M/s Alankit Assignments Ltd. Tel: 011-41540060-63  
2E/21, Alankit House, Fax: 011-41540064  
Jhandewalan Extn., e-mail: [alankit@alankit.com](mailto:alankit@alankit.com)  
New Delhi - 110055

For any other general matters relating to Dividends, Annual Report or in case of any difficulty/grievances : Mr. Jaspreet Singh  
Company Secretary  
Advance Metering  
Technology Limited  
C-124, Hosiery Complex  
Noida Phase II Extn.  
Noida 201305  
Tel: 0120-3011300/3011306  
Fax: 0120-3011301  
email: [jaspreet.singh@pkrgroup.in](mailto:jaspreet.singh@pkrgroup.in)

**Auditors' Certificate on Corporate Governance**

The Auditors' Certificate on Compliance of Clause 49 of the Listing Agreement relating to Corporate Governance forms Annexure 'B' to the Directors' Report.

**Certificate from Chief Executive Officer / Chief Financial Officer**

Certificate from Mr. P. K. Ranade, Chairman and Managing Director and Mr. Suresh Kumar Garg, Sr. Vice President – Corporate Finance, in terms of Clause 49(V) of the Listing Agreement with the Stock Exchange for the financial year ended 31<sup>st</sup> March, 2012 was placed before the Board of Directors of the Company in its meeting held on 14<sup>th</sup> August, 2012.

**DECLARATION**

Pursuant to Clause 49 of the Listing Agreement as amended, the Code of Conduct (Code) of the Company has been displayed at Company's website [www.pkrgroup.in](http://www.pkrgroup.in). All the members of the Board and the Senior Management personnel have affirmed compliance with the code for the year ended 31<sup>st</sup> March, 2012.

**For and on Behalf of the Board of Directors**

**Place : Noida**  
**Date : 14<sup>th</sup> August 2012**

**P. K. Ranade**  
**Chairman and Managing Director**

**Annexure 'B' to the Directors' Report**  
**Auditors' Certificate**

**CORPORATE GOVERNANCE COMPLIANCE REPORT**

To,  
The Members,

**Advance Metering Technology Limited**

We have examined the compliance of the conditions of Corporate Governance by Advance Metering Technology Limited, for the period ended 31<sup>st</sup> March, 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges in India.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of  
S. S. Kothari Mehta & Co.  
Chartered Accountants  
(Firm Registration No. 000756N)

Krishan Kant Tulshan  
Partner  
Membership No: 85033

Place: Noida  
Date: 14-08-2012

## AUDITORS' REPORT

To The Members of Advance Metering Technology Limited

1. We have audited the attached balance sheet of **Advance Metering Technology Limited**, as at 31<sup>st</sup> March, 2012, and also the statement of profit and loss and the cash flow statement for the period from February 07, 2011 to March 31, 2012 annexed thereto. 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 (as amended by the Companies (Auditor's Report) (Amendment) Order, 2004) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (ii) 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 those books;
  - (iii) The balance sheet, statement of profit and loss and cash flow statement dealt with by this report are in agreement with the books of account;
  - (iv) In our opinion, the balance sheet, statement of profit and loss and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - (v) On the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - (vi) 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;
    - a) In the case of the balance sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2012;
    - b) In the case of the statement of profit and loss, of the loss for the period from February 07, 2011 to March 31, 2012 ended on that date; and
    - c) In the case of the cash flow statement, of the cash flows for the period from February 07, 2011 to March 31, 2012 ended on that date.

For **S.S.KOTHARI MEHTA & CO.**  
Chartered Accountants  
(Firm Registration No. 000756 N)

(**CA K. K. Tulshan**)  
Partner  
Membership No.85033

Place: Noida  
Date: 26 July 2012

## Annexure

Re: Advance Metering Technology Limited

Referred to in paragraph 3 of our report of even date,

- (i) The Company does not have any fixed assets, hence the provisions of this clause are not applicable.
- (ii) The Company does not have any inventory, hence the provisions of this clause are not applicable.
- (iii) (a) The Company has not granted any loan to parties covered in the register maintained under section 301 of the Companies Act, 1956, hence clause (iii)(a) to (c) are not applicable.
- (b) The Company has taken a short term unsecured loan repayable on demand from a Company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year and year end balance is Rs.1,89,09,500.
- (c) In our opinion the terms & conditions on which this loan has been taken are not prima facie prejudicial to the interest of the Company. There is no stipulation as to interest.
- (d) There is no overdue amount in respect of this loan. The loan has since been repaid by the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and for the sale of goods and services. According to the information and explanations given to us, we have neither come across nor have been informed of any instance of a continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) (a) According to the information and explanations given to us, we are of the opinion that all the particulars of contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, there are no transactions that exceed the value of Rs.5 lacs in respect of any party during the year made in pursuance of contracts or arrangements required to be entered into the register in pursuance to section 301 of the Companies Act, 1956.
- (vi) The Company has not accepted any deposits from the public within the meaning of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder.
- (vii) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (viii) According to the information and explanations given to us, the Company is not required to maintain cost records u/s 209(1)(d) of the Companies Act, 1956.
- (ix) (a) There were no statutory dues including in the nature of provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues which the company was required to deposit during the year. Thus, there were no arrears of such outstanding statutory dues as at the last day of the financial year.
- (b) In case of income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess, there were no dues that have not been deposited on account of any dispute.
- (x) The Company has accumulated losses as at the close of the financial year. The Company has incurred cash losses during the financial year covered by our audit. There is no preceding year data, this being the first year of the Company.
- (xi) According to the records of the Company examined by us and the information and explanations given to us, the Company has not raised any loans from financial institutions, banks or debenture holders.
- (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) The Company is not a chit fund, nidhi, mutual benefit fund or a society.

- (xiv) The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (xv) According to the records of the Company examined by us and the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) As per the information and explanations given to us and on the basis of our examination of the records, the Company has not taken any term loans.
- (xvii) According to the information and explanations given to us and on the basis of an overall examination of the balance sheet of the Company, in our opinion, the funds raised by the Company on short-term basis have been used for the long-term investment.
- (xviii) The Company has not made preferential allotment of the shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. The Company has not issued any debentures during the year.
- (xix) The Company has not raised any money by public issue during the year.
- (xx) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company, nor have we been informed of any such case by the management.

For **S. S. KOTHARI MEHTA & CO.**  
Chartered Accountants  
(Firm Registration No. 000756 N)

**(CA K. K. Tulshan)**

Partner

Membership No.85033

Place: Noida

Date: 26 July 2012

## Balance Sheet as at March 31, 2012

(Amount in Rupees)

| Particulars                      | Note No. | As at<br>March 31, 2012 |
|----------------------------------|----------|-------------------------|
| <b>I. EQUITY AND LIABILITIES</b> |          |                         |
| <b>(1) Shareholder's Funds</b>   |          |                         |
| (a) Share Capital                | 3        | 500,000                 |
| (b) Reserves and Surplus         | 4        | (58,229)                |
| <b>(2) Current Liabilities</b>   |          |                         |
| (a) Short Term Borrowings        | 5        | 18,909,500              |
| (b) Other Current Liabilities    | 6        | 50,186,043              |
| <b>Total</b>                     |          | <b>69,537,314</b>       |
| <b>II. ASSETS</b>                |          |                         |
| <b>(1) Non-Current Assets</b>    |          |                         |
| (a) Deferred Tax Assets          | 7        | 8,764                   |
| (b) Long Term Loans and Advances | 8        | 69,022,000              |
| <b>(2) Current Assets</b>        |          |                         |
| (a) Cash and Cash Equivalents    | 9        | 506,550                 |
| <b>Total</b>                     |          | <b>69,537,314</b>       |

Overview and Significant Accounting Policies 1 & 2  
The Notes are an integral part of the Financial Statements

This is the Balance Sheet referred to in our report of even date  
For S. S. Kothari Mehta & Co.

For and on behalf of the Board

Chartered Accountants  
Firm Regn. No. 000756N

**K. K. Tulshan**  
Partner  
Membership No: 085033

**Jaspreet Singh**  
Company Secretary

**Suresh Garg**  
Sr. Vice President  
Corporate Finance

**Pranav Kumar Ranade**  
Director

**Vikram Ranade**  
Director

Place : Noida  
Date : 26 July, 2012

**Statement of Profit and Loss for the period from February 07, 2011 to March 31, 2012**

(Amount in Rupees)

| Particulars  | Note No. | For the period from<br>February 07, 2011 to<br>March 31, 2012 |
|--|----------|---|
| Revenue from Operations                                |          | -   |
| Other Income   |          | -   |
| <b>Total Revenue (I + II)</b>                          |          | <b>-</b>  |
| <b>Expenses:</b>                                       |          |   |
| Other Expenses   | 10       | 66,993  |
| <b>Total Expenses</b>                                  |          | <b>66,993</b>   |
| <b>Loss before Tax (VII-VIII)</b>                      |          | <b>(66,993)</b>   |
| <b>Tax Expense</b>                                     |          |   |
| Deferred Tax (Refer Note 7.1)                          |          | (8,764)   |
| <b>Loss for the Period</b>                             |          | <b>(58,229)</b>   |
| Earnings per Equity Share of face value of Rs.10 each: | 13       |   |
| <b>(1) Basic</b>                                       |          | (1.16)  |
| <b>(2) Diluted</b>                                     |          | (1.16)  |

Overview and Significant Accounting Policies 1 & 2  
 The Notes are an integral part of the Financial Statements

**This is the Statement of Profit and Loss referred  
 For S. S. Kothari Mehta & Co.**

**For and on behalf of the Board**

Chartered Accountants  
 Firm Regn. No. 000756N

**K. K. Tulshan**  
 Partner  
 Membership No: 085033

**Jaspreet Singh**  
 Company Secretary

**Suresh Garg**  
 Sr. Vice President  
 Corporate Finance

**Pranav Kumar Ranade**  
 Director

**Vikram Ranade**  
 Director

Place : Noida  
 Date : 26 July, 2012

## Cash Flow Statement for the period from 07th February, 2011 to 31st March, 2012

(Amount in Rupees)

| Particulars  | For the period from<br>February 07, 2011 to<br>March 31, 2012 |
|--|---|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                             |   |
| Profit / (Loss) Before Tax   | (66,993)  |
| Non-Cash Adjustments to reconcile profit before Tax to net Cash Flows  |   |
| Depreciation for the year  | -   |
| Interest Income  | -   |
| Interest Expense   | -   |
| Dividend Received  | -   |
| Operating Profit before Working Capital Changes                        | (66,993)  |
| Movements in working Capital :   |   |
| Increase /(Decrease) in Other Current Liabilities                      | 50,186,043  |
| Cash Generated From / (used in) Operations                             | 50,119,050  |
| Direct Taxes Paid  | -   |
| <b>NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES</b>             | <b>(A) 50,119,050</b>   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                             |   |
| Purchase of Fixed Assets including Intangibles, CWIP, Capital Advances | (69,022,000)  |
| <b>NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES</b>             | <b>(B) (69,022,000)</b>                                       |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                             |   |
| Proceeds from issuance of Share Capital                                | 500,000   |
| Proceeds from Short term borrowings                                    | 18,909,500  |
| <b>NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES</b>             | <b>(C) 19,409,500</b>   |
| Net Increase / (Decrease) in Cash and Cash Equivalents                 | (A+B+C) 506,550   |
| Cash and Cash Equivalents at the beginning of the Year                 | -   |
| <b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>                | <b>506,550</b>  |
| <b>COMPONENTS OF CASH AND CASH EQUIVALENTS</b>                         |   |
| Cash in hand   | -   |
| With Banks   |   |
| - In current account   | 506,550   |
|  | <b>506,550</b>  |

As per our report of even date

For S. S. Kothari Mehta &amp; Co.

Chartered Accountants

Firm Regn. No. 000756N

For and on behalf of the Board

**K. K. Tulshan**

Partner

Membership No: 085033

**Jaspreet Singh**

Company Secretary

**Suresh Garg**

Sr. Vice President

Corporate Finance

**Pranav Kumar Ranade**

Director

**Vikram Ranade**

Director

Place : Noida

Date : 26 July, 2012

## Notes on Financial Statements for the period from 07<sup>th</sup> February, 2011 to 31<sup>st</sup> March, 2012

### SIGNIFICANT ACCOUNTING POLICIES

#### **Company Overview :**

1. Advance Metering Technology Limited ("AMTL" or "the Company") was incorporated on 7th February, 2011 under the provisions of the Companies Act, 1956. It has been incorporated as a Special Purpose Vehicle (SPV) to take over the Metering Division and proposed power generation business/undertakings of Eon Electric Limited (formerly Indo Asian Fusegear Limited) as a going concern. The Hon'ble High Court for the States of Punjab & Haryana at Chandigarh vide its order dated 27th March, 2012, has approved the Scheme of Arrangement ("Scheme") u/s 391 to 394 of the Companies Act, 1956 between the company and Eon Electric Limited ("Eon") and their respective shareholders and creditors for demerger of the Metering Division and Power Generation Business ("De-merged Undertaking") of Eon and transfer / vesting of the said undertaking in favour of AMTL with effect from 1st April, 2011 (Appointed Date) on a going concern basis. The Scheme became effective on 8th April, 2012 (Effective Date) on filing of the Certified True Copy of the said Order of the Hon'ble High Court with the Registrar of Companies, NCT of Delhi & Haryana.

#### **2. Significant Accounting Policies :**

##### **1. Basis of preparation of Financial Statements:-**

The financial statements are prepared under the historical cost convention on the accrual basis of accounting, in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Company.

##### **2. Fixed Assets :-**

###### **(a) Tangible Assets**

Fixed Assets are accounted at cost of acquisition (net of cenvat availed) inclusive of inward freight, duties, taxes and incidentals related to acquisition and installation including interest on loan taken for the acquisition of assets upto the date of commissioning of assets. Pre-operating expenses for major projects are also capitalised, wherever appropriate. Assets under installation or under construction as at the Balance Sheet date are shown as Capital Work-in-Progress.

The revalued amounts of Fixed Assets are presented in the Balance Sheet by restating the net book value by adding thereon the net increase on account of revaluation.

###### **(b) Intangible Assets**

Intangible Assets are stated at cost of acquisition. Costs relating to development of Computer Software are capitalized. Software expenses, other than development costs, are expensed off in the year they are incurred.

##### **3. Depreciation / Amortisation :-**

Depreciation is provided on pro-rata basis on W.D.V. method at the rates prescribed by Schedule XIV to the Companies Act, 1956 except Leasehold Improvements which are amortized over the period of Lease i.e. five years and Computer Software is amortized over a period of five years.

Premium on leasehold land is amortized over the period of lease.

100% depreciation is provided in respect of assets upto Rs. 5,000/-.

##### **4. Inventories :-**

Inventories are valued as under :-

- |                        |   |
|------------------------|---|
| i) Raw Material        | At lower of cost determined on FIFO basis and net realisable value. |
| ii) Work-in-Progress   | At lower of cost and net realisable value.                          |
| iii) Finished Goods    | At lower of cost including excise duty and net realizable value.    |
| iv) Stock-in-trade     | At cost.  |
| v) Material in Transit | At cost.  |

## 5. Revenue Recognition :-

### **Sales :**

Sale of goods is recognised at the point of despatch of finished goods to customers. Sales are inclusive of excise duty and exclusive of sales tax.

### **Revenue from Windmills Power Generation :**

Revenue from Wind Power Generation is recognized on the basis of actual power sold (net of reactive energy consumed) as per the terms of the power purchase agreements entered into with the respective purchasers.

### **Investing and other Activities :**

Income on account of interest and other activities is recognized on an accrual basis. Dividends are accounted for when the right to receive the payment is established.

## 6. Transactions in Foreign Currency :-

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.

Foreign currency monetary items (including forward contracts) are translated at year end rates. Exchange differences arising on settlement of transactions and translation of monetary items (including forward contracts) are recognized as income or expense in the year in which they arise .

The premium or discount arising at the inception of a forward contract, which are not intended for trading purpose, is amortised as expense or income over the life of the contract.

## 7. Employee Benefits

### (a) Short Term Employee Benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

### (b) Long Term Employee Benefits

#### (i) Defined Contribution plan

Provident Fund and Employees' State Insurance schemes

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employees and the employer make monthly contributions to the plan at a predetermined rate (presently 12.0%) of the employees' basic salary and dearness allowance. These contributions are made to the fund administered and managed by the Government of India. In addition, some employees of the Company are covered under the Employees' State Insurance schemes, which are also defined contribution schemes recognized and administered by the Government of India.

The Company's contributions to both these schemes are expensed in the Profit and Loss Account. The Company has no further obligations under these plans beyond its monthly contributions.

#### (ii) Defined benefit plan

**Leave Encashment** — Liability on account of unavailed earned leave at the year end is provided as per the actuarial valuation according to Projected Unit Credit Method.

**Gratuity** — Liability on account of Gratuity at the year end is provided as per the actuarial valuation according to the Projected Unit Credit Method.

Actuarial gains or losses arising from such transactions are charged to revenue in the year in which they arise.

**8. Borrowing Costs:-**

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such asset upto the date when such assets are ready for intended use. Other Borrowing Costs are charged as an expense in the year in which these are incurred.

**9. Investments :-**

Non-current Investments (Long Term Investments) are stated at cost after deducting provision, if any, made for decline, other than temporary, in the values. Current Investments are stated at lower of cost and market / fair value.

**10. Taxation :-**

Tax expense comprises both current and deferred tax. Current Tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws. Deferred tax assets and liabilities are recognized for future tax consequences attributable to the timing difference between taxable income and accounting income that are capable of reversal in one or more subsequent period(s) and are measured using tax rates enacted or substantively enacted as at the Balance Sheet date. Deferred Tax assets are not recognized unless, in the management judgment, there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax is reviewed at each balance sheet date.

**11. Earnings Per Share :-**

Basic Earnings per equity share is computed by dividing net profit or loss for the period attributable to equity share holders by the weighted average number of equity shares outstanding during the period. The Diluted Earnings per share is calculated on the same basis as Basic Earnings per share, after adjusting for the effects of potential dilutive equity shares.

**12. Leases :-Operating Lease — As Lessee**

Lease Rentals in respect of assets taken on 'Operating Lease' are charged to the Profit and Loss Account on an actual basis.

**13. Pre-operative Expenditure :-**

The Expenditure incurred by the Company from the date of setting up of a new unit, up to the date of commencement of commercial production of the unit is treated as Preoperative expenditure to be capitalised as a part of the indirect cost of construction. The amount of such expenditure is apportioned over the individual assets in an equitable manner in the year of commencement of Commercial Production of the unit. The amounts not directly attributable to fixed assets are charged to the Profit and Loss account in the year in which such expenditure is incurred.

**14. Impairment of Assets :-**

Assets that are subject to amortisation/depreciation are reviewed for impairment whenever events of changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the assets' fair value less costs to sell and value in use.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

**15. Provisions , Contingent Liabilities and Contingent Assets:-**

Provisions are recognized when the Company has a present obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**3 SHARE CAPITAL**

As at March 31, 2012

|   | Number         | Amount (Rs)      |
|---|----------------|------------------|
| <b>Authorised Shares</b>                  |                |                  |
| Equity Shares of Rs 10 each               | 100,000        | 1,000,000        |
| <b>Total</b>                              | <b>100,000</b> | <b>1,000,000</b> |
| <b>Issued Shares</b>                      |                |                  |
| Equity Shares of Rs 10 each               | 50,000         | 500,000          |
| <b>Total</b>                              | <b>50,000</b>  | <b>500,000</b>   |
| <b>Subscribed &amp; Paid up</b>           |                |                  |
| Equity Shares of Rs 10 each fully paid up | 50,000         | 500,000          |
| <b>Total</b>                              | <b>50,000</b>  | <b>500,000</b>   |

**3.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the period****Equity Shares**

As at March 31, 2012

|  | Number        | Amount (Rs)    |
|--|---------------|----------------|
| On Incorporation of the Company as per Memorandum of Association | 50,000        | 500,000        |
| Add: Shares Issued during the year                               | -             | -              |
| <b>Shares outstanding at the end of the period</b>               | <b>50,000</b> | <b>500,000</b> |

**3.2 Details of shareholders holding more than 5% shares in the company****Name of Shareholder**

As at March 31, 2012

|                                       | Number | % of Holding |
|---------------------------------------|--------|--------------|
| <b>Equity Shares of Rs. 10 each</b>   |        |              |
| PKR Hitech Industrial Corporation LLP | 44,000 | 88.00%       |

**3.3 Terms/rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

- 3.4** In accordance with the scheme of demerger approved by Hon'ble High Court for the States of Punjab & Haryana, these shares will be paid back at par in cash to the shareholders on the record date upon the scheme becoming effective from 8th April, 2012. In the merged Balance sheet of the year 31.03.2013, the new share capital coming out of demerger will replace the above equity share capital.

|  |  |
|--|--|
| <b>4 RESERVES AND SURPLUS</b>                          | <b>As at March 31, 2012<br/>Amount (Rs)</b>  |
| <b><u>Surplus</u></b>                                  |  |
| Net Loss after tax for the period                      | (58,229)   |
| <b>Total</b>   | <b>(58,229)</b>  |
| <b>5 SHORT TERM BORROWINGS</b>                         | <b>As at March 31, 2012<br/>Amount (Rs)</b>  |
| <b>Unsecured</b>                                       |  |
| <b>Loans and Advances from Related Parties</b>         |  |
| - From PKR Hitech Industrial Corporation LLP- Promoter | 18,909,500   |
| <b>Total</b>   | <b>18,909,500</b>  |
| <b>6 OTHER CURRENT LIABILITIES</b>                     | <b>As at March 31, 2012<br/>Amount (Rs)</b>  |
| Other payables   |  |
| - Security Deposit                                     | 50,112,500   |
| - Others   | 73,543   |
| <b>Total</b>   | <b>50,186,043</b>  |
| <b>7 DEFERRED TAX ASSETS</b>                           | <b>As at March 31, 2012<br/>Amount (Rs)</b>  |
| Preliminary Expenses                                   | 8,764  |
| <b>Total</b>   | <b>8,764</b>   |
| <b>7.1</b>   | Deferred Tax Asset have been created as under the Income Tax Act, 1961, the Company is required to file the return of income after considering the operations of Advance Metering Technology Limited from the appointed date April 01, 2011. ( In view of the decision of Hon'ble Supreme Court vide order dated November 27, 1996 in the matter of Marshall Sons & Co. (India) Limited vs Income Tax officer in Civil Appeal No. 1661 and 1662 of 1992) |
| <b>8 LONG TERM LOANS AND ADVANCES</b>                  | <b>As at March 31, 2012<br/>Amount (Rs)</b>  |
| <b>Unsecured, Considered Good</b>                      |  |
| Capital Advances                                       | 69,022,000   |
| <b>Total</b>   | <b>69,022,000</b>  |
| <b>9 CASH AND CASH EQUIVALENTS</b>                     | <b>As at March 31, 2012<br/>Amount (Rs)</b>  |
| <b>Balances with banks</b>                             |  |
| - On Current Accounts                                  | 506,550  |
| <b>Total</b>   | <b>506,550</b>   |

**10 OTHER EXPENSES**

|   | For the period from<br>February 07, 2011 to<br>March 31, 2012<br>Amount (Rs) |
|---|--|
| Preliminary Expenses                          | 35,453   |
| Bank Charges                                  | 3,450  |
| Payment to Auditors<br>- Statutory Audit Fees | 28,090   |
| <b>Total</b>                                  | <b>66,993</b>  |

- 11** Advance Metering Technology Limited (“AMTL” or “the Company”) was incorporated on 7th February, 2011 under the provisions of the Companies Act, 1956. It has been incorporated as a Special Purpose Vehicle (SPV) to take over the metering division and proposed power generation business/undertakings of Eon Electric Limited (formerly Indo Asian Fusegear Limited) as a going concern. The Hon’ble High Court for the States of Punjab & Haryana at Chandigarh vide its order dated 27th March, 2012, has approved the Scheme of Arrangement (“Scheme”) u/s 391 to 394 of the Companies Act, 1956 between the Company and Eon Electric Limited (“Eon”) and their respective shareholders and creditors for demerger of the Metering Division and Power Generation Business (“De-merged Undertaking”) of Eon and transfer / vesting of the said undertaking in favour of AMTL with effect from 1st April, 2011 (Appointed Date) on a going concern basis. The Scheme became effective on 8th April, 2012 (Effective Date) on filing of the Certified True Copy of the said Order of the Hon’ble High Court with the Registrar of Companies, NCT of Delhi & Haryana.

In terms of the Scheme, the Authorized, Issued, Subscribed and Paid up Share Capital of Eon, as on the Record Date, will be reduced to half by changing the face value of the shares from Rs. 10/- to Rs. 5/- each. All the members whose name appear in the records of Eon on the Record Date shall become the holders of the same number of Equity Shares of the face value of Rs. 5/- each credited as fully paid up of Eon and AMTL on the same terms, conditions and rights in the records of the respective companies.

Upon the coming into effect of Scheme and in terms of the Scheme :

- The business and operations of the De-merged Undertaking shall be deemed to be vested and transferred with the company with retrospective effect from 1st April, 2011.
- The related assets and liabilities of the De-merged Undertaking at the opening of business on 1<sup>st</sup> April, 2011 shall be deemed to have been vested and transferred with the company with effect from that date at their respective book values.
- The business of the De-merged Undertaking shall be deemed to have been carried out by Eon, in trust for and on behalf of AMTL from the appointed date till the effective date.

The broad details of the Assets and Liabilities transferred from Eon and vested with AMTL as on 1st April, 2011, the Appointed date are as under :

| Particulars                        | Amount (In Rs.)      |
|------------------------------------|----------------------|
| <b>Assets</b>                      |                      |
| Fixed Assets (at WDV)              | 66,242,684           |
| Capital Work in Progress           | 4,386,500            |
| <b>Total Fixed Assets</b>          | <b>70,629,184</b>    |
| <b>Investments</b>                 |                      |
|                                    | <b>1,599,925,351</b> |
| Current Assets, Loans and Advances | 50,423,447           |
| Current Liabilities and Provisions | 10,635,821           |
| <b>Net Current Assets</b>          | <b>39,787,626</b>    |
| <b>Total Assets</b>                | <b>1,710,342,161</b> |

**Liabilities**

|  |            |
|--|------------|
| Reserves and Surplus-Merger Adjustment A/c | 23,942,210 |
| Secured Loans                              | 1,949,722  |

**Total Liabilities**
**25,891,932**
**Excess of Assets over Liabilities**
**1,684,450,229**
**Represented By:**

|                      |                      |
|----------------------|----------------------|
| Equity Share Capital | 84,758,140           |
| General Reserve      | 1,599,692,089        |
|                      | <b>1,684,450,229</b> |

Necessary effects in respect of the aforesaid scheme of arrangement would be given in the books of accounts of the company such as :-

- Eon Electric Limited has bought back and extinguished 17,84,162 fully paid-up Equity Shares of the face value of Rs10/- each from its existing shareholders . A total sum of Rs 11,59,64,056/- has been spent towards the said buy-back out of the free reserves of the company. As per the scheme of arrangement, the said amount has to be apportioned equally between Eon and AMTL. Accordingly a sum of Rs 5,79,82,028/- has been paid to Eon towards the said buy-back out of the General Reserve of the company.
- Eon Electric limited has also allotted 8,90,000 Equity Shares of Rs.10/- on conversion of 8,90,000 Zero Coupon Convertible Warrants allotted by it on preferential basis by private placement to the promoters of the company as per Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009.

- 11.1 The financial statement of demerged undertaking as on 31 March, 2012 and for the year ended on that date to be vested with the company with effect from effective date as per Accounting Standard 14 are as under:

**Balance Sheet as at March 31, 2012**

| Particulars                    | As at March 31, 2012<br>Amount (Rs) |
|--------------------------------|-------------------------------------|
| <b>EQUITY AND LIABILITIES</b>  |                                     |
| <b>Shareholders' Funds</b>     |                                     |
| Share Capital                  | 80,287,330                          |
| Reserves and Surplus           | 1,546,684,325                       |
| <b>Non-Current Liabilities</b> |                                     |
| Deferred Tax Liability (Net)   | 35,984,030                          |
| Long Term Provisions           | 1,748,993                           |
| <b>Current Liabilities</b>     |                                     |
| Trade Payables                 | 3,588,305                           |
| Other Current Liabilities      | 17,628,425                          |
| Short Term Provisions          | 669,052                             |
| <b>TOTAL</b>                   | <b>1,686,590,460</b>                |
| <b>ASSETS</b>                  |                                     |
| <b>Non-Current Assets</b>      |                                     |
| Fixed Assets                   |                                     |
| - Tangible Assets              | 383,053,386                         |
| - Intangible Assets            | 165,539                             |
| - Capital Work-in-Progress     | 14,070,007                          |
| Non - Current Investments      | 332,132,351                         |
| Long Term Loans and Advances   | 24,092,785                          |

**Current Assets**

|                               |                      |
|-------------------------------|----------------------|
| Current Investments           | 878,892,302          |
| Inventories                   | 17,341,113           |
| Trade Receivables             | 30,086,070           |
| Cash and Bank Balances        | 416,193              |
| Short Term Loans and Advances | 4,840,714            |
| Other Current Assets          | 1,500,000            |
| <b>TOTAL</b>                  | <b>1,686,590,460</b> |

**Statement of Profit and Loss for the year ended March 31, 2012****Particulars****For the year ended  
March 31, 2012  
Amount (Rs)****INCOME**

|                         |                    |
|-------------------------|--------------------|
| Revenue from Operations | 9,919,870          |
| Other Income            | 106,154,063        |
| <b>Total Revenue</b>    | <b>116,073,933</b> |

**EXPENDITURE**

|   |                    |
|---|--------------------|
| Cost of Materials Consumed  | 3,413,399          |
| Changes in Inventories of Finished Goods,<br>Stock-in- Process & Stock-in-Trade | 1,393,374          |
| Employee Benefits Expense   | 38,986,045         |
| Finance Costs   | 217,705            |
| Depreciation and Amortization Expense   | 19,651,976         |
| Other Expenses  | 39,259,719         |
| Wealth Tax  | 153,797            |
| <b>Total Expenses</b>   | <b>103,076,015</b> |
| <b>Profit/(Loss) before Tax</b>   | <b>12,997,918</b>  |

**Tax Expenses**

|              |            |
|--------------|------------|
| Current Tax  | -          |
| Deferred Tax | 35,984,030 |

**Profit/(Loss) for the year****(22,986,112)****12 Contingent Liabilities and Commitments:-****a. Contingent Liabilities - Nil****b. Commitments**

Capital Commitments Rs. 13,61,15,500/-

**13 EARNINGS PER SHARE (EPS)**

|  | <b>Unit</b> | <b>As at 31 March 2012</b> |
|--|-------------|----------------------------|
| Net Profit attributable to Equity Shareholders                       | Rs.         | (58,229)                   |
| Weighted average number of Equity Shares outstanding during the year | Nos.        | 50,000                     |
| Earnings per share (Basic & Diluted)                                 | Rs.         | (1.16)                     |

**14** Since no commercial activity has been undertaken during the period ended March 31, 2012, there is no reportable segment referred to in the statement of Accounting Standard (AS-17) for segmental reporting.**15 Related Party Disclosures**

Disclosures as required by Accounting Standard (AS-18) "Related Party Disclosures" are given below:

**A. Directors, Key Management Personnel**

|                     |   |                     |
|---------------------|---|---------------------|
| Mr. P.K. Ranade     | - | Director            |
| Mr. Vikram Ranade   | - | Director            |
| Mr. V.P. Mahendru   | - | Director            |
| Mr. Vinay Mahendru  | - | Director            |
| Mr. Prashant Ranade | - | Additional Director |

**B. Relatives of Directors, Key Management Personnel**

Mrs. Ameeta Ranade  
 Mrs. Ashima Ranade  
 Mrs. Natasha Ranade

**C. Enterprises over which directors exercise significant influence**

Indo Asian Marketing Private Limited

**D. LLP firms in which directors and their relatives are partners**

PKR Hitech Industrial Corporation LLP

**NATURE OF TRANSACTION**
**As at March 31, 2012**
**Allotment of Equity Share Capital**

|                                       |         |
|---------------------------------------|---------|
| PKR Hitech Industrial Corporation LLP | 440,000 |
| Mr. P.K. Ranade                       | 10,000  |
| Mr. Vikram Ranade                     | 10,000  |
| Mr. Prashant Ranade                   | 10,000  |
| Mrs. Ameeta Ranade                    | 10,000  |
| Mrs. Ashima Ranade                    | 10,000  |
| Mrs. Natasha Ranade                   | 10,000  |

**Security Deposit Received**

|                                      |            |
|--------------------------------------|------------|
| Indo Asian Marketing Private Limited | 50,112,500 |
|--------------------------------------|------------|

**Short Term Loan Received**

|                                       |            |
|---------------------------------------|------------|
| PKR Hitech Industrial Corporation LLP | 18,909,500 |
|---------------------------------------|------------|

**Balance Outstanding at the year end**
**Payable**

|                                       |            |
|---------------------------------------|------------|
| Mr. P.K. Ranade                       | 45,453     |
| Indo Asian Marketing Private Limited  | 50,112,500 |
| PKR Hitech Industrial Corporation LLP | 18,909,500 |

- 16 There is no other information apart from the information already disclosed above required to be disclosed pursuant to the relevant clauses of New Schedule VI as inserted to Companies Act by the Notification No.S.O. 447(E), Dated 28-2-2011 (As amended by Notification No. F.NO. 2/6/2008-CL-V, Dated 30-3-2011).
- 17 The Company was incorporated on February 07, 2011 and this, being the first financial statements of the Company, previous year figures are not given.

**The Notes are an integral part of the Financial Statements**
**For and on behalf of the Board**
**For S. S. Kothari Mehta & Co.**

Chartered Accountants  
 Firm Regn. No. 000756N

**K. K. Tulshan**

Partner

Membership No: 085033

**Jaspreet Singh**

Company Secretary

**Suresh Garg**

Sr. Vice President

Corporate Finance

**Pranav Kumar Ranade**

Director

**Vikram Ranade**

Director

Place : Noida

Date : 26 July, 2012



## ADVANCE METERING TECHNOLOGY LIMITED

Regd. Office: Office No.-14, Near Airtel Tower, G. T. Road, Murthal Chowk, Sonapat-131027, Haryana

### ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. Joint shareholders may obtain additional slip at the venue of the meeting.

|                                       |  |                  |  |
|---------------------------------------|--|------------------|--|
| DP Id.*                               |  | Master Folio No. |  |
| Client Id.*                           |  | No. of Shares    |  |
| Name and address of the Shareholder : |  |                  |  |

I hereby record my presence at the 1st Annual General Meeting of the Company held on Saturday, 29th day of September, 2012, at 9:00 A.M. at Hotel Kuber, 51 -52 K.M. Stone ,Murthal, G. T. Karnal Road, Distt. Sonapat, Haryana.

\* Application for investors holding share in electronic form.

\_\_\_\_\_  
Signature of Shareholder / Proxy

**PLEASE NOTE THAT NO GIFTS/GIFT COUPONS WILL BE DISTRIBUTED AT THE MEETING**



## ADVANCE METERING TECHNOLOGY LIMITED

Regd. Office: Office No.-14, Near Airtel Tower, G. T. Road, Murthal Chowk, Sonapat-131027, Haryana

### PROXY FORM

|             |  |                  |  |
|-------------|--|------------------|--|
| DP Id.*     |  | Master Folio No. |  |
| Client Id.* |  | No. Shares       |  |

I/We .....of.....being a member/ members of ADVANCE METERING TECHNOLOGY LIMITED hereby appoint..... of .....or failing him .....of ..... as my/our proxy to vote for me/us and on my/our behalf at the 1st Annual General Meeting of the Company to be held on Saturday, 29th day of September, 2012, at 9:00 A.M. or any adjournment thereof.

Notes:- (1) The proxy, to be effective, should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the aforesaid meeting.

(2) A Proxy need not be a member of the Company.

Signed this.....day of.....2012.

Signature.....

Affix a  
Re 1/-  
Revenue  
Stamp



\* Applicable for investors holding shares in electronic form.

# Book Post

*If undelivered, please return to:*



## **ADVANCE METERING TECHNOLOGY LIMITED**

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### **Corporate Office :**

C-124, Hosiery Complex, Noida Phase II Extn., Noida - 201305, U.P.

**Website:** [www.pkrgroup.in](http://www.pkrgroup.in)

**Tel.:** +91-120-3011300, 3011306; **Fax:** +91-120-3011301