



ALFA TRANSFORMERS LTD.

CIN-L311020R1982PLC001151

Regd. Office : Plot No. 3337,
Mancheswar Industrial Estate
Bhubaneswar -751010, Odisha, India

Tel. : 91-674-2580484
E-mail : info@alfa.in / Sales@alfa.in
URL : http : //www.alfa.in

Date: 05.09.2020

To

BSE Limited
Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai- 400 001



ISO 9001 : 2015
Certificate Registration No. 99 100 11745/02

Sub: Submission of 38th Notice & Annual Report for the financial year 2019-20 pursuant to Regulation 34 of SEBI (LODR) Regulations, 2015

Scrip Code: 517546

Dear Sir,

Please find enclosed herewith the Annual Report of the Company for the Financial Year 2019-20 along with the Notice for the 38th Annual General Meeting of the members of M/s. Alfa Transformers Limited to be held on Tuesday, 29th September, 2020 at 11.00 AM through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

This is for your information and record.

Yours faithfully,

For Alfa Transformers Limited

Amarnath Tripathy
Company secretary



Encl: as below



ALFA TRANSFORMERS LIMITED

BHUBANESWAR, ODISHA, INDIA



38TH ANNUAL REPORT

2019 - 2020

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BOARD OF DIRECTORS	Shri B. N. R. Patnaik Shri Dillip Kumar Das Shri Gopal Krishan Gupta Shri Deepak Kumar Das Shri Debasis Das Smt. Sujita Patnaik Shri Amalendu Mohanty Shri Sambit Mohanty Shri Rahul Gupta Shri Rabindra Nath Nayak Shri Vipin Aggarwal	Chairman (Non-Executive Independent Director) Managing Director Whole-time Director (Operations) Whole-time Director (Finance) Whole-time Director (Marketing) Non Executive Non Independent Director Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director Non Executive Non Independent Director
COMMITTEES OF THE BOARD	Audit Committee Nomination and Remuneration Committee Share Transfer & Investor Grievance Committee	
STATUTORY AUDITORS	M/s. PAMS & Associates Chartered Accountants Plot No. 506, Unit - IX, Bhoi Nagar Behind Bayababa Math, Bhubaneswar -751022	
INTERNAL AUDITORS :	M/s. Goutam & Co Chartered Accountants 101, Bijoyram Villa, Block – A, Ground Floor, 491, NageswarTangi, Vivekananda Marg, Bhubaneswar, Odisha-751002	
SECRETARIAL AUDITOR :	M/s Saroj Ray & Associates Company Secretaries Plot No.N - 6/215,IRC Village, Bhubaneswar-751015.	
COST AUDITOR :	M/s S.S. Sonthalia & Co, Cost Accountant, Plot No:395/4688 & 172/4689 Padmavati Vihar, Sailashree Vihar , Bhubaneswar-7510021	
CHIEF FINANCIAL OFFICER :	Mr. Ranjit Kumar Biswal	
COMPANY SECRETARY	Mr. Amarnath Tripathy	
BANKERS	a) State Bank of India, Commercial Branch, IDCOL House (Ground Floor), Unit –II, Ashok Nagar, Bhubaneswar -751001 b) Axis Bank Limited, Satyangar, Bhubaneswar.	
REGISTERED OFFICE FACTORY	Plot No. 3337, Mancheswar Industrial Estate, Bhubaneswar –751010 (A) Plot No. 3337, Mancheswar Industrial Estate, Bhubaneswar –751010 (B) Plot No.1046, 1047 & 1048, GIDC Estate, Waghodia, Vadodara, Gujrat-391760.	
REGISTRAR & SHARE TRANSFER AGENT	M/s MCS Share Transfer Agent Limited, 383, Lake Gardens, 1st Floor, Kolkata-700 045. Phone : 4072-4051 to 53, Fax: 4072-4054 e-mail:mcssta@rediffmail.com	
LISTED IN ISIN CIN	BSE Limited INE209C01015 L31102OR1982PLC001151	



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38th Annual General Meeting

On Tuesday, The 29th day of September, 2020 At 11 A.M.

At. : Regd. Office : Plot No. 3337, Mancheswar Industrial Estate, Bhubaneswar –751010

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NOTICE

NOTICE is hereby given to the members of M/S. ALFA TRANSFORMERS LIMITED that the 38th Annual General Meeting (AGM) of the members of the Company will be held on Tuesday, the 29th day of September 2020 at 11 AM, through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company situated at Plot No. 3337, M.I.E. Bhubaneswar - 751010

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2020 including statement of Audited Profit and Loss and Cashflow Statement for the year ended 31st March, 2020, Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
2. To re-appoint a Director in place of **Mr. Deepak Kumar Das (DIN: 00402984)**, who retires by rotation and being eligible offers himself for reappointment.
3. To re-appoint a Director in place of **Mr. Gopal Krishan Gupta (DIN: 06626534)**, who retires by rotation and being eligible offers himself for reappointment.
4. To confirm the re-appointment of Statutory Auditors of the company and to fix their remuneration & in that connection to consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT, pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation made by the Audit Committee and the Board, M/S PAMS & Associates, Chartered Accountants, Bhubaneswar having registration No. 316079E be and are hereby appointed as the Statutory Auditors of the Company, who shall hold office from the conclusion of this 38th Annual General Meeting till conclusion of the 39th Annual General Meeting of the Company with a remuneration of Rs. 2,85,000/- (Rupees Two Lakh Eighty Five Thousand Only)."

"RESOLVED FURTHER THAT all the directors and/or the Company Secretary of the Company be and are hereby authorized jointly and/or severally to do all the acts and deeds as may be necessary to give effect to the above resolution."

SPECIAL BUSINESS :

5. To fix the remuneration, perquisites and other allowances of Managing Director and other Whole-time Directors.

To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution** :

"RESOLVED THAT pursuant to Sections 196, 197, 203 read with Schedule V and other applicable provisions of Companies Act, 2013 (including any statutory modifications or reenactment thereof for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable rules, approval of the shareholders of the Company be and are hereby accorded for continuance of existing gross annual remuneration, perquisites and other allowances to Mr. Dillip Kumar Das, Managing Director, Mr. Gopal Krishan Gupta, Mr. Deepak Kumar Das and Mr. Debasis Das, Whole-time Directors of the Company for a period of Two (2) years with effect from 1st day of April, 2020 to 31.03.2022 as per the details given hereunder:

Rs. (In Lacs)

Name	Salary	Perquisites & Allowances
Dillip Kumar Das (MD)	15.00	1.50
Gopal Krishan Gupta (WTD)	15.00	1.50
Deepak Kumar Das (WTD)	8.00	0.80
Debasis Das (WTD)	8.00	0.80

The perquisites and allowances, as aforesaid, shall include medical reimbursement and /or premium for medical insurance accommodation (furnished or otherwise) or house rent allowance in lieu thereof: house maintenance allowance together with reimbursement of expenses and / or allowances for utilization of gas, electricity, water, furnishing and repairs and leave travel concession for self and family including dependents. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules there under or any statutory modification(s) or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

The Company's contribution of 12% & 15% of salary respectively towards provident fund, superannuation or annuity fund, (to the extent these singly or together are not taxable under the Income Tax law,) gratuity payable and encashment of leave, as per the rules of the Company, shall not be included for the purpose of computation of the overall ceiling of remuneration.

A) COMMISSION/PERFORMANCE BONUS :

Performance Bonus/Commission @3% of Net Profit for Managing Director & at the rate of 1.5% of net profit for Whole-Time Directors for each Financial Year or past thereon computed in the manner as prescribed under Section 197 and 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act as may for the time being in force.

B) REIMBURSEMENT OF EXPENSES :

Expenses incurred for traveling, board and lodging during business trips, and provision of cars with Driver for use on the Company's business and telephone & mobile phone expenses at residence & office shall be reimbursed at actual and not considered as perquisites.



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6. To reappoint **Mr. Rahul Gupta (DIN: 00024732)** as Independent Director of the company for a further period of Two (2) years with effect from 01.08.2020.

To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act 2013 (“Act”) along with the Rules made there under (including any statutory modifications or re-enactment thereof for the time being in force), SEBI (LODR) Regulations, 2015 and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, **Mr. Rahul Gupta** be and is hereby re-appointed as an Independent Director of the company for a period of two (2) years with effect from 01.08.2020.”

“RESOLVED FURTHER THAT all the directors and/or the Company Secretary of the Company be and are hereby authorized jointly and/or severally to do all the acts and deeds as may be necessary to give effect to the above resolution.”

7. To ratify the remuneration of the Cost Auditors for the financial year 2020-21 and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act 2013 (“the Act”) read with Companies (Audit and Auditors) Rules, 2014 the Cost Auditors M/s. S. S. Sonthalia & Co., Cost Accountants, Bhubaneswar, appointed by the Board of Directors of the company, to conduct the audit of the cost records of the company for the financial year 2020-21 at a remuneration of Rs. 35000/- plus GST as applicable be and is hereby ratified.”

**BY ORDER OF THE BOARD
FOR ALFA TRANSFORMERS LIMITED**

PLACE : BHUBANESWAR

Date: 30th June, 2020

**Sd/-
AMARNATH TRIPATHY
COMPANY SECRETARY**

NOTES FOR MEMBER'S ATTENTION:

1. Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read together with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted convening the Annual General Meeting (“AGM”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 (“the Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Institutional /Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to sraconsultants@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com.
4. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to MCS Share Transfer Agent Limited, Kolkata in case the shares are held by them in physical form.
5. An Explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013, relating to the special business to be transacted at the meeting is annexed hereto.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar. Securities and Exchange Board of India has prohibited physical transfer of shares w.e.f. 01.04.2019.
7. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the

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Company's website www.alfa.in websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and notice of AGM on the website of CDSL: <https://www.evotingindia.com>. Members who have not registered their email address are requested to get their email address registered with their DP in case the shares are held in electronic mode and with Company's Registrar and Share Transfer Agent MCS Share Transfer Agent Limited, Kolkata in case shares are held in Physical Form. This may be treated as an advance opportunity in terms of proviso to Rule 18(3) (i) of the Companies (Management and Administration) Rules, 2014.

8. Since the AGM will be held through VC / OAVM, the route map of the venue of the Meeting is not annexed hereto.
9. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on cut-off date i.e. 22nd September, 2020 only shall be entitled to avail the facility of remote e-voting or voting at the Meeting. The copy of register of Directors, Key Managerial Personnel and their shareholding maintained under the Companies Act, 2013 will be available for inspection by the members on request by sending an e-mail to the company.

10. PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT :

- (a) As the AGM is being conducted through VC / OAVM, members are encouraged to express their views / send their queries in advance mentioning their name, DP Id and Client Id/Folio No. e-mail id, mobile number at cs@alfa.in to enable smooth conduct of proceedings at the AGM. Questions / Queries received by the Company from 9.00 Hours (IST) on September, 23rd, 2020 to 17.00 Hours (IST) on September, 25th, 2020 on the aforementioned e-mail id shall only be considered.
- (b) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP Id and Client Id / Folio No., PAN, mobile number at cs@alfa.in from 9.00 Hours (IST) on September, 23rd, 2020 to 17.00 Hours (IST) on September, 25th, 2020 in advance of the meeting. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately. Such questions by the Members shall be taken up during the meeting or replied within 7 days from AGM date by the Company suitably.
- (c) The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM.

11. INSTRUCTION FOR E-VOTING AND JOINING THE AGM:

- a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has appointed Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- b) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- c) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- d) Shareholders holding equity shares shall have one vote per share as shown against their holding. The shareholders can vote for their entire voting rights as per their discretion.

12. THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period will begin on 26th September, 2020 and will end on 28th September, 2020. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the time of meeting.
- (iii) The shareholders should log on to the **e-voting website www.evotingindia.com**.
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.



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OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login – My EASI using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier evoting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number. Please send a request by mail to cs@alfa.in and also contact us on Phone No. 0674- 2580484 to get sequence number.

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <ALFA TRANSFORMERS LTD>**EVSN Reference No:200819019** on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

13. INSTRUCTIONS FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS

- (i) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- (ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- (iii) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- (iv) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- (v) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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14. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- (i) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
- (ii) For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.

15. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER :

- (i) Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- (ii) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- (iii) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (iv) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (v) Members who need assistance before or during the AGM, or have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Rakesh Dalvi (022- 23058542).
- (vi) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, NM Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 022-23058542/43.

16. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

- (i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- (ii) Only those shareholders, who are present in the AGM through VC/OAVM facility and who have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- (iii) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- (iv) Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

17. Ms. Aditi Patnaik, Partner of Saroj Ray & Associates, Practicing Company Secretaries, Bhubaneswar, Odisha has been appointed as the Scrutinizer to scrutinize the e-voting process and voting process at AGM in a fair and transparent manner.

18. The scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote evoting in the presence of at least two witnesses not in the employment of the company and make, not later than 48 hours from conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

19. The Results will be declared on receipt of Scrutinizer's Report at the Registered Office of the Company at Plot No. – 3337, Mancheswar Industrial Estate, Bhubaneswar –751010. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.alfa.in command on the website of CDSL immediately and communicated to the BSE.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO 5: To fix the remuneration, perquisites and other allowances of Managing Director and other Whole-time Directors.

As the Company has inadequate profit, so the Board of Directors has proposed to keep the remuneration of Executive Directors unchanged. So the prevailing remuneration shall prevail and after two years, in future, if there is adequate profit, the Directors will consider enhancement/revision in the remuneration structure.



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ITEM NO 6 : To reappoint **Mr. Rahul Gupta (DIN00024732)** Non Executive Independent Director for a further period of 2 (Two) Years

The Board of Directors upon recommendation of the Nomination & remuneration Committee reappointed Mr. Rahul Gupta as Non-Executive Independent Director effective from 01/08/2020 for 2 (Two) Years. The Company has received from Mr. Rahul Gupta his consent to act as Non Executive Independent Director and the brief profile and specific arrear of experience of Mr. Rahul Gupta are provide in the additional information on Director recommended for appointment/reappointment.

None of the Directors and KMP of the Company or their respective relatives is concern for interested in the resolution mention in the Item No. 5 of the Notice.

The Board recommends the resolution set forth in Item No 5 for the approval of the Members

ITEM NO 7 : To ratify the remuneration of the Cost Auditors for the financial year 2020-21.

The Company is required under Section 148 of the Act read with the Companies ("Cost Audit Rules") to have the audit of its cost records for products covered under the Cost Audit Rules conducted by a Cost Accountant in Practice. The Board of Directors of the Company has on the recommendation of the Audit Committee approved the appointment and remuneration of M/s. S. S. Sonthalia & Co., Cost Accountants as the Cost Auditor of the Company for the Financial year 2019-20 and the remuneration is fixed at Rs. 35,000/- plus GST at the applicable rate.

In accordance with the provisions of Section 148 of the Act read with Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the members of the Company. Accordingly the consent of the members is sought as an Ordinary Resolution for the Item set out at Item no. 7 of the Notice for ratification of the remuneration payable to Cost Auditors for the Financial Year ending 31.03.2021. None of the Director(s) and KMP of the Company or their respective relatives are concerned or interested in the resolution mentioned at Item No. 7 of the Notice.

The Board recommends the resolution set forth in Item No. 7 for the approval of the members.

ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT/ REAPPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING:

(Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015):

Name	D.O.B	Field of experience	Years of experience	Designation	Date of Appointment
Deepak Kumar Das	04/02/1950	Mr. Deepak Kumar Das is Post Graduate in Chemistry from Utkal University. He has over 32 years of experience in business including finance and management functions.	37	Whole - time Director	Re-appointment on 14.02.2019 w. e. f. 02.01.2019
Gopal Krishan Gupta	05/07/1957	He is a graduate from University of Roorkee and has wide experience in power sector in all fields such as strategy, techno commercials assessments, marketing, manufacturing, EPC and company turn around. He was a part of management committee of ALSTOM at country level and was responsible for business for more than 200 MUSD as P& L. He was also the CEO/Director of TBEA Energy India Pvt. Ltd.	42	Whole time Director	Re-appointment on 14.11.2018 w. e. f. 10.11.2018
Rahul Gupta	14/03/1967	He is a Mechanical Engineer and MBA (Finance) and has over 30 years of operational, executive and entrepreneurial experience. He is running an IT services company based in Chandigarh and Bangalore. He is working as an Independent Director in different Companies. He is known for his expertise in business and financial modeling, business and strategic planning, creating winning teams and has played a key role in venture capital and IT Industry in India. He was associated with us since 01/08/2018 as a Non-Executive Independent Director of the Company.	30	Non-Executive Independent Director	Appointed on 01-08-2018

Your Directors recommend the appointment and reappointment of above dignitaries in the Company. None of the directors and the Key Managerial Personnel and their respective relatives is interested in this resolution.

**BY ORDER OF THE BOARD
FOR ALFA TRANSFORMERS LIMITED**

**PLACE : BHUBANESWAR
Date: 30th June, 2020**

**Sd/-
AMARNATH TRIPATHY
COMPANY SECRETARY**

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CIN : L31102OR1982PLC001151

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting before you the 38th (Thirty-Eighth) Annual Report of your Company on the business and operations together with the Audited Financial Statements and Auditors' Report for the financial year ended 31st March'2020. The performance of the Company during the year under Report is summarized as below:

FINANCIAL HIGHLIGHTS:

The summarized financial results of our operations for the Financial Year ending 31st March'2020 is detailed hereunder.

(Rs.in lakhs)

Particulars	2019-20	2018-19
Revenue from operations	3298.05	6472.14
Other Income	32.55	42.40
Total Revenue	3330.60	6514.54
Profit/(Loss) before Interest, Depreciation and Tax	(505.60)	160.06
Less : Interest and Finance Charges	135.30	181.72
Less : Depreciation	121.89	122.21
Profit/ (Loss) before Tax	(762.79)	(143.87)
Current Tax	—	2.71
Profit / (Loss) after Tax	(762.79)	(141.16)
Other Comprehensive Income	—	—
Total Comprehensive Income for the Year	(762.79)	(141.16)
Earnings per Share (Basic & Diluted)	(8.34)	(1.54)

Note: Previous year's figures are regrouped wherever necessary.

FINANCIAL PERFORMANCE :

During the last quarter of Financial Year 2019-20, COVID-19 pandemic has caused havoc across the Globe and India, a rising economic power certainly has not remained on touch. The current economic crisis due to COVID-19 has drastically effected the operation and liquidity of our company. In our Vadodara Unit the import of raw material from China was affected very badly resulting reduction of sale and accumulation of semi finished transformers for want of imported AMDT resulting in heavy penalty due to delayed supply. Bhubaneswar unit also suffer heavily for lack of orders which are not yet finalise by electricity utility Companies & others. Further, Bhubaneswar Unit suffered heavily due to Cyclone 'FANI' during May' 2019.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:

No unclaimed dividend amount due for transfer to IEPF.

PARTICULARS OF LOANS GIVEN, INVESTMENT MADE, GUARANTEES GIVEN OR SECURITY PROVIDED UNDER SECTION 186 OF THE COMPANIES ACT, 2013 :

The particulars of the loans, guarantees and investments covered under provisions of the Section 186 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 are given in the notes to the financial statements, which forms part of this Annual Report.

DISCLOSURE OF PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO :

The disclosure of particulars relating to conservation of energy and technology absorption and foreign exchange earnings and outgo as required by Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are given in Annexure "A".

PERSONNEL

None of the employees of the Company has been in receipt of remuneration exceeding the amounts envisaged under Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Companies Act, 2013.

DEPOSITS:

The Company has not accepted any public deposits so far.

TRANSFER TO GENERAL RESERVE :

During the financial year ending on 31st March, 2020, there has been no transfer to General Reserve.



ALFA TRANSFORMERS LIMITED

DIVIDEND :

Your Directors has not recommended any Dividend during this financial year.

SHARE CAPITAL:

1379488 nos of Warrants issued on 13/07/2018 to the non promoter investors was forfeited during year as they prefer not to pay the balance 75% of warrants money within due date i.e., 13/01/2020 (due on 13/01/2020). The forfeited advance amount received by the Company was reflected under Capital reserve in the Balance Sheet during the current year.

The Paid up share Capital of the Company stood at Rs. 91506450.00 consisting of 9150645 of equity shares of Rs. 10/- each.

CORPORATE GOVERNANCE:

Corporate Governance is the system by which Companies are directed and controlled. It also includes Board's accountability to the Company and stakeholders, strategic vision and effective monitoring by the Board, protection and equitable treatment of all stakeholders as well as timely disclosure. Corporate governance is a journey for constantly improving sustainable value creation and is an upward moving target.

Corporate governance at Alfa Transformers Limited (ATL) is a value-based framework to manage our Company affairs in a fair and transparent manner. We have evolved guidelines and best practices over the years to ensure timely and accurate disclosure of information regarding our financials, performance, leadership and governance of the Company. We are an ethically responsible company, operate with transparency, and validate commitment and sincerity, both vertically and horizontally across the organization with a spirit of integrity.

The Company has complied with all mandatory provisions of Corporate Governance as prescribed under SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance is annexed in "Annexure B", along with the certificate from M/s PAMS & Associates, Chartered Accountants confirming compliance with the requirement of Corporate Governance.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT :

Management's Discussion and Analysis for the year under review is presented in a separate section as Annexure 'C' forming part of the Annual Report.

DIRECTOR'S RESPONSIBILITY STATEMENT :

Pursuant to Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i) In the preparation of the annual accounts for the year ended March 31, 2020, the applicable accounting standards, had been followed along with proper explanation relating to material departures;
- ii) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of state of affairs of company at end of Financial Year of Profit and Loss of company for that period.
- iii) The directors had 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 company and for preventing and detecting fraud and other irregularities.
- iv) The directors had prepared the annual accounts on a going concern basis; and
- v) The directors had laid down internal financial controls to be followed by company and that such internal financial controls are adequate and were operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Pursuant to provisions of section 152 and all other applicable provisions of Companies Act 2013 and the Companies (Appointment and Remuneration) Rules 2014, Mr. Deepak Kumar Das is liable to retire by rotation at the ensuing Annual General meeting and, being eligible, offered himself for re-appointment.

Pursuant to provisions of section 152 and all other applicable provisions of Companies Act 2013 and the Companies (Appointment and Remuneration) Rules 2014, Mr. Gopal Krishan Gupta is liable to retire by rotation at the ensuing Annual General meeting and, being eligible, offered himself for re-appointment.

Your Directors recommend their reappointment.

During the year under review Mr. Debasis Dibyajyoti Deo the Company Secretary has resigned on 28/09/2019 and the Board has appointed Mr. Amarnath Tripathy Company Secretary as the Company Secretary with effect from 03/10/2019.

During the Year Mr. Deepak Kumar Das has resigned from the post of Chief Financial Officer and he was relieved with effect from 14/08/2019 and in its place Sri Ranjit Kumar Biswal was appointed as Chief Financial Officer (CFO) of the Company with effect from 14/08/2019.

INDEPENDENT DIRECTORS :

In accordance with Section 149(7) of the Act, each Independent Director has given written declaration to the Company confirming that they meet the criteria of Independence as mentioned under Section 149(6) of the Act and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The Company has put in place an induction and familiarization programme for all its directors including the Independent Directors. The familiarization programme in terms of the provisions of SEBI (LODR) Regulations is uploaded on the website of the Company.

KEY MANAGERIAL PERSONNEL :

During the year under review, there was change in the key managerial personnel of the Company namely Company Secretary and Chief Financial Officer which was mentioned in this report earlier.

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STATUTORY AUDITORS :

M/S PAMS & Associates have given their consent for re-appointment along with the eligibility certificate as per Section 141 of the Companies Act, 2013. Your Directors request your approval to appoint them as statutory auditors of the Company to hold office from Conclusion of this AGM to the next AGM.

COST AUDITOR :

Pursuant to Provision of Section 148 of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 the Board on the recommendation of the Audit Committee has approved the appointment of M/s S. S. Sonthalia & Co., Cost Accountants as the Cost Auditors and remuneration payable to them to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021. The Company has received a letter from M/s S. S. Sonthalia & Co., Cost Accountant, Bhubaneswar showing their willingness to be appointed as Cost Auditors stating that they are not disqualified under Section 148 (5) read with Section 141 (3) of the Companies Act, 2013. Your Directors request your approval to ratify their appointment as cost auditors of the Company and the remuneration payable to them.

SECRETARIAL AUDITOR :

The Board of Directors of the Company has appointed M/S Saroj Ray & Associates, Company Secretaries, Bhubaneswar under Section 204 of Companies Act 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 to conduct secretarial audit of the Company for the financial year 2020-21.

The Report of the Secretarial Auditor in Form MR-3 for the financial year 2019-20 is attached in Annexure D.

INTERNAL AUDITOR :

Your Company has appointed M/s. Goutam Lenka & Co. as the Internal Auditor for Vadodara Unit and Bhubaneswar Unit of the Company for the financial year 2020-21.

COMMENTS ON STATUTORY AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT :

Neither the statutory auditors nor the secretarial auditors of the company, in their respective reports, have made any qualifications, reservations or adverse remarks. The Statutory Auditors have not reported any incident of fraud to the Audit Committee or the Board of Directors under Section 143 (12) of the Companies Act 2013 during the financial year ended 31st March, 2020.

The company continues to adopt practices to ensure best practice as per Indian Accounting Standards and Corporate Governance standards.

DISCLOSURE AS PER LISTING AGREEMENT :

Cash Flow:

The cash flow statement in accordance with accounting standard is appended to this Annual Report.

Related Party Transactions :

As a matter of policy, your company carries transactions with related parties on an arm-length basis. Statement of these transactions is given in the Notes to the financial statements, forming part of this Annual Report.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY :

There have been no material changes and commitments, affecting the financial position of the company which has been occurred between the end of the financial year of the Company to which the financial statements relate and date of the report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS :

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operation in future.

CHANGE IN NATURE OF BUSINESS :

During the year under review, there has been no change in the nature of business of the Company.

RISK MANAGEMENT POLICY AND INTERNAL FINANCE CONTROL ADEQUACY:

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks in achieving key objectives of the Company. The Company has developed and implemented Risk Management Policy of the Company to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

The Internal Control Systems are commensurate with the nature, size and complexity of the business of the company. These are routinely tested and certified by Statutory Auditor as well as Internal Auditors.

EXTRACT OF ANNUAL RETURN :

The Extract of Annual Return in Form No. - MGT 9 as on 31.03.2020 is appended to this Report as Annexure-E.

ANNUAL EVALUATION BY THE BOARD :

The evaluation framework for assessing the performance of Board including the individual Directors are based on certain key measures, viz. Attendance of Board Meetings and the Committee Meetings, qualitative contribution in deliberations on agenda items, long term view in the inputs regarding development and sustainability of the Company and consideration of shareholders and other stakeholders' interests.

The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board does not participate in the discussion of his/her evaluation. The Board of Directors has expressed their satisfaction to the evaluation process.



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WHISTLE BLOWER POLICY :

The Whistle Blower Policy (Vigil Mechanism) was constituted by the Board of Directors, pursuant to Section 177 of the Companies Act 2013 and the Rules made there under and SEBI (LODR) 2015 to report genuine concerns of directors and Employees. The Policy has been posted on the website of the company. (<http://www.alfa.in>).

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review no complaints were reported to the Board.

HUMAN RESOURCES:

Your Company believes that human resources will play a critical role in its future growth. With a focus on nurturing and retaining talent, your Company provides avenues for learning and development through functional, behavioral and leadership training programs, knowledge exchange conferences and providing communication channels for information sharing, to name a few of the initiatives.

SECRETARIAL STANDARDS OF ICSI:

Pursuant to the approval by the Central Government to the Secretarial Standards specified by the Institute of Company Secretaries of India, the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) came into effect from 1st July 2015. The Company is in compliance with the Secretarial Standard.

Listing:

The Company's shares are listed on the 'The Bombay Stock Exchange Limited'. The Annual listing fees to the 'The Bombay Stock Exchange Limited' for the year 2020-21 has been paid.

Voluntary Delisting from Bhubaneswar and Calcutta Stock Exchanges: -The Company had already submitted all documents as per rule to Bhubaneswar & Calcutta stock Exchange for delisting of shares. Permission is still awaited

ACHIEVEMENTS :

1) QUALITY SYSTEM :

The company was accredited ISO 9001-2008 for quality management system with respect to "Design, Manufacture, Repair and sale of Power Transformers & Distribution Transformers" from 1997 with continuity. The present registration is accredited by TUV SUD South Asia Private Limited from 15/05/2018 which is valid up to 14/05/2021.

2) The Company has got BIS certificate for various rating of Distribution Transformers for Bhubaneswar and Vadodara unit. The Company is also investing heavily in prototype and type testing of other ratings of transformers for inclusion in BIS.

INDUSTRIAL RELATIONS :

The industrial relations continued to be generally peaceful & cordial.

ACKNOWLEDGEMENTS :

Your Directors would like to acknowledge and place on record their sincere appreciation to all stakeholders, clients, Bank, Central & State government, the company's valued investors and all other business partner for their continued co-operation and excellent support received during the year.

FOR AND ON BEHALF OF THE BOARD

Sd/-

DILLIP KUMAR DAS
MANAGING DIRECTOR

PLACE: BHUBANESWAR

DATE : 30th June, 2020

ANNEXURE "A" TO THE DIRECTORS' REPORT

TECHNOLOGY ABSORPTION, ENERGY CONSERVATION, AND FOREIGN EXCHANGE EARNING AND OUTGO:

The disclosure of particulars relating to conservation of energy and technology absorption and foreign exchange earnings and outgo as required by Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 and forming part of the Report of the Board of Directors for the period ended 31.03.2020 is as follows:

A. CONSERVATION OF ENERGY:

Energy conservation continues to be accorded high priority by your Company. The Company has already taken up steps for implementing Energy Conservation measures by replacing of all conventional machineries, creating awareness among employees, regulated usage of plant, machinery and other equipments and use of energy saving equipments. Rooftop solar generation to 35KV is being installed.

B. TECHNOLOGY ABSORPTION :

Your Company has successfully absorbed the transfer of Technology from Hitachi Metals (India) Limited for its Metaglas Amorphous Project.

C. FOREIGN EXCHANGE EARNINGS & OUTGO :

The Foreign Exchange Earnings & Outgo is NIL during the period.

FOR AND ON BEHALF OF THE BOARD

Sd/-

DILLIP KUMAR DAS
MANAGING DIRECTOR

PLACE: BHUBANESWAR

DATE : 30th June, 2020

ANNEXURE “B” TO THE DIRECTORS’ REPORT CORPORATE GOVERNANCE REPORT :

1) COMPANY’S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Corporate Governance ensures best management practices, compliance of laws, rules, and regulations in the Company and also provides appropriate framework for the Board and its Committees, to achieve objectives of the Company for the benefit of the Company and its stakeholders. Our Company is committed to good Corporate Governance Requirement of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, Code of Conduct on Prevention of Insider Trading and also Code of Conduct for Directors and Senior Management Personnel are fully complied by our Company.

ALFA TRANSFORMERS LIMITED’s commitment for effective Corporate Governance continues and the company has always been at their benchmarking efforts to follow the internal systems and policies within accepted standards for the creation of golden & trustable value towards the shareholders.

The Board of Directors (‘the Board’) is at the core of our Corporate Governance practice and oversees how the Management serves and protects the long-term interests of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance.

Your company endeavor to adopt best governance practices. Our commitment is reflected in the steps that we have taken to ensure compliance of law and by regularly reviewing the systems and procedures. Your Company constantly strives to achieve enhancement of shareholders’ value and effective utilization of resources to realize long term goals.

2) BOARD OF DIRECTORS :

A fundamental requirement of Board membership is independence, knowledge and experience based upon the absence of relationships and interest that could compromise, or could be perceived as compromising the ability of a Director to exercise judgment in the best interests of the Company.

2.1) Composition :

The Board has an optimum combination of Executive and non-Executive Directors and is in conformity with corporate governance criteria as per SEBI (Listing Obligations and Disclosures Requirements) Regulations , 2015 and the listing agreement entered into with the stock exchanges, in which the Company’s Shares are listed. The composition of the Board as on 31st March, 2020 consists of Eleven (11) Directors, among which Four (4) are Executive Directors, Five are Non-Executive Independent Directors, one is Non Executive Non Independent Woman Director and one is Non Executive Non Independent Director. The Board is classified broadly as follows:

Sl. No	Name of the Director	Status	Category	Shareholding in the Company
1.	Shri BasuruNageswarRaoPatnaik	Chairman	Non- Promoter and Non-Executive Director	-
2.	Shri Dillip Kumar Das	Managing Director	Promoter and Executive Director	1323414
3.	Shri Deepak Kumar Das	Whole - time - Director	Promoter and Executive Director	67000
4.	Shri Debasis Das	Whole-time-Director (Marketing)	Promoter and Executive Director	131683
5.	Shri Gopal Krishan Gupta	Executive Director	Non- Promoter and Executive Director	1372882
6.	Smt. Sujita Patnaik	Non Executive & Woman Director	Non- Promoter and Non- Executive Director	-
7.	Shri Sambit Mohanty	Non Executive & Independent Director	Non- Promoter and Non-Executive Director	-
8.	Mr. Rabindra Nath Nayak	Non Executive & Independent Director	Non- Promoter and Non-Executive Director	-
9.	Shri Amalendu Mohanty	Non Executive & Independent Director	Non- Promoter and Non-Executive Director	-
10.	Shri Rahul Gupta	Non Executive & Independent Director	Non- Promoter and Non-Executive Director	-
11.	Shri Vipin Aggarwal	Non Executive & Non-Independent Director	Non- Promoter and Non-Executive Director	-

Note: Dr. N. C. Pal, who was also a Non Executive & Independent Director on the Board, demised on 08.02.2020 and ceased to be a director.

Board’s Definition of Independent Director [Section 149(6)]:

Independent Director shall mean non-Executive Director of the Company who :

1. An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director,—
 - (a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
 - (b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
 - (ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
 - (c) who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
 - (d) none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
 - (e) who, neither himself nor any of his relatives—



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- (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
- (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —
- (a) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
- (b) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm ;
- (iii) holds together with his relatives two per cent. or more of the total voting power of the company; or
- (iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company; or
- (f) who possesses such other qualifications as may be prescribed.

2.2) Skill of Board of Directors:

The Board comprises of the qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its Committees. The table below summarizes the key qualifications, skills and attributes which are taken into consideration while nominating Directors on the Board:

Leadership	Ability to inspire, motivate and offer direction and leadership to others and represent the Company before internal and external stakeholders
Management	Knowledge or expertise or understanding of sound management and business principles or experience of working in senior management position of any organization
Financial expertise	An understanding of financial statements and the accounting principles used by the Company to prepare its financial statements; including the ability to assess the general application of such accounting principles in connection with the accounting for the Company
Governance, Banking & Finance, Fund Management, Legal Compliance, Insurance, etc.	Commitment to the highest standards of governance, including experience with a major organisation on governance practices along with clear understanding of roles and responsibilities of Board of a Company and responsibilities as Director
Strategy Development and Implementation	Experience in developing and implementing business strategies or ability to give strategic insights to key business objectives.
Knowledge of Power and Distribution Transformers industry	Knowledge of Power & Distribution Transformers Industry, Finance, Commercial Matters, General Management of the Company, Planning, Technical aspects of Quality Control, Manufacturing & Design aspects of Transformers.
Information Technology	Knowledge and experience in the strategic use of information management in operations of the Company and to provide unique business solutions
Risk Management	Experience in enterprise risk management in the relevant industry, and understanding of the Boards, role in the oversight of risk management principles
Human Resource	Experience in developing strategies or handling matter like development of talent and retention, succession planning and driving change and long term.

In the table below, specific areas of focus or expertise of individual Board Members have been highlighted. However, the absence of the mark against a members' name does not necessarily mean the member does not possess the corresponding skill or qualification:

Area of Expertise	Name of Director(s) possessing skill
Leadership	• Dillip Kumar Das, Deepak Kumar Das, Gopal Krishan Gupta & Debasis Das
Management	• Dillip Kumar Das, Deepak Kumar Das, Gopal Krishan Gupta & Debasis Das
Financial Expertise	• Deepak Kumar Das, Rahul Gupta, Vipin Aggarwal, Dr. N. C. Pal & Dillip Kumar Das
Governance, Banking & Finance, Fund Management, Legal Compliance, Insurance, etc.	• Deepak Kumar Das, Dillip Kumar Das & BNR Patnaik
Strategy Development & Implementation	• Dillip Kumar Das, Amalendu Mohanty, BNR Patnaik, Rahul Gupta, Dr. N. C. Pal, R. N. Nayak & Sambit Mohanty
Knowledge of Power & Distribution Transformers industry	• Dillip Kumar Das, Amalendu Mohanty, GopalKrishan Gupta, Debasis Das, R. N. Nayak & Sambit Mohanty
Information Technology	• Debasis Das, Sujita Patnaik, Rahul Gupta & Vipin Aggarwal
Risk Management	• Dillip Kumar Das & Deepak Kumar Das
Human Resource	• Dillip Kumar Das, Sujita Patnaik & Deepak Kumar Das

* Note: Dr. N. C. Pal, a Non-Executive Independent Director ceased to be a director of the Company due to his demise on 08.02.2020.

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2.3) Code of Conduct :

The Company has adopted the Alfa Code of Conduct for all Directors, Senior Management and employees of the Company. This Code is derived from three interlinked fundamental principles, viz good corporate governance, good corporate citizenship and exemplary personal conduct. Further, all the Board members and senior management personnel (as per Regulation 17(5) (a) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015) have affirmed compliance with the respective Code of Conduct. A declaration to this effect signed by the Managing Director forms part of this report.

2.4) Board Meetings & Procedures:

The Board meets at least four times in a year and not more than 120 days gap between these meetings and more frequently if deemed necessary, to transact its business. The Company Secretary, in consultation with the Chairman and Managing Director, prepares the agenda for the meeting. Information and data that are important to the Board's understanding of the business in general and relating to matters tabled for discussion. The Agenda and relevant enclosures are distributed to the members of the Board sufficiently in advance of the meeting. Sensitive material, however, is presented for discussion at the meeting only. The meetings of the Board of Directors are generally held at Company's registered office at Bhubaneswar, and are generally scheduled well in advance. The Company Secretary records the minutes of the proceedings of each Board Meeting and Committee Meeting. Draft minutes are circulated to all the members of the Board/Board Committee for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting. The important decision taken in the Board/Committee Meetings are communicated to the concerned departments/persons for taking necessary actions and a action taken report is placed in the next meeting of the Board/Committee for noting the same.

Numbers & Dates of Board Meetings held during the year:

(i) During the F.Y. 2019 - 20, the Board of Directors met 5 times on the following dates :

Sl.No	Date of Board Meeting	Total Members	Attendance by number of members
1.	03-05-2019 (Original) adjourned to 10-05-2019	12	05
2.	24-06-2019	12	07
3.	14-08-2019	12	10
4.	13-11-2019	12	07
5.	13-02-2020	11	07

(ii) The details of attendance of each Director at the Board Meetings, last Annual General Meeting are as follows:

Name of the Director	Attendance Particulars			Directorship in other Companies
	No of Board Meetings held	No of Board Meetings attended	Last AGM	
Shri Dillip Kumar Das	5	4	Present	4
Shri Deepak Kumar Das	5	5	Present	2
Dr. Nitai Chandra Pal	5	1	Absent	-
Shri Sambit Mohanty	5	3	Present	1
Shri Debasis Das	5	5	Present	-
Smt. Sujita Patnaik	5	4	Present	1
Shri BasuruNageswar Rao Patnaik	5	4	Absent	1
Shri GopalKrishan Gupta	5	3	Present	1
Shri Amalendu Mohanty	5	4	Present	-
Shri Rahul Gupta	5	1	Absent	17
Shri Vipin Aggarwal	5	1	Absent	10
Shri Rabindra Nath Nayak	5	1	Absent	4

Note : Dr. N. C. Pal, a Non-Executive Independent Director ceased to be a director of the Company due to his demise on 08.02.2020. None of the Director holds membership of more than 10 Committees of Board nor is a Chairman of more than 5 Committees of Boards of all the companies in which he/she is a Director.



3) COMMITTEES OF BOARD:

The Board has constituted various committees for smooth and efficient operation of the activities and is responsible for constituting, assigning, co-opting and fixing the term of reference of the committees in line with the laws of the land. The chairman, quorum and the terms of reference of each committee has been approved by the Board.

The draft minutes of the proceedings of each committee meeting duly initialed by the Chairman of the respective committee meeting are circulated to the members of that committee for their comments and thereafter, confirmed by the respective committee in its next meeting. The Board also takes note of the minutes of the meetings of the committees duly approved by their respective Chairman and material recommendations/decisions of the committees are placed before the Board for approval.

3.1) AUDIT COMMITTEE:

The Primary objective of the Audit Committee of the Company is to monitor and provide effective supervisions of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting. The Audit Committee met Four (4) times during the financial year 2019-20.

The composition and attendance of the committee are given below:

Composition:

Name of Director	Designation	Status
Shri Basuru Nageswar Rao Patnaik	Chairman	Non Executive & Independent Director
Shri Sambit Mohanty	Member	Non Executive & Independent Director
*Dr. Nitai Chandra Pal	Member	Non Executive & Independent Director
Shri Amalendu Mohanty	Member	Non Executive & Independent Director

Attendance:

Sl. No.	Date of Meeting	Total Members	Attendance by Members
1.	24-06-2019	4	2
2.	14-08-2019	4	3
3.	13-11-2019	4	3
4.	12-02-2020	4	2

*** Note : Dr. N. C. Pal, a member of the Audit Committee ceased to be a member of the Committee on his cessation from the Board of Directors due to his demise on 08.02.2020.**

Audit Committee Charter :

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and removal of external auditor, fixation of audit fee and also approval for payment of any other services.
- Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
 - Any change in the Accounting policies and practices.
 - Major accounting entries based on exercise of judgment by the management.
 - Qualification on draft Audit Report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Compliance with Stock Exchange and legal requirements concerning financial statements.
 - Any related party transactions i.e. transaction of the company of material nature, with promoters or the management, their subsidiaries or relatives etc that may have potential conflict with the interest of the company at large.
- Reviewing with management, external and internal auditor, adequacy of internal controls systems.
- Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with external auditors before the audit commences on the nature and scope of audit as well as has post audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To approve un-audited Quarterly Financial Results and publish the same as required in the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

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The meetings of the Audit Committee were also attended by Internal Auditor, Accounts Executive of the company and representatives of the Statutory Auditors as invitees for the relevant meetings. The recommendations of audit committee are usually accepted and implemented by the Board.

AUDIT COMMITTEE AND ESTABLISHMENT OF VIGIL MECHANISM :

The company has established a vigil mechanism and overseas through the committee, the genuine concerns established by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The company has also provided direct access to the Chairman of the Audit Committee to discuss their concerns and grievances.

3.2) NOMINATION AND REMUNERATION COMMITTEE :

The purpose of the Nomination and Remuneration committee of the company shall be to discharge the Board's responsibilities relating to remuneration of the Company's Executive Directors. The committee has overall responsibility for approving and evaluating and recommending plan, policies and programs relating to remuneration of Executive Directors of the Company.

During the financial year under review, 2 (Two) meetings of the Nomination & Remuneration Committee meetings were held on 24-06-2019, 14-08-2019 respectively. The Committee consists of majority of Independent Directors and non-Executive Director and the composition of the Committee is given below:

Name of Director	Designation	Status
Shri B. N. R. Patnaik	Member	Non Executive & Independent Director
Shri Sambit Mohanty	Member	Non Executive & Independent Director
*Dr. Nitai Chandra Pal	Member	Non Executive & Independent Director
Shri Amalendu Mohanty	Member	Non Executive & Independent Director

***Note: Dr. N. C. Pal, a member of the Audit Committee ceased to be a member of the Committee on his cessation from the Board of Directors due to his demise on 08.02.2020.**

Terms of Reference:

- To appraise the performance of Managing and Executive Director; and
- To determine and recommend to the Board, compensation payable to Managing and Executive Director.

REMUNERATION TO DIRECTORS :

The Company does not remunerate the non-Executive Directors of the Company except for the payment of sitting fees for attending each meeting of the Board or Committee thereof. Remuneration to Executive Directors is recommended by the Remuneration Committee and approved by the Board of Directors subject to the approval of the shareholders in the General Meeting and such authorities, as the case may be. Particulars of their remuneration for the year ended 31st March, 2020 are given below.

Name of Director	Remuneration for the year F.Y. 2019-20				
	Sitting Fees (all meeting)	Salary	Perquisites	Commission	Total
	Rs	Rs	Rs	Rs	Rs
Executive Directors:					
Shri Dillip Kumar Das	Nil	1500000	150000	NIL	1650000
Shri Deepak Kumar Das	Nil	766659	80000	NIL	846659
Shri Debasis Das	Nil	800000	78387	NIL	878387
Shri Gopal Krishan Gupta	Nil	1500000	150000	NIL	1650000
Non-Executive Directors					
Dr. Nitai Chandra Pal	4000	Nil	Nil	Nil	4000
Shri Sambit Mohanty	Nil	Nil	Nil	Nil	Nil
Shri Basuru Nageswar Rao Patnaik	20000	Nil	Nil	Nil	20000
Shri Amalendu Mohanty	18000	Nil	Nil	Nil	18000
Smt. Sujita Patnaik	8000	Nil	Nil	Nil	8000
Shri Rahul Gupta	Nil	Nil	Nil	Nil	Nil
Shri Vipin Aggarwal	Nil	Nil	Nil	Nil	Nil

3.3) SHARE TRANSFER AND INVESTOR GRIEVANCE COMMITTEE:

The "Share Transfer and Investor Grievance Committee" comprising Two Executive Directors and one Independent Non-Executive Director headed the committee of the company. The functioning and terms of reference of the Committee, inter-alia, approves issue of duplicate certificates and overseas and reviews all matters connected with securities transfers. The Committee also looks into redressing of investor's grievance pertaining to transfer/transmission of shares, dividends, dematerialization/re-materialization, and replacement of lost/stolen/mutilated share certificates, splitting, conversion and other related issues and to strengthen investor relation. In addition to the above, the Committee also addresses to complaints like non-transfer of shares, non-receipt of declared dividends, etc.



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During the year, the Committee has met Three times on 28.05.2019, 23.08.2019, 29.11.2019 & 20.02-2020 for consideration of share transfers, issue of duplicate shares, re-materialization of shares and other investors' grievances. The constitution of the Committee and the attendance of each member of the Committee are given below:

Name of the Director	Designation	Status	Committee Meetings Attended
Mr. B.N.R. Patnaik	Member	Non-Executive Independent Director.	1
Mr. Deepak Kumar Das	Member	Promoter and Executive Director.	4
Mr. Debasis Das	Member	Promoter and Executive Director.	4

The Company Secretary being the Compliance Officer of the Company is entrusted with responsibility to specifically look into the redressal of Shareholders and Investors complaints and report the same to the Share Transfer and Investor Grievance Committee. During the year under review, no complaints were received from investors.

MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors had met during the year on 22nd June 2020 to review the performance of Non-Independent Directors and the Board as a whole, to review the performance of the Chairperson of the Company, and to assess the efficiency of flow of information between the management and the Board.

4. GENERAL BODY MEETINGS :

Details of location and time of last 3 years Annual General Meetings are as under:

Annual General Meeting :

Financial Year	Venue	Date	Day	Time	Special Resolution passed
2016-17	Hotel " The New Marriion", 6, Janpath, Bhubaneswar-751001	12.09.2017	Tuesday	12.00 Noon	1
2017-18	Hotel " The New Marriion", 6, Janpath, Bhubaneswar-751001	30.08.2018	Thursday	12.00 Noon	7
2018-19	Registered Office: 3337, Mancheswar Industrial Estate, Bhubaneswar-751010	14-08-2019	WednesDay	11.00 AM.	6

Extra-Ordinary General Meeting:

Financial Year	Venue	Date	Day	Time	Special Resolution passed
2016-17	No Extra-ordinary General Meeting was held during the year.				
2017-18	Registered Office	07.08.2017	Monday	3 PM	1
2018-19	Registered Office	25.03.2019	Monday	11.30 AM	1

No special resolutions were required to be passed through postal ballot at the above meetings.

5. DISCLOSURES:

5.1) Disclosure regarding materially significant related party transactions:

There are no materially significant related party transactions made by the Company with its promoters, Directors or the management, their relatives conflicting with company's interests. Other related party transactions have been reported in the Notes on Accounts.

5.2) Disclosure of non-compliance by the company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authorities or any matter related to capital markets during the last three years:

The Company has complied with all the requirements of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as well as regulations and guidelines of SEBI. No penalties have been levied or strictures have been passed by Stock Exchange or SEBI or any other Statutory Authority on the matter relating to capital markets during the last three years.

5.3) Disclosures regarding appointment/re-appointment of Directors:

Pursuant to the Articles of Association of the company, Mr. Deepak Kumar Das, (Whole-Time Director) & Mr. GopalKrishan Gupta, Director of the Company shall retire by rotation and, being eligible, offer themselves for re-election at the ensuing Annual General Meeting. The Board has recommended them re-appointment.

The brief resume of the Directors being appointed/re-appointed and other relevant information is given elsewhere in this Annual Report, which form part of the Corporate Governance Report.

5.4) Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee:

The Company has adopted Whistle Blower Policy and no person has been denied the access to the Chairman of the Audit Committee.

6. Non-mandatory Requirements :

The Company has complied with all the mandatory requirements of Regulation 27 (2) of the SEBI (LODR) Regulation, 2015 relating to Corporate Governance.

The Company has set up a remuneration committee pursuant to Regulation 27 (2) of the SEBI (LODR) Regulation, 2015.

During the financial year 2019-20 there is no audit qualification in the company's financial statement. The Company will continue to adopt best practices to ensure the regime of unqualified statements.

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7) MEANS OF COMMUNICATION:

The audited and un-audited Financial Results of the Company are published in English newspapers and local Odia daily newspapers. There is no practice of sending half yearly results to the household of shareholders. The financial results and official news releases are also placed on the Company's website www.alfa.in

8) GENERAL SHAREHOLDERS INFORMATION :

8.1) Annual General Meeting:

The Thirty-Eighth Annual General Meeting ("the AGM") of the company will be held on Tuesday, 29th September, 2020 at 11 AM. at the Registered Office of the Company at Plot No. 3337, M.I.E. Bhubaneswar-751010.

8.2) Financial Calendar for the year 2020-21 :

The Company follows 1st April to 31st March as its financial year. The financial Calendar for the year 2020-21 (Provisional) as follows :

Sl.No.	Financial Calendar	Tentative Schedule
a)	Results for the first quarter ending 30th June' 2020	By 14th August, 2020
b)	Results for the second quarter ending 30th September' 2020	By 14th November, 2020
c)	Results for the third quarter ending 31st December, 2020	By 14th February, 2021
d)	Results (Audited) for the financial year ending 31st March, 2021	By 30th May, 2021
e)	Annual General Meeting for the year ending 31st March, 2021	By the end of September, 2021.

8.3) Dates of Book Closure :

The Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday, the 23rd day of September, 2020 to Tuesday, 29th September, 2020 (both days inclusive)** for the purpose of Annual General Meeting.

8.4) Dividend :

The Board of Directors has decided not to declare any dividend for the year under review due to bad financial condition of the Company.

The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the bank account details furnished by the depositories for depositing dividends.

8.5) Listing on Stock Exchanges:

The Company's shares are presently listed with The Bombay Stock Exchange Limited (BSE), PhirozeJeeJeebhoy Towers, Dalal Street, and Mumbai-400 001, which has nationwide trading terminals.

The Annual Listing fees for the year 2019-20 have already been paid to The Bombay Stock Exchange Limited (BSE).

Confirmation of de-listing of the Company's shares from The Bhubaneswar Stock Exchange Limited, P-2, JayadevVihar, Chandrasekharapur, Bhubaneswar-751023 and The Calcutta Stock Exchange Association Limited, 7, Lyons Range, Kolkata-700 001 is still awaited. However, Company is not paying listing fees to these two Stock Exchanges.

8.6) Company Stock code:

The Mumbai Stock Exchange Scrip Code '**517546**'.

The ISIN Number of Alfa (or demat number) on both NSDL and CDSL is **INE209C01015**

8.7) Market Price Data for the year 2019-20:

The monthly high and low quotations of Company's shares at Bombay Stock Exchange Limited (BSE) during the year 2019-20 under review are as under:

Month	High(Rs.)	Low(Rs.)	Volume(Nos)
April, 2019	26.45	22.20	22494
May, 2019	25.15	20.00	7508
June, 2019	22.50	21.45	351
July, 2019	22.00	20.90	125
August, 2019	20.90	17.60	35320
September, 2019	21.80	19.30	51804
October, 2019	22.55	19.00	3719
November, 2019	21.00	19.00	6005
December, 2019	20.50	19.00	6539
January, 2020	18.95	14.70	22732
February, 2020	14.00	12.35	21296
March, 2020	13.11	10.52	441117



ALFA TRANSFORMERS LIMITED

8.8) Registrar and Share Transfer Agents:

All share transfer and related operations are conducted by the Registrar and Share transfer Agent of the company both in physical and dematerialized form, the address of which is given below:

M/s MCS Share Transfer Agent Limited,
383, Lake Gardens, 1st Floor,
Kolkata-700 045
Phone: 0334072-4051 to 53,
Fax: 0334072-4054
e-mail-mcssta@rediffmail.com

8.9) Share transfer systems:

Transfers of Securities in physical form are registered and duly transferred share certificates are dispatched within 15 days of receipt, provided the documents are in order. With regard to Shares in demat mode, the procedure is adopted as per the provisions of Depositories Act, 1996. The Shareholders are advised to contact the Registrar and Share Transfer Agents at their address for effecting transfer of shares both in physical and electronic form.

8.10) Shares held in physical and dematerialized form:

As on 31st March 2020, 86.21% of shares of the company were held in dematerialized form and the rest in physical form. Out of the total shares, promoter and their associates own 45.4% which are in dematerialized form and rest 54.6% owned by non-promoters of which some shares in physical form. The details of shares held in Physical and dematerialized form is given below:

Details of Shares	Position as on 31.03.2020	% of holding
NSDL ACCOUNT	7934877	77.99%
CDSL ACCOUNT	979916	8.22%
TOTAL DEMAT A/C	7141648	86.21%
PHYSICAL HOLDING	235852	13.79%
TOTAL SHARES	9150645	100%

8.11) Distribution of Shareholdings as on 31st March 2020:

As of 31st March, 2020 the distribution of company share holding were as follows:

No of Equity Shares held	No of shareholders	% of shareholders	No. of shares	% of shareholding
1-500	2218	82.24	355211	3.88
501-1000	213	7.88	175332	1.92
1001-2000	115	4.26	175491	1.92
2001-3000	34	1.26	89588	0.98
3001-4000	16	0.59	58175	0.64
4001-5000	14	0.52	63880	0.7
5001-10000	23	0.85	170529	1.86
10001-50000	36	1.33	899114	9.83
50001-100000	13	0.48	987467	10.79
100001 & ABOVE	15	0.56	6175858	67.49
TOTAL	2697	100	9150645	100

8.12) Shareholding Pattern as on 31st March, 2020:

Category	No of Shares	% of Shares Capital
Indian Promoters	4250548	46.45
Private Corporate Bodies	384892	4.21
Indian Public	3907437	42.70
NRIs/OCBs	607768	6.64

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8.13) GDRs/ADRs/Warrants:

The Company has not issued any GDRs/ ADRs/Warrants during the Financial Year 2019-20.

8.14) Details of Shares held more than 1% as on 31st March, 2020 :

Name of Shareholders	No of Shares held	% of Shareholding
Shri Gopal Krishan Gupta	1372882	15.00
Shri Dillip Kumar Das	1323414	14.46
M/s. Oricon Industries Pvt. Limited	1104260	12.07
M/s. Galaxy Medicare limited	672348	7.35
M/s. Industrial Designs & Services Pvt. Limited	553173	6.05
Shri AtimKabra	200315	2.19
M/s. Frontline Venture Services Pvt. Ltd.	166502	1.82
Shri K Shiva Kumar	154936	1.69
Shri Vaibhab Rao	151519	1.66
Shri Amit Bhartia	151516	1.66
Smt. Alpana Mundra	151516	1.66
Shri N K	132016	1.44
Shri Debasis Das	131683	1.44
Shri Daga Anjana Sandeep	106419	1.16
D K Das & Sons, HUF	88953	0.97
Smt. Geetishree Das	85869	0.94

8.15). SEBI Complaints Redress System (SCORES)

Securities Exchange Board of India has introduced for quick resolution of Investors Grievances, SEBI Complaints Redressal System (SCORES). The investor complaints are processed in a centralized web based complaints redressal system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

8.16) CODE OF CONDUCT:

- a) The Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management and the the same has been hosted on the Company's website www.alfa.in. All the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct as on 31st March 2020. The declaration signed by the Chairman cum Managing Director of the Company is given below:

DECLARATION	
"I, Dillip Kumar Das, Managing Director of Alfa Transformers Limited, hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed the compliance of the code of conduct for the Financial Year ended 31st March, 2020."	
FOR AND ON BEHALF OF THE BOARD SD/-	
PLACE: BHUBANESWAR DATE: 30th June, 2020	DILLIP KUMAR DAS MANAGING DIRECTOR

- b) In terms of the Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certification by the Managing Director and Chief Finance Officer of the Company on the financial statements and internal control relating to financial reporting, obtained by the Board of Directors, is given below:



ALFA TRANSFORMERS LIMITED

Managing Director and CFO Certification

To

The Board of Directors

Alfa Transformers Ltd

We, Dillip Kumar Das, Managing Director and Ranjit Kumar Biswal, Chief Financial Officer, responsible for the finance function hereby certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2020 and to the best of our knowledge and belief :
- i) these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2020 are fraudulent, illegal or volatile of the company's code of conduct.
- c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the designs or operation of such internal controls, if any of which we are aware of have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee that :
- i) There has not been any significant change in internal control over financial reporting during the year under reference;
 - ii) There has not been any significant change in accounting policies during the year requiring disclosures in the notes to the financial statements but the Company has adopted IND-AS as per Companies Act 2013 and SEBI Circular CIR/CFD/FAC/62/2016; dated 05.07.2016 and accordingly suitable changes are being made in the financial statement; and
 - iii) We are not aware of any instances during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Bhubaneswar

Date: 30th June, 2020

Sd/-

Managing Director

Sd/-

Chief Financial Officer

8.17) Factory Locations of the Company:

- (A) 3337, Mancheswar Industrial Estate, Bhubaneswar-751010.
- (B) Plot No.1046, 1047 & 1048, GIDC Estate, Waghodia, Vadodara, Gujrat-391760.

8.18) Address for Correspondence :

Any query relating to shares and requests for transactions such as transfer, transmission and nomination facilities, duplicate share certificates, change of address, non-receipt dividend/ Annual Report, as also regarding dematerialization of shares may please be taken up with.

Company Secretary & Compliance Officer,
Alfa Transformers Limited,
Plot No. 3337, Mancheswar Industrial Estate,
Bhubaneswar- 751010.
Phone No. 9437007960

8.19) CIN Number :

The Corporate identity Number ("CIN") of the company, as allotted by Ministry of Company Affairs is **L31102OR1982PLC001151**.

FOR AND ON BEHALF OF THE BOARD

SD/-

PLACE : BHUBANESWAR

DATE : 30th June, 2020

DILLIP KUMAR DAS

MANAGING DIRECTOR

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
Alfa Transformers Limited.

1. This certificate is issued in accordance with the terms of our engagement letter dated 17th Aug, 2019.
2. This report contains details of compliance of conditions of corporate governance by Alfa Transformers Limited ('the Company') for the year ended 31st March, 2020 as stipulated in regulations 17 to 27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ('Listing Regulations') pursuant to the Listing Agreement of the Company the Bombay Stock Exchange Limited (collectively referred to as the 'Stock exchanges').

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

4. Our examination was limited to 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 opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended 31st March, 2020.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

Opinion

7. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
8. 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.

Restriction on use

9. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For PAMS & Associates,
Chartered Accountants
Firm Registration No.316079E (ICAI)

Sd/-
Satyajit Mishra
PARTNER

Membership No: 057293
ICAI UDIN-20057293AAAAEF9581

Place:Bhubaneswar
Date: 30th June, 2020



ANNEXURE “C” TO DIRECTORS’ REPORT MANAGEMENT DISCUSSION AND ANALYSIS

Transformer Industry is dependent fully on Government Policies as it is the key link between generation and end user of electric power. The Government has declared many schemes to revitalize the power sector like **Ujwal DISCOM Assurance Yojana (UDAY)**, **DeendayalUpadhyaya Gram JyotiYojana (DDUGJY)** etc. Government had also committed to generate 175 GW of Solar, Wind, mini hydel and biomass based power by 2022Government of India had also focus on attaining power for all, which resulted in the increase of the transfer market and supply side like logistics, manpower, finance etc.

At the time when all these schemes and incentives of the Government have started giving result, COVID-19 Pandemic has spoiled the environment and the Transformer Industries has effected badly. The Company was closed completely more than one month due to Locked out declared by the Government. After the factory was allowed to function, the manpower was restricted for ensuing the health and well being of all employees. Further all the process of tenders/orders is virtually stopped by Electricity Utility Companies. Until unless the effect of pandemic is completely nullify, the situation of Transformers Industries may not be improved.

REPLACEMENT DEMAND GROWTH :

The transformers installed during 1985-90 are expected to be replaced during 12th Financial Year Plan considering average transformer life of 25 years.

CORRECTION OF REGIONAL IMBALANCE:

Orissa will attract more investment based on this policy of present Government. With further initiative of the Government and strengthening the transmission grid, reduction of power losses, replacing very old transformers and picking off of exports etc. the transformer industry expects sustained growth in coming years.

STUMBLING BLOCKS :

DUAL AUTHORITY

We are concerned with distribution transformers which are installed networks at 11kv, 22kv and 33 kv transmission lines to supply power to user. The distribution transformer business Suffered from challenges last few years emerging from mandatory certification of BIS as per IS 1180 and MEPS through BEE star Programme. These two statutory regulations were not synchronized initially resulting confusion and financial burden. Dual certification and different specification increased the financial burden and created confusion in the mind of both buyer and industrial user alike. Initial absence of clarification on confusion created by these orders caused sis cord and resulted in financial burden to those who follow law and rules and Standards. Enforcing regulation on large number of small and medium industries by two Govt. of India entities is extremely difficult operations by enforcing authorities BIS and BEE because of lack of resources of trained manpower and logistics.

WARRANTY

Warranty: Discoms are demanding for guarantee period of 3 to 5 years in place 12 to 18 months which is resulting increase in requirement of bank guarantee and repair cost during guarantee period. Most of the utilities have not yet have maintenance schedule of Transformers. Once a Transformer is installed no maintenance like filtration of oil, replacement of gaskets etc. are undertaken. As a result failures are more due to lack of care than manufacturing defects under these circumstances. Demand for guarantee beyond 18 Months has become a great burden on Transformer industry. Our industry is suffering due to lack of sufficient Bank Guarantee limits. We are facing difficulties to take orders for insufficient Bank Guarantee limit. Efforts are being made by ITMA to redress the situation. However Unified oppositions to this unfair treatment are yet to be seen. Besides above, the factors like addition of huge manufacturing capacity of existing units increase in input cost and requirement of working capital will lead to subdued financial performance.

CONCLUSION :

Transformer industry is expected to go through the growth potentials in midst of issues/bottlenecks. Despite problems we expect industry would grow and expect a healthy growth will come with better regulating environment.

COMPANY’S STRATEGY :

- Focus on type testing of various rating of transformers so as to qualify more
- Empanelment with PGCIL, NTPC, Railways etc. Solar project companies
- In Vadodara Unit sales is to be increased to benefit from economies of scale leading to improved profitability and emphasis is to be given for timely execution to avoid penalty. In Bhubaneswar Unit focus is to be given on private orders, export and repairing and opt out from Govt. orders due to insufficient margin and absence of price variation clause.
- Focus on energy efficient transformers
- Technological advancement to improve performance parameters and productivity

ANNEXURE –“D” TO THE DIRECTORS REPORT

FORM-MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR 2019-20

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Alfa Transformers Limited
3337, Mancheswar Industrial Estate
Bhubaneswar -751017 (Odisha)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Alfa Transformers Limited** (hereinafter called 'the Company') for the financial year ended **31st March, 2020**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Alfa Transformers Limited for the financial year ended on 31st March, 2020, according to the provisions of:

- (i) The Companies Act, 2013 (the Act), and the Rules made there under ;
- (ii) The Companies Act, 1956 and the Rules made there under, to the extent for specified sections in the Act, not yet notified;
- (iii) The Securities Contracts(Regulation) Act, 1956 ('SCRA') and the Rules made there under ;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable during the period under report)**
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**
- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
- g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**
- (vii) Other Industry Specific laws applicable to the Company are:
Being a Company engaged in the business of manufacture of Electrical Transformer, there are no specific laws applicable to the Company, which requires approvals or compliances under any Act, Rules or Regulations.

We have also examined compliance with the applicable clauses of the following :

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).
- (ii) The Uniform Listing Agreements entered into by the Company with the BSE Limited.

During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above subject to following observation:

1) As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company being a listed Company and having an executive Chairperson, is required to have half of the Board of Directors as Independent Directors.

However, due to the sudden sad demise of an Independent Director, Dr.Nitai Chandra Palon 08.02.2020 the Company's Board was not adequately constituted for the financial year ending 31st March, 2020.

The Board of Directors in prompt reply to the vacancy so created, have appointed a Non-executive Independent Director as the Chairperson of the Company. Subsequent to such appointment, the constitution of the Board is adequate and in compliance with the provisions of the Act.

We further report that;



ALFA TRANSFORMERS LIMITED

(A) COMPOSITION OF BOARD :

During the financial year under review, the Board of Directors of the Company consists of the following Directors, as detailed below :

LIST OF DIRECTORS DURING THE FINANCIAL YEAR 2019-20				
Sl.No.	Name of the Directors	Designation	Date of Appointment	Date of Cessation
1.	Shri Dillip Kumar Das	Chairman & Managing Director	07.08.2007	—
2.	Shri Deepak Kumar Das	Whole-time- Director	28.12.1982	—
3.	Shri Debasis Das	Whole-time- Director	28.06.2004	—
4.	Shri Gopal Krishan Gupta	Executive Director	11.11.2016	—
5.	Smt. SujitaPatnaik	Non Executive Director	13.08.2014	—
6.	Shri Sambit Mohanty	Non Executive & Independent Director	27.12.2001	—
7.	Shri Basuru Nageswar Rao Patnaik	Non Executive & Independent Director	29.01.2010	—
8.	Shri Amalendu Mohanty	Non Executive & Independent Director	11.11.2016	—
9.	Shri Rahul Gupta	Non-Executive & Independent Director	01.08.2018	—
10.	Shri Vipin Aggarwal	Non-Executive Director	01.08.2018	—
11.	Shri Rabindra Nath Nayak	Non-Executive & Independent Director	14.08.2019	—
12.	Dr. Nitai Chandra Pal	Non-Executive & Independent Director	27.12.2001	08.02.2020

The Board of Directors of the Company has been duly constituted with the proper balance of Executive, Non- Executive & Independent Directors at the beginning of the financial year.

At the end of the financial year the Board was not duly constituted due to the vacancy caused by the sudden demise of Dr.N.C.Pal. However, subsequent to the appointment of a Non-Executive Chairperson, the Board is duly constituted.

(B) BOARD MEETINGS:

During the financial year under review, 5(Five) meetings of the Board of Directors i.e. from 221st to 225th were held on 03.05.2019, 24.06.2019, 14.08.2019, 13.11.2019, 13.02.2020 respectively.

For all the Board meetings, adequate notice was given to all Directors. Agenda and detailed notes on agenda were sent at least 7 days in advance and the Company has a system for seeking and obtaining further information and clarifications on the agenda items placed before the meetings for the meaningful participation at the meetings.

The requisite quorum was present in all the Board Meetings held during the financial year as per the provisions of the Companies Act, 2013, Rules, Guidelines, Regulations, Standards and as per the requirements of the Articles of Association of the Company. All decisions at the Board Meetings were carried out unanimously and recorded in the minutes of the meetings.

(C) Separate Meeting of the Independent Directors:

As per the provisions of Section 149(8) of the Companies Act, 2013 read with Clause VII of Schedule IV to the Act, one separate meeting of Independent Directors of the Company is required to be held during the Financial Year under report.

Due to the current global pandemic COVID-19 prevailing, the Independent Directors of the Company have not been able to hold their meeting.

However, as per General Circular No. 11/2020, dated 24th March, 2020 for the financial year 2019-20, if the Independent Directors of a company have not been able to hold such a meeting, the same shall not be viewed as a violation.

(D) STATUTORY COMMITTEES OF THE BOARD:

I. Audit Committee:

The Audit Committee of the Company has been constituted as per the provisions of Section 177 of the Companies Act, 2013, Rules, Guidelines, Regulations and Standards.

During the financial year under review, the Committee consists of the following Directors:

- | | | |
|----|----------------------------------|----------|
| 1. | Shri Basuru Nageswar Rao Patnaik | Chairman |
| 2. | Shri Sambit Mohanty | Member |
| 3. | Shri Amalendu Mohanty | Member |

Dr.Nitai Chandra Pal ceased to be a member of the Committee on his cessation from the Board of Directors of the Company w.e.f. 08.02.2020.

During the period under review, 4 (Four) Audit Committee meetings of the Company were held on 24.06.2019, 14.08.2019, 13.11.2019, & 12.02.2020 respectively.

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II. Nomination & Remuneration Committee:

The Nomination & Remuneration Committee of the Company has been constituted as per the provisions of Section 177 of the Companies Act, 2013, Rules, Guidelines, Regulations and Standards.

During the financial year under review, the Committee consists of the following Directors:

- | | |
|-------------------------------------|----------|
| 1. Shri Basuru Nageswar Rao Patnaik | Chairman |
| 2. Shri Sambit Mohanty | Member |
| 3. Shri Amalendu Mohanty | Member |

Dr. Nitai Chandra Pal ceased to be a member of the Committee on his cessation from the Board of Directors of the Company w.e.f. 08.02.2020.

During the financial year under review, 2(Two) meetings of the Nomination & Remuneration Committee meetings were held on 24.06.2019 & 14.08.2019 respectively.

III. Share Transfer & Investor Grievance Committee :

During the financial year under review, the Committee consists of the following Directors:

- | | |
|-------------------------------------|----------|
| 1. Shri Basuru Nageswar Rao Patnaik | Chairman |
| 2. Shri Deepak Kumar Das | Member |
| 3. Shri Debasis Das | Member |

During the period under review, 4 (Four) Share Transfer & Investor Grievance Committee meeting of the Company were held on 28.05.2019, 23.08.2019, 29.11.2019, & 20.02.2020 respectively.

For all the Committee meetings, adequate notice was given to all Directors. Agenda and detailed notes on agenda were sent at least 7 days in advance and the Company has a system for seeking and obtaining further information and clarifications on the agenda items placed before the meetings for the meaningful participation at the meetings.

The requisite quorum was present in all the Committee Meetings held during the financial year as per the provisions of the Companies Act, 2013, Rules, Guidelines, Regulations, Standards and as per the requirements of the Articles of Association of the Company. All decisions at the Committee Meetings were carried out unanimously and recorded in the minutes of the meetings.

(E) Registrar and Share Transfer Agent:

M/s. MCS Share Transfer Agent Limited, Kolkata is the Registrar and Share Transfer Agent (RTA) of the Company.

(F) Maintenance of Statutory Records :

All Statutory Registers, records and other registers as prescribed under various provisions of the Companies Act, 2013, the Depositories Act, 1996 and the rules made there under were kept and maintained by the Company properly with all necessary entries made therein.

(G) Filing of Statutory Returns:

All provisions of the Act and other statutes were duly complied with regard to filing of various e-forms and returns with the Registrar of Companies within the prescribed time limit with payment of requisite/prescribed fees.

All documents/intimations under various Statutes/Listing Regulations/ Business Rules were also regularly filed with the Stock Exchanges and Depositories (NSDL and CDSL) within the prescribed due dates.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, guidelines and standards.

**For Saroj Ray & Associates
Company Secretaries**

Sd/-

**CS Aditi Patnaik, ACS
Partner**

CP: 18186, ACS: 45308

UDIN:A045308B000387232

Date: 26.06.2020

Place: Bhubaneswar

(This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report)



ALFA TRANSFORMERS LIMITED

ANNEXURE – A

To,
The Members
Alfa Transformers Limited
3337 Mancheswar Industrial Estate
Bhubaneswar -751017 (Odisha)

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verifications were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed by the Company provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Saroj Ray & Associates
Company Secretaries**

**Date: 22.06.2020
Place: Bhubaneswar**

**Sd/-
CS Aditi Patnaik, ACS
Partner
CP: 18186, ACS: 45308
UDIN:A045308B000387232**

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ANNEXURE “E” TO THE DIRECTORS REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS :

1.	CIN	L31102OR1982PLC 001151
2.	Registration Date	28/12/1982
3.	Name of the Company	ALFA TRANSFORMERS LIMITED
4.	Category/Sub-category of the Company	Company Limited by shares/ India Non- Government Company
5.	Address of the Registered office & contact details	Plot No. 3337, Mancheswar Industrial Estate, Bhubaneswar –751010
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s MCS Share Transfer Agent Limited, 383, Lake Gardens, 1st Floor, Kolkata-700 045, Phone: 4072-4051to53, Fax: 4072-4054

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacturing and Repairs of electrical transformers	31102	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ASSOCIATE	% of shares held	Applicable Section
1.	ALFA TRANSFORMERS LIMITED Address: Plot No. 3337, Mancheswar Industrial Estate, Bhubaneswar –751010	L31102OR1982PLC001151	NA	NA	NA

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1772562	0	1772562	19.37	1920767	0	1920767	20.99	1.62
b) Central Govt	—	—	—	—	—	—	—	—	—
c) State Govt(s)	—	—	—	—	—	—	—	—	—
d) Bodies Corp.	2381804	0	2381804	26.03	2329781	0	2329781	25.46	(0.57)
Total shareholding of Promoter (A)	4154366	0	4154366	45.40	4250548	0	4250548	46.45	1.05
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	—	—	—	—	—	—	—	—	—
b) Banks / FI	—	—	—	—	—	—	—	—	—
c) Central Govt	—	—	—	—	—	—	—	—	—
d) State Govt(s)	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies	—	—	—	—	—	—	—	—	—
g) FIIs	—	—	—	—	—	—	—	—	—
h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
i) Others (specify)	—	—	—	—	—	—	—	—	—
Sub-total (B)(1):-	—	—	—	—	—	—	—	—	—



ALFA TRANSFORMERS LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.	287264	229258	516522	5.64	382992	1900	384892	4.21	(1.43)
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	879377	252352	1131729	12.37	1648097	190052	1838149	20.09	7.72
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3021596	0	3021596	33.02	2069288	0	2069288	22.61	(10.41)
c) Others (specify)									
Non Resident Indians	282532	43900	326432	3.57	563868	43900	607768	6.64	3.07
Overseas Corporate Bodies	—	—	—	—	—	—	—	—	—
Foreign Nationals	—	—	—	—	—	—	—	—	—
Clearing Members	—	—	—	—	—	—	—	—	—
Trusts	—	—	—	—	—	—	—	—	—
Foreign Bodies - D R	—	—	—	—	—	—	—	—	—
Sub-total (B)(2):-	4470769	525510	4996279	54.60	4664245	235852	4900097	53.55	(1.05)
Total Public Shareholding									
(B)=(B)(1)+ (B)(2)	4470769	525510	4996279	54.60	4664245	235852	4900097	53.55	(1.05)
C. Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	8625135	525510	9150645	100	8914793	235852	9150645	100	—

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	DILLIP KUMAR DAS	1187961	12.98	—	1323414	14.46	—	1.48
2	INDUSTRIAL DESIGNS & SERVICES PVT. LTD	780842	8.53	—	553173	6.05	—	(2.48)
3	M/S GALAXY MEDICARE LTD	779348	8.52	—	672348	7.35	—	(1.17)
4	ORICON INDUSTRIES PVT. LIMITED	821614	8.98	—	1104260	12.07	—	3.09
5	DEBASIS DAS	131683	1.44	—	131683	1.44	—	0.00
6	GETISHREE DAS	73117	0.80	—	85869	0.94	—	0.14
7	D K DAS & SONS (HUF)	88953	0.97	—	88953	0.97	—	0.00
8	DEEPAK KUMAR DAS	67000	0.73	—	67000	0.73	—	0.00
9	ANINDITA DAS	42008	0.46	—	42008	0.46	—	0.00
10	SUBHASIS DAS	64659	0.71	—	64659	0.71	—	0.00
11	ADITYA DAS	21000	0.23	—	21000	0.23	—	0.00
12	PARMITA DAS	27001	0.30	—	27001	0.30	—	0.00
13	KIRAN DAS	37390	0.41	—	37390	0.41	—	0.00
14	LOPA DAS	31790	0.35	—	31790	0.35	—	0.00

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C) Change in Promoters' Shareholding :

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	DILLIP KUMAR DAS	1187961	12.98	—	—
	Add: Purchase of shares during the year	—	—	135453	—
	Add: Allotment of shares on private placement	—	—	—	—
	At the end of the year	—	—	1323414	14.46
2.	M/S GALAXY MEDICARE LTD	779348	8.52	—	—
	Add: Purchase during the year	—	—	—	—
	Less: Sale during the Year	—	—	107000	—
	Add: Allotment of shares on private placement	—	—	—	—
	At the end of the year	—	—	672348	7.35
3.	INDUSTRIAL DESIGNS & SERVICES PVT. LTD.	780842	8.53	—	—
	Add: Purchase during the year	—	—	5000	—
	Less: Sale during the Year	—	—	232669	—
	Add: Allotment of shares on private placement	—	—	—	—
	At the end of the year	—	—	553173	6.05
4.	M/S ORICON INDUSTRIES PRIVATE LTD	821614	8.98	—	—
	Add: Purchase during the year	—	—	282646	—
	Add: Allotment of shares on private placement	—	—	—	—
	At the end of the year	—	—	1104260	12.07
5.	GEETISHREE DAS	73117	0.80	—	—
	Add: Purchase during the year	—	—	12752	—
	Add: Allotment of shares on private placement	—	—	—	—
	At the end of the year	—	—	85869	0.94

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ATIM KABRA	200315	2.19	200315	2.19
2	FRONTLINE VENTURE SERVICES PVT. LTD.	166502	1.82	166502	1.82
3	K SHIVA KUMAR	154936	1.69	154936	1.69
4	VAIBHAV RAO	151519	1.66	151519	1.66
5	AMIT RAMESH BHARTIA	151516	1.66	151516	1.66
6	ALPANA MUNDRA	151516	1.66	151516	1.66
7	N K	132016	1.44	132016	1.44
8	DAGA ANJANA SANDEEP	106419	1.16	106419	1.16
9	MUKESH KUMAR CHHAGANLAL	75758	0.83	75758	0.83
10	RATNABALI INVESTMENT PVT. LTD.	75758	0.83	75758	0.83
11	HARSHVARDHAN HIMMATSINGHKA	75758	0.83	75758	0.83
12	NIMISH CHANDULAL SHAH	75758	0.83	75758	0.83
13	PUNIT KHANNA	75758	0.83	75758	0.83



ALFA TRANSFORMERS LIMITED

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Dillip Kumar Das	1187961	12.98	—	—
	Add: During the year	—	—	135453	—
	At the end of the year	—	—	1323414	14.46
2	Deepak Kumar Das	67000	0.73	—	—
	Add: During the year	—	—	—	—
	At the end of the year	—	—	67000	0.73
3.	Debasis Das	131683	1.44	—	—
	Add: During the year	—	—	—	—
	At the end of the year	—	—	131683	1.44
4.	GopalKrishan Gupta	1372882	15.00	—	—
	Add: During the year	—	—	—	—
	At the end of the year	—	—	1372882	15.00
5.	Ranjit Kumar Biswal (CFO)	—	—	—	—
	Add: During the year	—	—	—	—
	At the end of the year	—	—	400	0.004
6.	Amarnath Tripathy (CS)	—	—	—	—
	Add: During the year	—	—	—	—
	At the end of the year	—	—	—	—

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

PARTICULARS	Secured Loans Excluding Deposits						Deposits	Total Indebtedness
	Cash Credit		Interest on Cash Credit		Axis Bank Limited			
	SBI	Axis Bank	SBI	Axis Bank	Term Loan	Interest on Term Loan		
Indebtedness at the beginning of the financial year								
i) Principal Amount	438.25	251.95	—	—	45.30	—	—	735.50
ii) Interest due but not paid	—	—	—	—	—	0.47	—	0.47
iii) Interest accrued but not due	—	—	—	—	—	—	—	—
Total (i+ii+iii)	438.25	251.95	—	—	45.30	0.47	—	735.97
Change in Indebtedness during the financial year								
* Addition	1513.26	3204.46	48.76	31.86	—	4.7	—	4803.04
* Reduction	1575.67	3263.98	45.10	31.86	13.2	4.83	—	4934.64
Net Change	(62.41)	(59.52)	3.66	—	(13.20)	(0.13)	—	(131.60)
Indebtedness at the end of the financial year								
i) Principal Amount	375.84	192.43	—	—	32.10	—	—	600.37
ii) Interest due but not paid	—	—	—	—	—	0.34	—	0.34
iii) Interest accrued but not due	—	—	3.66	—	—	—	—	3.66
Total (i+ii+iii)	375.84	192.43	3.66	—	32.10	0.34	—	604.37

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Dillip Kumar Das	Deepak Kumar Das	Debasis Das	Gopal Krishan Gupta	Total Amount
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1500000	766659	800000	1500000	4566659
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	150000	80000	78387	150000	458387
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	—	—	—	—	—
2	Stock Option	—	—	—	—	—
3	Sweat Equity	—	—	—	—	—
4	Commission — as % of profit — others, specify...	—	—	—	—	—
5	Others, please specify	—	—	—	—	—
	Total (A)	1650000	846659	878387	1650000	5025046

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B. Remuneration to other directors (Seating fees)

SN.	Name of Directors	Total Seating Fees
1	Shri Basuru Nageswar Rao Patnaik (Independent)	20000.00
2	Shri Amalendu Mohanty (Independent)	18000.00
3	Shri Rahul Gupta (Independent)	--
4	Shri Sambit Mohanty (Independent)	--
5	Dr. Nitai Chandra Pal (Independent)	4000.00
6	Smt. Sujita Patnaik (Non-Executive)	8000.00
7	Shri Vipin Aggarwal (Non-Executive)	--

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel		
		CEO	CS	Total
1	Gross salary	N.A		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	830100.00	402987.00	1233087.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—	—
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—
2	Stock Option	—	—	—
3	Sweat Equity	—	—	—
4	Commission - as % of profit others, specify...	—	—	—
5	Others, please specify Total	830100.00	402987.00	1233087.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority[RD / NCLT/ COURT]	Appeal made,if any (give Details)
A. Company :					
Penalty					
Punishment			None		
Compounding					
B. Director :					
Penalty					
Punishment			None		
Compounding					
C. Other Officers in Default :					
Penalty			None		
Punishment					
Compounding					

**INDEPENDENT AUDITORS' REPORT****To the Members of ALFA TRANSFORMERS LIMITED****Report on the Financial Statements****OPINION**

We have audited the accompanying Ind AS financial statements of ALFA TRANSFORMERS LIMITED ("hereinafter referred to as the Company") comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit/Loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

EMPHASIS OF MATTER

We draw attention to the following matters on the financial statements:

Since the party conformation from Sundry Debtors from Gujarat Power sector companies are yet to be received as on 31-03-2020 due to lock down and Covid-19 situation, the Debtors balances have been considered as per the figures appearing in the books of accounts of the Company. As on the date the deductions made from the receivables amounting to Rs. 85,11,600/- which is disputed by the company because of the non-availability of supporting documents from the debtors are included in the Sundry Debtor balance.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of utmost significance in our audit of the financial statements for the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matters	Auditor's Response
1	Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115	We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: (i) Verification of purchase order w.r.t. quantity, rate etc. (ii) Delivery of the material, Collection w.r.t the bill etc. (iii) Recognition of future obligation towards warranty repairing liability based on the past trend as measured by the management.
2	Valuation of the Inventory in view of adoption of Ind AS 2 "Inventories"	We assessed the Company's process to identify the impact of adoption of the new inventory accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: (i) Verifying the records available with the company for movement of stocks. (ii) Obtaining valuation certificate from the company. (iii) Relying on the Internal Audit Report of Auditor. (iv) Relying on the quantitative balance as per books of accounts of company in the absence of physical verification report due to this Covid 19.
3	Recognition and Confirmation of Balances of Sundry Debtors	We assessed the Company's process to identify the balance of Sundry Debtors in Books of Accunts. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: (i) We have relied on the accounting and figures as provided to us for audit.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We have considered quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.



ALFA TRANSFORMERS LIMITED

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. the Balance Sheet, the Statement of Profit and Loss including the statement of consolidated Other Comprehensive income, the Cash Flow Statement and statement of changes in Equity dealt with by this Report are in agreement with the books of account.
 - d. in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e. On the basis of written representations received from the directors of the holding company as on March 31, 2020 taken on record by the Board of Directors of the company none of the directors of the company, is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**" to this report.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Bhubaneswar
Date : 30th June, 2020

For PAMS & ASSOCIATES,
CHARTERED ACCOUNTANTS
Sd/-

Satyajit Mishra
Membership No. 057293
Firm Registration No. 316079E (ICAI)
UDIN : 20057293AAAADW2853

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

“Annexure A” to the Independent Auditor’s Report of even date on the Financial Statements of ALFA TRANSFORMERS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **ALFA TRANSFORMERS LIMITED** (“the Company”) as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Group’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

**For PAMS & ASSOCIATES,
CHARTERED ACCOUNTANTS**

Sd/-

Satyajit Mishra

Membership No. 057293

Firm Registration No. 316079E (ICAI)

UDIN : 20057293AAAADW2853

Bhubaneswar

Date : 30th June, 2020

**“ANNEXURE B” TO THE INDEPENDENT AUDITORS’ REPORT**

(Referred to in paragraph 2 of Report on Other Legal and Regulatory Requirements of our report of even date).

Referred to in paragraph 2 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2020 :

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Company has a program of verification its fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.
- 2) As explained to us, the inventories were physically verified during the year by the management at a reasonable interval and if any discrepancies arises the same is adjusted in the books of accounts. Based on this we have relied the closing figure of inventory as per books of accounts of company and we have not made any physical verification of inventory due to this Covid 19.
- 3) According to the information and explanation given to us, the company has not granted any loan , secured or unsecured to parties covered in the register maintained under section 189 of the companies Act,2013(“the Act”).Accordingly the provision of clause 3(iii)(b)(c) of the order not applicable to the company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- 6) We have reviewed that the cost records maintained by the company includes the records prescribed by the Central Government under section 148(1) of the Act. for the products of the company and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however not made a details examination of the cost records with a view to determine whether they are accurate or complete.
- 7) (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Services Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Services Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2020 on account of dispute are given below:

Name of the Statute	Financial Year	Dispute (in brief)	Disputed Amount Rs.	Forum where dispute is pending
Income Tax Act,1961	1994-95	Deduction U/S 80 I disallowed in assessment	2,77,227	High Court of Orissa
Central Sales Tax,1956	1990-91	Disallowance of CST exemption	1,08,000	Commissioner of Sales Tax, Bhubaneswar
Central Sales Tax,1956	1991-92	Disallowance of CST exemption	15,50,740	Sales Tax Tribunal
Central Sales Tax, 1956	2012-14	Disallowance of CST Exemption	2 ,25,068	1st Appeal before JCST, Bhubaneswar Range, Bhubaneswar
The Orissa Entry Tax Act, 1999	2005-06, 2006-07, 2007-08	Demand on Purchase of Raw Materials	87,06,714	Orissa High Court, Cuttack
TOTAL			1,08,67,749	

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- 8) The Company has not defaulted in repayment of dues to any financial institutions, banks and debenture holders.
- 9) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) As per information and explanations given to us, the company not has made preferential allotment of shares which is duly disclosed in the financial statement of the company and has not issue any fully or partly convertible debentures during the year.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

Bhubaneswar
Date : 30th June, 2020

**For PAMS & ASSOCIATES,
CHARTERED ACCOUNTANTS**
Sd/-
Satyajit Mishra
Membership No. 057293
Firm Registration No. 316079E (ICAI)
UDIN : 20057293AAAADW2853


BALANCE SHEET AS AT 31ST MARCH 2020

(₹ in Lakhs)

Particulars	Note No.	As at 31st March 2020		As at 31st March 2019	
I. ASSETS					
1 Non-Current Assets					
a) Property, Plant and Equipments	1	2940.16		3032.95	
b) Capital Work-in-Progress		47.24		2.90	
c) Investment Property		3.68		4.05	
d) Intangible Assets		3.25		4.70	
e) Financial Assets					
(i) Investments	2	0.65		0.65	
(ii) Trade receivable		---		---	
(iv) Loans		---		---	
(v) Other Financial Assets		---		---	
f) Other Non-Current Assets	3	49.96		39.78	
			3044.94		3085.03
2 Current assets					
(a) Inventories	4	973.30		1088.74	
(b) Financial Assets					
(i) Investments		---		---	
(ii) Trade Receivables	5	517.51		1233.85	
(iii) Cash and Cash equivalents	6	25.07		1.20	
(iv) Other Bank Balances	7	395.00		616.19	
(v) Loans		---		---	
(vi) Other Financial Assets	8	48.89		51.47	
(c) Current Tax Assets (Net)		---		---	
(d) Other Current Assets	9	185.08		110.07	
			2144.85		3101.52
TOTAL ASSETS			5189.79		6186.55
II. EQUITY AND LIABILITIES					
1 Equity					
(a) Equity Share Capital	10	915.06		915.06	
(b) Other Equity	11	2249.09		3023.90	
			3164.15		3938.96
2 Non-Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	12	17.44		32.57	
(ii) Trade Payables		---		---	
(iii) Other Financial Liabilities		---		---	
(b) Provisions	13	57.60		48.57	
(c) Deferred Tax Liabilities (Net)	14	112.89		112.89	
(d) Other Non-Current Liabilities	15	4.91		---	
			192.84		194.03
3 Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	16	568.27		690.20	
(ii) Trade Payables	17	944.09		1199.23	
(iii) Other Financial Liabilities	18	111.25		105.80	
(b) Other Current Liabilities	19	205.99		57.09	
(c) Provisions	20	3.20		1.24	
(d) Current Tax Liabilities (Net)		---		---	
			1832.80		2053.56
TOTAL EQUITY AND LIABILITIES			5189.79		6186.55
SIGNIFICANT ACCOUNTING POLICIES	28				
ADDITIONAL NOTES ON ACCOUNTS	29				

THE NOTES REFERRED ABOVE FORM PART OF FINANCIAL STATEMENTS.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

 FOR PAMS & ASSOCIATES
 CHARTERED ACCOUNTANTS
 FIRM REG. NO-316079E

 SATYAJIT MISHRA
 PARTNER
 Membership No.057293
 BHUBANESWAR
 DATED : 30th June, 2020

 DILLIP KUMAR DAS
 MANAGING DIRECTOR

 AMARNATH TRIPATHY
 COMPANY SECRETARY

 DEEPAK KUMAR DAS
 DIRECTOR (FINANCE)

 RANJIT K. BISWAL
 CHIEF FINANCIAL OFFICER

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STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2020

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
I. Revenue from Operations	21	3298.05	6472.14
II. Other Income	22	32.55	42.40
III. Total Income (I + II)		3330.60	6514.54
IV. EXPENDITURE :			
Cost of Materials Consumed	23	2830.63	5115.10
Changes in Inventories of Finished Goods Work-in-Progress	24	(112.85)	161.70
Employee benefits expense	25	287.39	312.97
Excise Duty on Sale of Goods			
Finance Costs	26	135.30	181.72
Depreciation and Amortization expense	1	121.89	122.20
Other Expenses	27	831.03	764.72
Total Expenses		4093.39	6658.41
V. Profit/(Loss) Before Exceptional Items and Tax (III-IV)		(762.79)	(143.87)
VI. Exceptional Items		—	—
VII. Profit/(Loss) Before Tax (V- VI)		(762.79)	(143.87)
VIII. Tax Expenses :			
(1) Current Tax		---	---
(2) Income Tax earlier year		---	2.71
(3) Deferred Tax Assets/(Liabilities) [Net]		---	---
IX Profit/(Loss) for the period (VII-VIII)		(762.79)	(141.16)
X. Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		---	---
(ii) Income tax relating to items that will not be reclassified to profit or loss			
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
XI Total Comprehensive Income for the year (IX+X)		(762.79)	(141.16)
XII Earning per equity share (for continuing operation)			
(1) Basic (in ₹)		(8.34)	(1.54)
(2) Diluted			
SIGNIFICANT ACCOUNTING POLICIES	28		
ADDITIONAL NOTES ON ACCOUNTS	29		

THE NOTES REFERRED ABOVE FORM PART OF FINANCIAL STATEMENTS.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR PAMS & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO-316079E
SATYAJIT MISHRA
PARTNER
Membership No.057293
BHUBANESWAR
DATED : 30th June, 2020

DILLIP KUMAR DAS
MANAGING DIRECTOR

AMARNATH TRIPATHY
COMPANY SECRETARY

DEEPAK KUMAR DAS
DIRECTOR (FINANCE)

RANJIT K. BISWAL
CHIEF FINANCIAL OFFICER


CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

(₹ in Lakhs)

PARTICULARS	Year Ended 31-03-2020	Year Ended 31-03-2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before taxes	(762.79)	(141.16)
Add :		
Depreciation, amortisation and impairment of assets	121.89	122.20
Bad Debts Written off/Provisions & Liquidated Damages etc.	4.81	164.95
Written off of Discarded Assets	19.21	---
Long Term Provisions	4.91	---
	(611.97)	145.99
Less :		
Interest Income	32.55	29.16
Balances written back	12.02	1.22
	44.57	30.38
Operating Profit / (Loss) before Working Capital Changes	(656.54)	115.61
Adjustment for changes in Working Capital :		
(Increase)/Decrease in Inventories	115.44	166.84
(Increase)/Decrease in Sundry Debtors/Receivables	711.53	379.68
(Increase)/Decrease in Other Financial Assets	2.58	4.00
(Increase)/Decrease in Other Current Assets	(75.01)	(13.93)
Increase/(Decrease) in Short Term Borrowings	(121.93)	(62.35)
Increase/(Decrease) in Trade Payables	(255.14)	(847.17)
Increase/(Decrease) in Short Term Financial Liability	5.45	25.99
Increase/(Decrease) in Other Current Liability	148.90	(3.57)
Increase/(Decrease) in Provision	10.99	2.73
Cash (used in)/generated from operating activities before taxes	(113.73)	(232.17)
Direct taxes paid (Net of refunds/adjustments)	---	---
Net Cash (used in)/ generated from operating activities	(113.73)	(232.17)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets/Capital Work-In-Progress	(90.83)	(63.66)
(Increase)/Decrease in Fixed Deposits	221.19	(362.54)
Increase/(Decrease) in Other Non Current Asset	(10.18)	(4.62)
Interest Received	32.55	29.16
Investment	---	12.67
NET CASH FLOW FROM INVESTING ACTIVITIES	152.73	(388.99)

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

(₹ in Lakhs)

PARTICULARS	Year Ended 31-03-2020	Year Ended 31-03-2019
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Secured Borrowings	(15.13)	(12.73)
Increase in Share Capital	---	630.90
(Decrease) in Unpaid Dividend Account	---	---
NET CASH GENERATED FROM FINANCING ACTIVITIES	(15.13)	618.17
Net Increase in cash and cash equivalents(A+B+C)	23.87	(2.99)
Cash and cash equivalents at the beginning of the year	1.20	4.19
CASH & CASH EQUIVALENTS at the end of the year	25.07	1.20
Note : Cash and Cash equivalents include :		
-- Cash	0.32	0.31
-- Balance with Schedule Banks	24.75	0.89
	25.07	1.20

Note :

1. All figures in brackets are outflow of cash.
2. Cash flow statement has been prepared under the indirect method as set out in INDAs-7 issued by the Institute of Chartered Accountants of India.
3. Previous year figures regrouped/recast where ever necessary.

THE NOTES REFERRED ABOVE FORM PART OF FINANCIAL STATEMENTS.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR PAMS & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO-316079E

DILLIP KUMAR DAS
MANAGING DIRECTOR

DEEPAK KUMAR DAS
DIRECTOR (FINANCE)

SATYAJIT MISHRA
PARTNER
Membership No.057293

AMARNATH TRIPATHY
COMPANY SECRETARY

RANJIT K. BISWAL
CHIEF FINANCIAL OFFICER

BHUBANESWAR
DATED : 30th June, 2020


NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
1. FIXED ASSETS :
(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
a) PROPERTY, PLANT & EQUIPMENTS		
i) Land		
Opening WDV Balance	1113.79	1130.21
Add : Addition during the period	---	---
Less : Depreciation during the period	16.42	16.42
Closing WDV Balance	1097.37	1113.79
ii) Plant & Equipments		
Opening WDV Balance	1919.16	1961.96
Add : Addition during the period	30.19	64.68
Less : Discposal/ Adjustments	18.87	3.51
Less : Depreciation during the period	103.65	105.11
Add : Depreciation during the period	15.96	1.15
Closing WDV Balance	1842.79	1919.16
b) CAPITAL WORK IN PROGRESS		
Opening WDV Balance	2.90	2.90
Add : Addition during the period	60.64	3.36
Less : Discposal/ Adjustment	16.30	3.36
Closing WDV Balance	47.24	2.90
c) INVESTMENT PROPERTY		
Opening WDV Balance	4.05	4.42
Add : Addition during the period	---	---
Less : Depreciation during the period	0.37	0.37
Closing WDV Balance	3.68	4.05
d) INTANGIBLE ASSETS		
Opening WDV Balance	4.70	3.66
Add : Addition during the period	---	2.50
Less : Depreciation during the period	1.45	1.45
Closing WDV Balance	3.25	4.70
TOTAL FIXED ASSETS		
Opening WDV Balance	3044.60	3103.15
Add : Addition during the period	90.83	70.54
Less : Discposal/ Adjustment	35.17	6.87
Less : Depreciation during the period	121.89	122.21
Add : Depreciation during the period	15.96	---
Closing WDV Balance	2994.33	3044.60

2. NON-CURRENT INVESTMENTS (Valued at Cost)
(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Long Term Investments : (Unquoted, at cost)		
I. Trade Investments		
a) 15,000 Equity Shares of Rs.10/- each in Talaja Conductors Pvt. Ltd.	---	1.50
Less: Provision for Permanent diminution of value	---	1.50
II. Other Investments		
5000 Equity Shares of Rs.10/- each with a premium of Rs.3/- each in Utkal Infrastructure Consortium (P) Ltd.	0.65	0.65
Total	0.65	0.65

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3. OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

(Un secured and Considered Good)

Particulars	As at 31st March 2020	As at 31st March 2019
Gratuity Fund With LIC	28.19	22.19
Deferred Revenue Expenditure	21.77	17.59
Total	49.96	39.78

4. INVENTORIES (*)

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Indigenous Raw materials & Components	354.61	588.62
Imported Raw materials & Components	40.66	34.94
Semi-finished goods	159.84	331.00
Finished goods	418.19	134.18
Total	973.30	1088.74

(*) s certified by the Management and Valued as per Accounting Policy Note No. 28 (3.13)

5. TRADE RECEIVABLES

(₹ in Lakhs)

(Un secured and Considered Good)

Particulars	As at 31st March 2020	As at 31st March 2019
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured - Considered Good	189.22	268.47
- Considered Doubtful	---	---
	189.22	268.47
Less: Provision for doubtful debts	---	---
	189.22	268.47
Trade receivables outstanding for a period less than six months from the date they are due for payment		
-- Considered Good	328.29	965.38
	328.29	965.38
Total	517.51	1233.85

6. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
a) Balances with banks		
-- In Current Account	24.75	0.89
b) Cash on hand	0.32	0.31
Total	25.07	1.20

7. OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
--- In Deposits Account - SBI, Commercial Branch	112.40	114.91
--- In Deposits Account - Axis Bank Limited	282.60	501.28
Total	395.00	616.19

(#) Deposit account includes Margin Money kept with Bank for opening of Letter of Credit and Bank Guarantees :

Maturing within 3 Months	11.58	10.85
Maturing within 3 and 12 Months	232.29	560.78
Maturity period more than 12 Months	151.13	44.56


8. OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
National Savings Certificates	0.02	0.02
Security Deposits	23.90	23.68
Deposit with Sales Tax Authorities	20.79	23.80
Interest accrued on Term Deposits	1.74	1.53
Earnest Money Deposits	2.44	2.44
Total	48.89	51.47

9. OTHER CURRENT ASSETS

(₹ in Lakhs)

(Unsecured and Considered Good)

Particulars	As at 31st March 2020	As at 31st March 2019
Advance to suppliers and staff	46.40	28.95
Advance Income Tax (Net of Provisions)	2.30	12.24
Deposit with GST Authorities	88.32	20.81
Prepaid Expenses	48.06	48.07
Total	185.08	110.07

10. SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March 2020		As at 31st March 2019	
	No. of Shares in lakhs	Amount	No. of Shares in lakhs	Amount
a) Share Capital				
<u>Authorised Share Capital</u>				
Equity Shares of Rs. 10/- Each	120.00	1200.00	120.00	1200.00
<u>Issued, Subscribed & Paid up:</u>				
Equity Shares of Rs. 10/- each fully paid up	91.51	915.06	91.51	915.06
b) Share Warrants				
Money received against share warrants	---	---	---	113.81

a) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting year :

Particulars	As at 31st March 2020		As at 31st March 2019	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
Shares outstanding at the beginning of the year	9150645	91506450	7395000	73950000
Share Issued during the year	---	---	1315645	13156450
Warrants converted to Shares during the year	---	---	4440000	44400000
Shares brought back during the year	---	---	---	---
Shares outstanding at the end of the year	9150645	91506450	9150645	91506450

b) Terms/rights attached to equity shares :

The Company has only one class of equity shares having par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share.

c) Details of Shareholders holding more than 5% shares :

(₹ in Lakhs)

Name of Shareholders	As at 31st March 2020		As at 31st March 2019	
	No. of Shares in lakhs	% held	No. of Shares in lakhs	% held
Dillip Kumar Das	13.23	14.46%	11.88	12.98%
Industrial Designs & Services Private Limited	5.53	6.05%	7.81	8.53%
Gopal Krishan Gupta	13.73	15.00%	13.73	15.00%
Galaxy Medicare Limited	6.72	7.35%	7.79	8.52%
Oricon Industries Private Limited	11.04	12.07%	8.22	8.98%

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11. OTHER EQUITY

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
a. Capital Reserves		
Opening Balance of Investment Subsidy	9.92	9.92
Add : Current Year Transfer (Forefeiture of Share Warrant)	113.81	---
Less : Written Back in Current Year (Investment Subsidy)	(9.92)	---
Closing Balance	113.81	9.92
b. Share Premium Account		
Opening Balance as per Last Balance Sheet	1610.84	1241.67
Add : Current Year Transfer	---	369.17
Less : Written Back in Current Year	---	---
Closing Balance	1610.84	1610.84
c. General Reserve		
Opening Balance as per Last Balance Sheet	821.99	747.76
Add : Transferred from Revaluation Reserve	65.79	74.23
Closing Balance	887.78	821.99
d. Revaluation Reserve		
Opening Balance as per Last Balance Sheet	1800.83	1875.06
Less : Transferred to General Reserve	(65.79)	(74.23)
Less: Charged to revenue for Discarded Asset	(2.09)	---
Closing Balance	1732.95	1800.83
e. Advance for Shares & Warrant Money		
Opening Balance as per Last Balance Sheet	113.81	27.65
Add : Received During the Year	---	196.74
Less : Allotted during the year	---	(110.57)
Less Forefeiture of Share Warrants	(113.81)	---
Closing Balance	---	113.82
f. Other Compressive Income		
Opening Balance as per Last Balance Sheet	(0.91)	(0.91)
Closing Balance	(0.91)	(0.91)
g. Profit and Loss Account		
Opening Balance as per Last Balance Sheet	(1332.59)	(1191.43)
Less : Profit/(Loss) for the year	(762.79)	(141.16)
Closing Balance	(2095.38)	(1332.59)
Total	2249.09	3023.90

12. BORRWINGS

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
SECURED LOAN		
Term Loan from Axis Bank Limited	17.44	32.57
Total	17.44	32.57

Terms and Conditions Secured Loans as set out below :

Particulars	Term Loan Axis Bank Ltd
Period of maturity with reference to Balance Sheet Date	23 Months
Number of Instalments outstanding as at 31st March, 2020	23
Outstanding amount of Instalments as at 31st March, 2020	32.10
Rate of Interest	11.90%

The Term Loan availed from Axis Bank Limited is secured by :

Primary Security : NIL

Collateral Security :

- Hypothecation charge on all the movable fixed assets, furniture/ fixtures both present and future of the company at its vadodara unit (except specific assets charged to other Banks/FIs and vehicles)
- Extension of Euitable Mortgage over lease hold right of the industrial land and factory building at Plot No. 1046 to 1048, GIDC Estate, Waghodia, Vadodara, Gujarat measuring 4489.47 SQ. mt registered in the name of the Company.

Guarantee :

- Personal Guarantees given by three Directors including Managing Director.


13. PROVISIONS- NON-CURRENT
(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
(a) Provision for Employee benefits		
Gratuity (Non-funded) *	14.45	13.34
Gratuity (Funded)	36.49	27.15
Leave Encashment (Non-Funded)	6.66	8.08
Total	57.60	48.57

* * Includes provision for Managing Director and Wholetime Director and has been computed on the basis of fifteen days salary for each completed year of service.

14. DEFERRED TAX LIABILITY (Net)
(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
I. Deferred Tax Liability :		
Related to Fixed Assets	(234.73)	(220.63)
	(234.73)	(220.63)
II. Deferred Tax Assets :		
a) Timing Difference for various items restricted on the basis of payment	4.22	5.12
b) Unabsorbed Depreciation/ Business Loss (Restricted)*	117.62	102.62
c) Total Deferred Tax Assets (a+b)	121.84	107.74
III. Deferred Tax Liability (Net) (I-II)	(112.89)	(112.89)

* *The Company has been recognising in the financial statements the deferred tax assets/ liabilities, in accordance with IND AS-12 "Accounting of Taxes on Income" issued by the Institute of Chartered Accountants of India. During the year, the Company has charged/ (credited) to the Statement of Profit and Loss with Deferred Tax Asset (Net) of Rs NIL [Previous year- Nil] by restricting Deferred Tax Assets on Depreciation /losses carried forward to Deferred Tax Liability figure making Deferred Tax element recognition at NIL during the year.

15. OTHER NON CURRENT LIABILITIES
(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Provision for Warranty (Refer Note 28 (11))	4.91	---
	4.91	---

16. BORROWINGS-CURRENT
(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
SECURED LOAN		
a. Working Capital Loan		
From State Bank of India	375.84	438.25
From Axis Bank Limited	192.43	251.95
	568.27	690.20

a) The Working Capital Loan availed from State Bank of India is secured by :

Primary Security :

i. Hypothecation of Company's Stock & Receivables and other current assets at Bhubaneswar unit both present and future.

Collateral Security :

i. Equitable Mortgage over factory land & building at Plot No. 3337, Mancheswar Industrial Estate, Bhubaneswar (Acres-1.50, Constructed area of 52648 Sqft), Leasehold Property : Lessor : IDCO, Lessee : Alfa Transformers Limited.

ii. Equitable Mortgage of Company's Properties of Flat No. 7, Block -A, Lord Gunjan Apartment , Bhubaneswar , Built up area of 1470 Sq.ft and Carpet area of 1270 Sq.ft.

iii. First charge on fixed assets of the Company at Bhubaneswar Unit other than Factory Land & Building and assets financed by State Bank of India, Commercial Branch, Bhubaneswar.

b) The Working Capital Loan availed from Axis Bank Limited is secured by :

The Term Loan availed from Axis Bank Limited is secured by :

Primary Security :

i. Hypothecation charge on the entire Current Assets (both present and future) of Vadodara unit of the Company.

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Collateral Security :

- i. Hypothecation charge on all the movable fixed assets, furniture/ fixtures both present and future of the company at its vadodara unit (except specific assets charged to other Banks/Fls and vehicles)
- ii. Extension of Eutable Mortgage over lease hold right of the industrial land and factory building at Plot No. 1046 to 1048, GIDC Estate, Waghodia, Vadodara, Gujarat measuring 4489.47 SQ. mt registered in the name of the Company.

Guarantee :

- i. Personal Guarantees given by three Directors including Managing Director.

Disclosure :		
Particulars	State Bank of India Cash Credit	Axis Bank Ltd Cash Credit
Period of maturity with reference to Balance Sheet date	Renewal every year	Renewal every year
Outstanding amount as at 31st March, 2020	375.84	192.43
Rate of Interest	1 Year MCLR Plus 7.10%	REPO Plus 6.50%
Overdue amount and Period	Nil	Nil

17. TRADE PAYABLE

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
a) Trade Payables	901.95	1127.04
b) Others	42.14	72.19
Total	944.09	1199.23

17.1 Trade Payables includes Rs.316.58 lakhs (Previous Year-Rs.383.64 lakhs) due to Micro, Small and Medium Enterprises based on available information with the Company details of which are as follows :

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Principal amount due and remaining unpaid	316.58	383.64
Interest due on above and the unpaid interest	10.58	14.30
Interest paid during the year	---	---
Payment made beyond the appointed day during the year	---	---
Interest due and payable for the period of delay	24.88	14.30
Interest accrued and remaining unpaid	24.88	14.30
Amount of further interest remaining due and payable in succeeding years.	---	---

Note : Note: This information to be disclosed as required under the Micro, Small and Medium Enterprises Development Act, 2006 and has been determined to the extent such parties have been identified on the basis of information available with the Company.

18. OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
(a) Current maturities of long-term debt *	15.00	13.20
(b) Interest Accrued and Due	3.66	---
(c) Creditors for Capital Goods	3.29	3.29
(d) Other Liabilities		
i. Liabilities for Expenses	43.44	46.68
ii. Payable to employees	45.86	42.62
Total	111.25	105.80
* Details of Current Maturities of Long Term Debt :		
a. Term Loans From Axis Bank Limited	15.00	13.20
	15.00	13.20

19. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
-- Other Liabilities		
i. Advance from Customers	50.96	36.75
ii. Advance from Others	141.22	---
iii. Statutory Liabilities	8.91	20.34
iv. Provision for Warranty (Refer Note 28 (11))	4.90	---
Total	205.99	57.09


20. PROVISIONS-CURRENT

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
Provision for employee benefits		
Leave Encashment (Non-Funded)	2.90	0.37
Group Gratuity with LIC	0.30	0.87
Total	3.20	1.24

21. REVENUE FROM OPERATION :

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Sale of products		
-- Sales (Domestic)	3192.57	6393.08
Less : Contract Revenue for performance obligations	(9.81)	---
-- Repairing Services	65.51	84.47
Sale of services		
-- Repairing Services	102.23	65.51
Other operating revenues	13.06	13.55
Total	3298.05	6472.14

22. OTHER INCOME :

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Interest Income	32.55	29.16
Profit on Sale of Assets (Net)	---	13.24
Total	32.55	42.40

23. COST OF MATERIALS CONSUMED :

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Indigenous:-		
-- Opening Stock	588.62	552.81
-- Purchases	2050.41	4298.78
	2639.03	4851.59
-- Closing Stock	354.61	588.62
Sub Total-A	2284.42	4262.97
Imported: -		
-- Opening Stock	34.94	75.89
-- Purchases	551.93	811.18
	586.87	887.07
-- Closing Stock	40.66	34.94
Sub Total-B	546.21	852.13
Total (A+B)	2830.63	5115.10

24. CHANGE IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-PROCESS :

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Opening Stocks:		
-- Finished Goods	134.18	296.42
-- Stock-in- Process	331.00	330.46
	465.18	626.88
Less : Closing Stocks		
-- Finished Goods	418.19	134.18
-- Stock-in- Process	159.84	331.00
	578.03	465.18
(Accretion) / Depletion of Stocks	(112.85)	161.70

25. EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Salaries, Wages and Incentives	249.02	250.79
Contributions to Provident Fund ,E.S.I,Gratuity Fund and Annuity Fund	36.83	60.54
Staff welfare expenses	1.54	1.64
Total	287.39	312.97

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26. FINANCE COSTS

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
Interest expenses		
Interest on Term Loans & Unsecured Loans	4.69	6.88
Interest on Working Capital Loans	80.62	103.58
Interest -Others	17.70	20.09
Other borrowing costs		
LC & BG Commission	19.12	39.26
Processing Charges	9.68	7.98
Bank Charges	3.49	3.93
Total	135.30	181.72

27. OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
A MANUFACTURING EXPENSES		
1 Job Work Charges	192.07	223.89
2 Power & Fuel	57.04	64.86
3 Testing Expenses	4.45	1.29
Total - A	253.56	290.04
B REPAIRS AND MAINTENANCE		
1 Repairs to machinery	12.24	22.04
2 Repairs to Building	5.49	6.87
3 Repairs to Vehicles	2.82	3.30
4 Repairs to Others	1.91	2.50
Total - B	22.46	34.71
C SELLING AND DISTRIBUTION EXPENSES		
1 Selling Expenses	11.12	14.72
2 Sales Commission	24.43	16.64
3 Carriage Outward	47.99	78.16
4 Taxes and Duties	0.43	0.43
5 Cash Discount	27.30	31.42
6 Bad Debts Written off	4.81	7.49
7 Penalty Deductions/Liquidated Damages	297.46	154.51
8 Price Variation Loss	11.44	2.95
Total - C	424.98	306.32
D ADMINISTRATIVE EXPENSES		
1 Travelling Expenses	24.99	24.73
2 Printing & Stationery	3.39	4.17
3 Insurance Charges	3.70	4.67
4 Advertisement Expenses	1.44	1.92
5 Postage and Telephone Charges	2.86	3.84
6 Auditors Remuneration	3.20	2.55
7 Fees and Subscription	16.70	21.68
8 Legal & Professional Fees	16.98	26.01
9 Security Service Charges	17.18	17.30
10 Rent	1.98	2.23
11 General Expenses	6.93	7.42
12 Meeting Expenses	1.19	1.54
13 Registrar's Fees	0.27	0.41
Total - D	100.81	118.47
E OTHER EXPENSES		
1 Foreign Exchange Fluctuations	10.52	7.44
2 Loss on sale of Assets	---	0.86
3 Loss on Cyclone (Net)	3.34	---
4 Loss on Fire	9.39	---
5 Deposits/Advances Written off	0.14	0.32
6 Deferred Revenue Expenditure Written off	6.45	9.07
7 Prior Year Adjustment (Net)	(0.62)	(2.51)
Total - E	29.22	15.18
Total	831.03	764.72



NOTE NO- 28 : SIGNIFICANT ACCOUNTING POLICIES

Notes to Financial Statements:

Alfa Transformers Limited is a Public Limited Company incorporated in India. The Company has its Registered & Corporate office at Plot No- 3337, Mancheswar Industrial Estate, Bhubaneswar- 751010. The Company's shares are listed in Bombay Stock Exchange of India Limited (BSE).

The Company is now operating at two Factories, one is located at Plot No-3337, Mancheswar Industrial Estate, Bhubaneswar- 751010 and other is at Plot No- 1046,1047 and 1048 , GIDC Estate Waghodia, Vadodara, Gujarat. The Company is engaged in manufacturing of Power and distribution transformers.

The Board of Directors approved the financial statements for the year ended March 31, 2020 on 30th June, 2020.

Statement of Compliance:

1 . Basis of accounting and preparation of Financial Statements:

Basis of accounting

These financial statements of the Company have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under section 133 of the Companies Act, 2013 ('the Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India. The Company has uniformly applied the accounting policies during the periods presented in these financial statements, except for new accounting standards adopted by the Company.

Basis of Measurement

The financial statements are prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value :

- Certain financial assets and liabilities which are classified as fair value through profit and loss or fair value through other comprehensive income;
- Defined benefit plans and plan assets.
- Contingent consideration.

ii) Functional and Presentation Currency

These financial statements are presented in Indian rupees, which is the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest lakh, except otherwise indicated.

iii) Use of Estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialized.

The Company uses the following critical accounting estimates in preparation of its financial statements :

a) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

b) Fair value measurement of financial instruments

The Company reviews the fair value of financial assets and financial liabilities recorded in the balance sheet at its fair / market value value and the difference if any arises is accounted for in the statement of profit and loss account.

c) Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

d) Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

e) Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

f) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the company to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

2. Uncertainty relating to the global health pandemic on COVID-19

In assessing the recoverability of receivables including unbilled receivables, contract assets and contract costs, intangible assets, and certain investments, the Company has considered internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used herein. Based on the current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

The Company basis its assessment believes that the probability of the occurrence of forecasted transactions is not impacted by COVID-19. The Company has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk.

The impact of COVID-19 remains uncertain and may be different from what we have estimated as of the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

2.1 New Accounting standards adopted by the Company :

a. Appendix C to Ind AS 12 - Uncertainty over income tax treatments

Appendix C to Ind AS 12 clarifies the accounting for uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. The adoption of Appendix C to Ind AS 12 did not have any material impact on the financial statements of the Company.

b. Amendment to Ind AS 12 – Income Taxes

The Ministry of Corporate Affairs issued amendments to Ind AS 12 – Income Taxes. The amendments clarify that an entity shall recognize the income tax consequences of dividends on financial instruments classified as equity according to where the entity originally recognized those past transactions or events that generated distributable profits were recognized. The adoption of amendment to Ind AS 12 did not have any material impact on the financial statements of the Company.

c. Amendment to Ind AS 19 - Plan Amendment, Curtailment or Settlement

The Ministry of Corporate Affairs issued amendments to IndAs19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements requiring an entity to determine the current service costs and the net interest for the period after the re-measurement using the assumptions used for the re-measurement; and determine the net interest for the remaining period based on the re-measured net defined benefit liability or asset. The adoption of amendment to Ind AS 19 did not have any material impact on the financial statements of the Company.

d. Revenue from Contract with Customers Ind AS 115

Ministry of Corporate Affairs ("MCA") has notified the Ind As 115 on 28th March, 2018 "Revenue from contract with Customers". The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The effect of Ind AS 115 will be evaluated and considered in the Financial statements of the Company.

e. Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has evaluated for adopting Ind AS 116 from effective annual reporting period beginning April 1, 2019 and found that the adoption of amendment to Ind AS 116 did not have any material impact on the financial statements of the Company. The company has adopted the policy as mentioned in 3.6 in Notes to accounts while accounting for Lease Transaction.

3. Significant accounting policies

3.1- Property, Plant and Equipment & Depreciation :

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price including import duties and non-refundable purchase taxes or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and finance costs if any. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. Assets in the course of construction are initially kept under assets under construction and capitalized when the assets is available for use as intended by the management.



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- (i) Cost of day-to-day servicing of property, plant and equipments are recognised in the Statement of Profit and Loss as incurred. Major overhaul expenditure is capitalized as the activities undertaken to improve the economic benefits expected to arise from the asset. Where an asset or part of an asset that was separately depreciated is replaced and it is probable that future economic benefits associated with the item will flow to the Company, the expenditure is capitalized and the carrying amount of the replaced asset is derecognized. Inspection costs associated with major maintenance programs are capitalized and amortized over the period to the next inspection.
- (ii) Depreciation on property, plant and equipments (Other than revalued assets) is provided on Straight Line Method in accordance with the rates specified under Schedule II to the Companies Act, 2013.
- (iii) Other property, plant and equipment are depreciated based on useful life of the asset under "Straight Line Method" in the manner specified in Schedule II to the Companies Act., 2013. When any part of an item of property, plant and equipment, have different useful lives and cost is significant in relation to the total cost of the asset, they are accounted for and depreciated separately. Depreciation on additions / deletions during the year is provided on pro rata basis with reference to the date of additions / deletions except low value items not exceeding Rs. 5,000 which are fully depreciated at the time of addition. The typical useful lives of other property, plant and equipment (major items) are as follows:
- | | |
|-----------------------------|----------------|
| Plant & Machinery | 05 to 40 years |
| Testing Equipment | 10 to 25 years |
| Material Handling Equipment | 25 to 40 years |
| Electrical Installation | 10 to 30 years |
| Auxiliary Equipment | 25 to 40 years |
| Factory Building | 50 to 70 years |
| Office Equipment | 03 to 15 years |
| Furniture & Fixtures | 5 to 20 years |
- (iv) For these classes of assets, based on technical evaluation carried out by external technical experts, the Company believes that the useful lives as given above best represent the period over which Company expects to use these assets.
- (v) The charge over and above the depreciation calculated on the original cost of the revalued assets is transferred from Fixed Asset Revaluation Reserve to General Reserve and shown as a deduction from Revaluation Reserve.
- (vi) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the period in which the item is derecognized. Any Tangible asset, when determined of no further use, is deleted from the Gross Block of assets. The deleted assets are carried as 'Assets awaiting disposal' under Inventories at lower of `1000 or 5% of the original cost and the balance Written down Value, is charged off.
- (vii) Physical verification of the fixed assets is carried out by the Company in a phased manner to cover all the items over a period of three years. The discrepancies, if any, noticed are accounted for after reconciliation of the same.
- (viii) Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

3.2 Intangible assets

Costs of intangible assets are capitalized when the asset is ready for its intended use. Intangible assets include expenditure on computer software and technical Know how are stated at the amount initially recognized less accumulated amortization and accumulated impairment losses.

Cost of computer software is amortized over the useful life not exceeding 10 years from the date of capitalization.;

Any intangible asset, when determined of no further use, is written off.

3.3 Research and Development Expenditure :

Testing and material expense for Research and Development to be amortized within the use full life of that particular transformers as follows:

If transformers goes for testing as failed and a substantial expense (if the total cost is >realization value) being incurred for testing if ready for realization than the company needs to keep proper documentation for the expenses along with the supporting evidence .

In such case the expenses so incurred to be treated as R&D expense and in place of debited to Profit and Loss account it should be kept it as asset side of Balance Sheet.

such amount standing in the asset side needs to be written off within use full life of the transformers

3.4 Impairment of property, plant & equipment (PPE) and intangible assets, other than goodwill.

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant & equipment (including capital work in progress) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the cash generating unit (CGU) is estimated in order to determine the extent of the impairment loss (if any). Corporate assets and common service assets are also allocated to individual cash-generating units on a reasonable and consistent basis. Intangible assets are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of a CGU is estimated to be less than its carrying amount, the carrying amount of the asset or group of assets covered under the CGU is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset or group of assets covered under the CGU is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or group of assets covered under the CGU in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss.

3.5 Revenue recognition

- Revenue from operations includes sale of goods, services and adjusted for discounts (net), and gain/ loss on corresponding hedge contracts.
- Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government and considering the warranty obligations as compliance to IND AS 115.
- Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.
- Revenue from rendering of services is recognized when the performance of agreed contractual task has been completed.
- Dividends Revenue is recognised when the Company's right to receive the payment has been established.
- Insurance claims:
- Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect the ultimate collection.

3.6 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

i) The Company as lessor

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

ii) The Company as lessee

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3.7 Foreign currency transactions and translations

- (i) In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.
- (ii) Exchange differences on monetary items are recognized in the statement of profit and loss in the period in which they arise except for:
 - (a) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
 - (b) exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognized initially in other comprehensive income and reclassified from equity to the statement of profit and loss on repayment of the monetary items.
- (iii) Forward Exchange Contracts not intended for trading or speculation purpose : The premium or discount arising at the inception of forward exchange contracts is amortized as expenses or income over the life of the respective contracts. Exchange differences on such contracts are recognized in the statement of profit and loss on the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or expense for the year.

3.8 Borrowing costs

- (i) Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale and also includes exchange difference arising from Foreign Currency borrowings to the extent that they are regarded as an adjustment to interest cost.
- (ii) All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.



3.9 Government grants

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant. Accordingly, government grants:

- (a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.
 - (b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
 - (c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.
- In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

3.10 Employee benefits :

3.10.1 Retirement benefit costs and termination benefits:

(i) Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering service are classified as short term employees benefits. Benefits such as salaries, wages, short term compensated absences, etc and the expected cost of bonus, ex-gratia are recognized in the period in which the employees render the related service.

(ii) Defined Contribution Plans.

Provident Fund, Superannuation Fund/Annuity Fund and Employees State Insurance Scheme are defined contribution plans. The contribution paid/ payable under the schemes is recognized during the period in which the employees renders the related services.

iii) Defined Benefits Plans

Gratuity on account of services gratuity is covered under Gratuity-cum-Life Assurance Scheme of Life Insurance Corporation of India. Annual premium paid for the scheme is charged to Statement of Profit and Loss

Re-measurement of the defined benefit liability and asset, comprising actuarial gains and losses, and the return on plan assets (excluding amounts included in net interest described above) are recognized in other comprehensive income in the period in which they occur and are not subsequently reclassified to the statement of profit and loss.

3.11 Taxation

Income tax expense represents the aggregate of current tax and deferred tax.

3.11.1 Current tax

Current tax is the amount of income tax payable based on taxable profit for the period. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates and the tax laws that have been enacted or substantively enacted by the end of the reporting period.

3.11.2 Deferred tax

- (i) Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.
- (ii) The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of all or part of the deferred tax asset to be utilized. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- (iii) Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

3.11.3 Current and deferred tax for the year

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

3.12. INVESTMENT PROPERTY

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). The shops, flats and other properties held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition the, investment properties are stated at cost less accumulated depreciation.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

3.13 Inventories

Stock of Raw Materials, Components and stores are valued at lower of cost and net realizable value. Cost of raw material is determined on weighted average method, excluding CENVAT/GST paid on purchases. Scrap is valued at estimated realisable value.

Stock of Materials-in-Process and Finished Goods are valued at lower of cost and net realizable value. Cost excludes CENVAT/GST paid on inputs.

Stores and spares are valued at weighted average cost or net realizable value whichever is lower. Physical verification of inventories is carried out of the Company to cover all the items during the year.

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3.14 Provisions and Contingent Liabilities:

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. If effect of the time value of money is material, provisions are discounted using an appropriate discount rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in the Notes to the Financial Statements. Contingent liabilities are disclosed for:

- possible obligations which will be confirmed only by future events not wholly within the control of the Company, or
- present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2020 on account of dispute are given below :

Name of the Statute	Financial	Dispute (in brief)	Demand Amount (Rs.)	Amount Deposited under protest.	Forum where dispute is pending
Income Tax Act, 1961	1994-95	Deduction U/S 80 I disallowed in assessment	2,77,227	2,77,227	High Court of Orissa
Central Sales Tax, 1956	1990-91	Disallowance of CST exemption	1,08,000	40,000	Commissioner of Sales Tax, BBSR
Central Sales Tax, 1956	1991-92	Disallowance of CST exemption	15,50,740	11,05,000	Sales Tax Tribunal
Central Sales Tax, 1956	2012-14	Disallowance of CST exemption	2,25,068	40,050	1st Appeal before JCST, Bhubaneswar Range, Bhubaneswar
The Orissa Entry Tax Act, 1999	2005-06, 2006-07, 2007-08	Demand on Purchase of Raw Materials	87,06,714	3,50,000	Orissa High Court, Cuttack
TOTAL			1,08,67,749	18,17,277	

3.15 Financial instruments, financial assets, financial liabilities and Equity instruments:

i) Financial Assets

A. Initial recognition and measurement : Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

Recognition: Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification : Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

B. Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

Fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

c) Financial assets at fair value through profit or loss (FVTPL)

fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes.

Equity investments:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.



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The Company has elected to continue with the carrying value of all its equity investments as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

Derivative financial instruments

The Company uses derivative financial instruments, such as foreign exchange forward contracts, interest rate swaps and currency options to manage its exposure to interest rate and foreign exchange risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Hedge Accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles. These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognised directly in Other Comprehensive Income (OCI) and accumulated in "Cash Flow Hedge Reserve Account" under Reserves and Surplus, net of applicable deferred income taxes and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in the "Cash Flow Hedge Reserve Account" are reclassified to the Statement of Profit and Loss in the same period during which the forecasted transaction affects Statement of Profit and Loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in "Cash Flow Hedge Reserve Account" is retained until the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognises.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment : The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification : When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred amounts collected on behalf of third parties, such as sales tax and value added tax.

ii : Financial liabilities

A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

3.16. Investments in subsidiary, associates and joint venture:

The Company measures its investments in subsidiary at cost less impairment. The company assesses investments for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may not be recoverable. If any such indication of impairment exists, the company makes an estimate of its recoverable amount. Where the carrying amount of an investment exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount.

- i) Non-Current investments are valued at cost. However, provision for diminution in value is made to recognise a decline in the value, other than temporary.
- ii) Current investments are valued at lower of cost or fair value.

3.17 Cash and cash equivalent

In the cash flow statement, cash and cash equivalent include cash in hand, cheques and drafts in hand, balances with bank and deposit held at call with financial institution, short term highly liquid investments with original maturities of three months or less there are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowing in the current liabilities in the balance sheet and form part of the financial activity in the cash flow statement. Book overdrafts are shown within borrowing in other financial liabilities in the balance sheet and form part of financing activity in the cash flow statement. Book overdrafts are shown within other financial liabilities in the balance sheet and form part of the operating activity in the cash flow statement.

3.18 Earnings per share :

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

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NOTE NO.28 ADDITIONAL NOTES ON ACCOUNT :

1. RAW MATERIALS AND COMPONENTS CONSUMED :

Items	2019 - 20			2018- 19		
	Qty (MT)	Value (₹ in Lakhs)	%	Qty (MT)	Value (₹ in Lakhs)	%
INDIGENOUS :						
Conductors	247.489 MT	557.17	20	459.966 MT	1054.01	37
CRGO Steel & Lamination	230.147 MT	324.44	11	609.893 MT	884.03	31
AMDT Core	59.953 MT	105.24	4	49.077 MT	98.07	3
Transformer Oil	819.804KL	410.76	15	1370.701KL	725.39	26
Others		886.94	32		1501.49	54
Sub Total	1357.393	2284.55	82	2489.637	4262.99	151
IMPORTED :						
CRGO Steel	38.863 MT	59.20	2	175.623 MT	271.54	10
AMDT Core	273.250 MT	486.88	17	300.633 MT	580.56	21
Sub Total		546.08	19	476.256 MT	852.10	31
Total	1357.393	2830.63	100	2965.893	5115.09	100

2. PAYMENT TO AUDITORS: (Exclusive of Service Tax) (₹ in Lakhs)

SR No	Particulars	2019 - 20	2018- 19
i.	Audit Fees (Statutory)	1.25	1.00
ii.	Limited Review Fees	0.90	0.65
iii.	Tax Audit Fees	0.40	0.30
iv.	In Other Capacity of Certification (etc)	0.55	1.06
v.	Audit Fees (Cost Audit)	0.35	0.35
	TOTAL	3.45	3.36

3. EARNING PER SHARE : (₹ in Lakhs)

SR No	Particulars	2019 - 20	2018- 19
i.	Profit/(Loss) available to Equity Share Holders (Rs. In lakhs)	(752.98)	(141.16)
ii.	Weighted Average number of equity shares for Basic EPS in lakhs	91.51	91.51
iii.	Nominal Value of Equity Shares in Rs.	10.00	10.00
iv.	Basic Earning (Loss) Per Equity Shares (Rs)	(8.23)	(1.54)
v.	Dillutive Earning (Loss) Per Equity Shares (Rs) *	(8.23)	(1.54)

* In view of loss the dillutive earning (Loss) per share is trated as anti dillutive

4. CIF VALUE OF IMPORTS (₹ in Lakhs)

SR No	Particulars	2019 - 20	2018- 19
i.	Raw Materials and Components	496.05	716.26

5. EXPENDITURE IN FOREIGN CURRENCY (on accrual basis) (₹ in Lakhs)

SR No	Particulars	2019 - 20	2018- 19
i.	Expenditure in Foreign Currency	NIL	NIL

6 EARNING IN FOREIGN CURRENCY (on accrual basis) (₹ in Lakhs)

SR No	Particulars	2019 - 20	2018- 19
i.	Export on FOB Basis (Direct)	NIL	NIL



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7. RELATED PARTY DISCLOSURES

(₹ in Lakhs)

a) Name of the related party and nature of relationship

i) Companies in which Directors are interested.	Oricon Industries (P) Limited. Galaxy Medicare Limited												
ii) Key Management Personnel	<table> <tr> <td>Dillip Kumar Das</td><td>Managing Director</td></tr> <tr> <td>Deepak Kumar Das</td><td>Executive Director</td></tr> <tr> <td>Debasis Das</td><td>Executive Director</td></tr> <tr> <td>Gopal Krishan Gupta</td><td>Executive Director</td></tr> <tr> <td>Amarnath Tripathy</td><td>Company Secretary</td></tr> <tr> <td>Ranjit K Biswal</td><td>Chief Financial Officer</td></tr> </table>	Dillip Kumar Das	Managing Director	Deepak Kumar Das	Executive Director	Debasis Das	Executive Director	Gopal Krishan Gupta	Executive Director	Amarnath Tripathy	Company Secretary	Ranjit K Biswal	Chief Financial Officer
Dillip Kumar Das	Managing Director												
Deepak Kumar Das	Executive Director												
Debasis Das	Executive Director												
Gopal Krishan Gupta	Executive Director												
Amarnath Tripathy	Company Secretary												
Ranjit K Biswal	Chief Financial Officer												

b) Transactions with related parties

(₹ in Lakhs)

SL.NO	Nature of Transaction	Companies where Directors are interested	Key Managerial Person	Total
1	Share Allotment	---		---
		(59.39)		(59.39)
2	Advance for Sale of Land*	132.00		132.00
		---		---
3	Sale of Good (Income)	0.06		0.06
		(0.87)		(0.87)
4	Remuneration Paid (Expenses)		58.32	58.32
			(49.59)	(49.59)

[Amount shown in brackets reflects the previous year balance.]

(*) Amount Received from M/s. Galaxy Medicare Limited towards advance for sale of Land and Building situated at Plot No 2, Phase -A, Zone D, Mancheswar I.E., Bhubaneswar

8. CONTINGENT LIABILITIES & COMMITMENTS

(₹ in Lakhs)

SR No	Particulars	2019 - 20	2018- 19
A. Contingent Liabilities			
i.Un expired Letters of Credit		225.99	231.24
ii.Counter Guarantees given by Company for Bank Guarantees issued		712.34	553.68
iii.Claims against the Company not acknowledged as Debt			
a) Income Tax (\$)		2.77	2.77
b) Sales Tax (*)		18.84	18.84
c) Entry Tax (#)		87.07	87.07
TOTAL		1047.01	893.60

\$ Amount paid under protest against the demands amounting to Rs. 2.77 lakhs (Previous Year- Rs.2.77 lakhs) is shown under "Other Financial Assets" under Note No.8

* Amount paid under protest against the demands amounting to Rs. 11.85 lakhs (Previous Year- Rs.11.90 lakhs) is shown under "Other Financial Assets" under Note No.8

Amount paid under protest against the demands amounting to Rs. 3.50 lakhs (Previous year- Rs. 3.50 lakhs) is shown under "Other Financial Assets" under Note no.8

9. The Company is mainly engaged in only one product i.e Transformer, which is considered the Primary reportable business segment as per Accounting standard (IND AS-108) related "Segment reporting" issued by the Institute of Chartered Accountants of India. Business outside India and within India are considered to be Secondary Segment based on geographical segmentation. Details of expenses, assets and liabilities of the respective segments have not been ascertained.

(₹ in Lakhs)

Particulars of Sale of	Within India		Outside India		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Transformer	3182.76	6393.08	—	—	3182.76	6393.08
Repairing/Service Charges	102.23	65.51	—	—	102.23	65.51
Total	3284.99	6458.59	—	—	3284.99	6458.59

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10. The company during the Financial Year 2019-20 had forfeited the advance for Rs. 1,13,80,777 /- received against issue of 13,79,488 nos of Warrants due to non payment of balance 75% payment within due date. These share warrants were issued on July 13, 2018 on preferential basis to the warrantees which are matured on January 13, 2020 stand lapsed on account of failure to exercise the right to convert into equity shares within 18 months of such allotment by the Warrant Holders in terms of Offer Documents and as per Chapter V of SEBI (Issue of Capital Disclosure requirements), regulations, 2018.

11. Pursuant to Ind As-115 "Revenue from Contracts with Customers" the Company based on the past experience and previous trends assume 0.40 % on turnover towards warranty obligations of the Company and disclosed as Provision for Warranty.

12. Disclosure as required by IND AS-19 (2015) relating to Leave Encashment - As per Actuarial Valuation on 31st March 2020

a) Table Showing Changes in Present Value of Obligations :

Particulars	Current Year	Previous Year
Present value of obligation as at beginning of the year	8.45	5.41
Current Service cost	2.89	2.89
Interest cost	0.52	0.37
Actuarial gain/ loss on Obligation due to change in Financial assumption	0.80	0.03
Actuarial gain/ loss on Obligation due to Unexpected Experience	(1.82)	0.97
Curtailment cost	---	---
Settlement cost	---	---
Benefits Paid	1.29	1.22
Present value of obligation as at end of the year	9.56	8.45

b) Table Showing Reconciliation to Balance Sheet

Particulars	Current Year	Previous Year
Funded Status	N/A	N/A
Unrecognised Past Service Cost	---	---
Unrecognised Actuarial gain/loss at the of the period	---	---
Post Measurement Date Employer Contribution (Expected)	---	---
Unfunded Accrued /Prepaid Pension Cost	---	---
Fund Assets	---	---
Fund Liability	9.56	8.45

c) Table Showing Plan Assumptions

Particulars	Current Year	Previous Year
Discount Rate	6.67%	7.66%
Expected Return on Plan Assets	6.77%	7.66%
Rate of Compensation Increase (Salary Inflation)	7.00%	7.00%
Pension Increase Rate	N/A	N/A
Average expected future service (Remaining working Life)	16	15
Mortality Table	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Superannuation at age-Male	58	58
Superannuation at age-Female	58	58
Early Retirement & Disablement	1% P.A	1% P.A
Voluntary Retirement	Ignored	Ignored

d) Table Showing Expenses Recognized in Statement of Profit & Loss :

Particulars	Current Year	Previous Year
Current Service Cost	2.89	2.89
Past Service Cost	---	---
Net Interest Cost	0.52	0.37
Cost (Loss)/(Gain) on settlement	---	---
Cost (Loss)/(Gain) on curtailment	---	---
Actuarial Gain/Loss	(1.02)	1.00
Employee Expected Contribution	---	---
Benefit Cost (Expense Recognised in Statement of Profit/loss)	2.40	4.26

e) Table Showing expected return on Plan Asset at the end of measurement period

Particulars	Current Year	Previous Year
Current Liability	2.90	2.59
Non-Current Liability	6.66	5.86
Net Liability	9.56	8.45

13. Disclosure relating to Gratuity, as certified by Life Insurance Corporation of India, (Pension and Group Scheme Department) for the year ended 31st March, 2020 have been made as below:

i) In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering certain categories of employees.



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- ii) The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC). Under the plan, the settlement obligation remains with the Company, although the Life Insurance Corporation of India administers the plan and determines the contribution premium required to be paid by the Company.
- iii) Annual premium payable to LIC amounting to Rs. 4.49 lakhs (Previous Year- Rs. 2.56 akhs) have been shown under "Employee Benefit Expenses" in Schedule-24.
- iv) Disclosures as required by IND AS-19 (2015) are made as per the details submitted by LIC which are given below :

a) Changes in Present Value of Obligation

Particulars	31-03-2020	31-03-2019
Present value of obligation as on last valuation	28.01	18.02
Current Service Cost	5.02	4.63
Interest Cost	1.81	1.23
Participant Contribution	---	---
Plan Amendments: Vested portion at end of period(Past Service)	---	---
Plan Amendments: Non-Vested portion at end of period(Past Service)	---	---
Actuarial gain/loss on obligations due to Change in Financial Assumption	3.65	0.13
Actuarial gain/loss on obligations due to Change in Demographic assumption	---	---
Actuarial gain/loss on obligations due to Unexpected Experience	0.26	7.79
Actuarial gain/loss on obligations due to Other reason	---	---
The effect of change in Foreign exchange rates	---	---
Benefits Paid	1.61	3.80
Acquisition Adjustment	---	---
Disposal/Transfer of Obligation	---	---
Curtailment cost	---	---
Settlement Cost	---	---
Other(Unsettled Liability at the end of the valuation date)	---	---
Present value of obligation as on valuation date	37.15	28.01

b) Changes in Fair Value of Plan Assets

Particulars	31-03-2020	31-03-2019
Fair value of Plan Assets at Beginning of period	21.93	19.91
Interest Income	1.46	1.52
Employer Contributions6.00	4.49	---
Participant Contributions	---	---
Acquisition/Business Combination	---	---
Settlement Cost	---	---
Benefits Paid	1.61	3.80
The effect of asset ceiling	---	---
The effect of change in Foreign Exchange Rates	---	---
Administrative Expenses and Insurance Premium	---	---
Return on Plan Assets excluding Interest Income	0.18	(0.20)
Fair value of Plan Assets at End of measurement period	27.96	21.93

c) Table Showing Reconciliation to Balance Sheet

Particulars	31-03-2020	31-03-2019
Funded Status	(9.19)	(6.08)
Unrecognized Past Service Cost	---	---
Unrecognized Actuarial gain/loss at end of the period	---	---
Post Measurement Date Employer Contribution(Expected)	---	---
Unfunded Accrued/Prepaid Pension cost	---	---
Fund Asset	27.96	21.93
Fund Liability	37.15	28.01

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d) Table Showing Plan Assumptions

Particulars	31-03-2020	31-03-2019
Discount Rate	6.67%	7.66%
Expected Return on Plan Asset	6.67%	7.66%
Rate of Compensation Increase(Salary Inflation)	7.00%	7.00%
Pension Increase Rate	N/A	N/A
Average expected future service (Remaining working Life)	19	19
Mortality Table	IALM 2006-2008	IALM 2006-2008
Superannuation at age-Male	58	58
Superannuation at age-Female	58	58
Early Retirement & Disablement (All Causes Combined)	1%	1%

e) Expenses Recognised in statement of Profit/Loss

Particulars	31-03-2020	31-03-2019
Current Service Cost	5.02	4.63
Past Service Cost(vested)	---	---
Past Service Cost(Non-Vested)	---	---
Net Interest Cost	0.35	(0.29)
Cost(Loss/(Gain) on settlement	---	---
Cost(Loss/(Gain) on curtailment	---	---
Actuarial Gain loss Applicable only for last year	---	---
Employee Expected Contribution	---	---
Net Effect of changes in Foreign Exchange Rates	---	---
Benefit Cost(Expense Recognized in Statement of Profit/loss)	5.38	4.34

f) Other Comprehensive Income

Particulars	31-03-2020	31-03-2019
Actuarial gain/loss on obligations due to Change in Financial Assumption	3.65	0.13
Actuarial gain/loss on obligations due to Change in Demographic assumption	---	---
Actuarial gain/loss on obligations due to Unexpected Experience	0.26	7.79
Actuarial gain/loss on obligations due to Other reason	---	---
Total Actuarial (gain)/losses	3.91	7.92
Return on Plan Asset, Excluding Interest Income	0.18	(0.20)
The effect of asset ceiling	---	---
Balance at the end of the Period	3.73	8.12
Net(Income)/Expense for the Period Recognized in OCI	3.73	8.12

g) Table Showing expected return on Plan Asset at the Measurement Period

Particulars	31-03-2020	31-03-2019
Next Year Total (Exxpected)	45.27	34.44
Minimum Funding Requirements	15.77	11.75
Company's Discretion	---	---



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h) Table showing Benefit Information Estimated Future payments (Past Service)

Particulars	31-03-2020	31-03-2019
Year		
1	0.31	0.89
2	2.28	0.74
3	3.51	1.98
4	0.85	1.09
5	10.66	1.39
6 to 10	8.04	12.69
More than 10 Years	67.76	71.12
Total Undiscounted Payments Past and Future Service	---	---
Total Undiscounted Payments related to Past Service	93.41	89.90
Less discount for Interest	56.26	61.89
Projected Benefit Obligation	37.15	28.01

i) Table showing Outlook Next Year Components of Net Periodic benefit Cost Next Year

Particulars	31-03-2020	31-03-2019
Current Service Cost (Employer portion only) Next period	5.45	5.26
Interest Cost next period	2.47	(0.03)
Expected Return on Plan Asset	1.86	---
Unrecognised past service Cost	---	---
Unrecognised actuarial/gain loss at the end of the period	---	---
Settlement Cost	---	---
Curtailment Cost	---	---
Other (Actuarial Gain/Loss)	---	---
Benefit Cost	6.05	4.36

j) Table Showing expected return on Plan Asset at the Measurement Period

Particulars	31-03-2020	31-03-2019
Current liability	0.30	0.86
Non-Current Liability	36.85	27.15
Net Liability	37.15	28.01

14. Trade Receivables, deposits and advance to parties include some old balances pending reconciliation/ adjustment/ confirmation.

15. Operating Cycle is considered to be twelve months period.

16. Previous Year's Figures have been regrouped and re arranged wherever necessary.

THE NOTES REFERRED ABOVE FORM PART OF FINANCIAL STATEMENTS.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR PAMS & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO-316079E

DILLIP KUMAR DAS
MANAGING DIRECTOR

DEEPAK KUMAR DAS
DIRECTOR (FINANCE)

SATYAJIT MISHRA
PARTNER
Membership No.057293

AMARNATH TRIPATHY
COMPANY SECRETARY

RANJIT K. BISWAL
CHIEF FINANCIAL OFFICER

BHUBANESWAR
DATED : 30th June, 2020



ALFA TRANSFORMERS LIMITED

- Regd. Office :** Plot No. 3337, Mancheswar Industrial Estate,
Bhubaneswar, Odisha-751010.
- Factory 1 :** Plot No. 3337, Mancheswar Industrial Estate,
Bhubaneswar, Odisha-751010
- Factory-2 :** Plot No.1046, 1047 & 1048, GIDC Estate,
Waghodia, Vadodara, Gujarat-391760