



VISION + VALUES + MISSION + STRATEGY + GOALS

TEAMWORK + KNOWLEDGE + RESEARCH + INNOVATION + CHALLENGE

ETHICS + INTEGRITY + TRANSPARENCY + GOVERNANCE + CHANGE

GROWTH + LEADERSHIP

SEVENTEENTH ANNUAL REPORT 2010-11



ISO 9001:2008 CERTIFIED

THE PRIVILEGES OF OBJECTIVE REALITY

FORBES ASIA 200 BEST UNDER A
BILLION \$ COMPANY

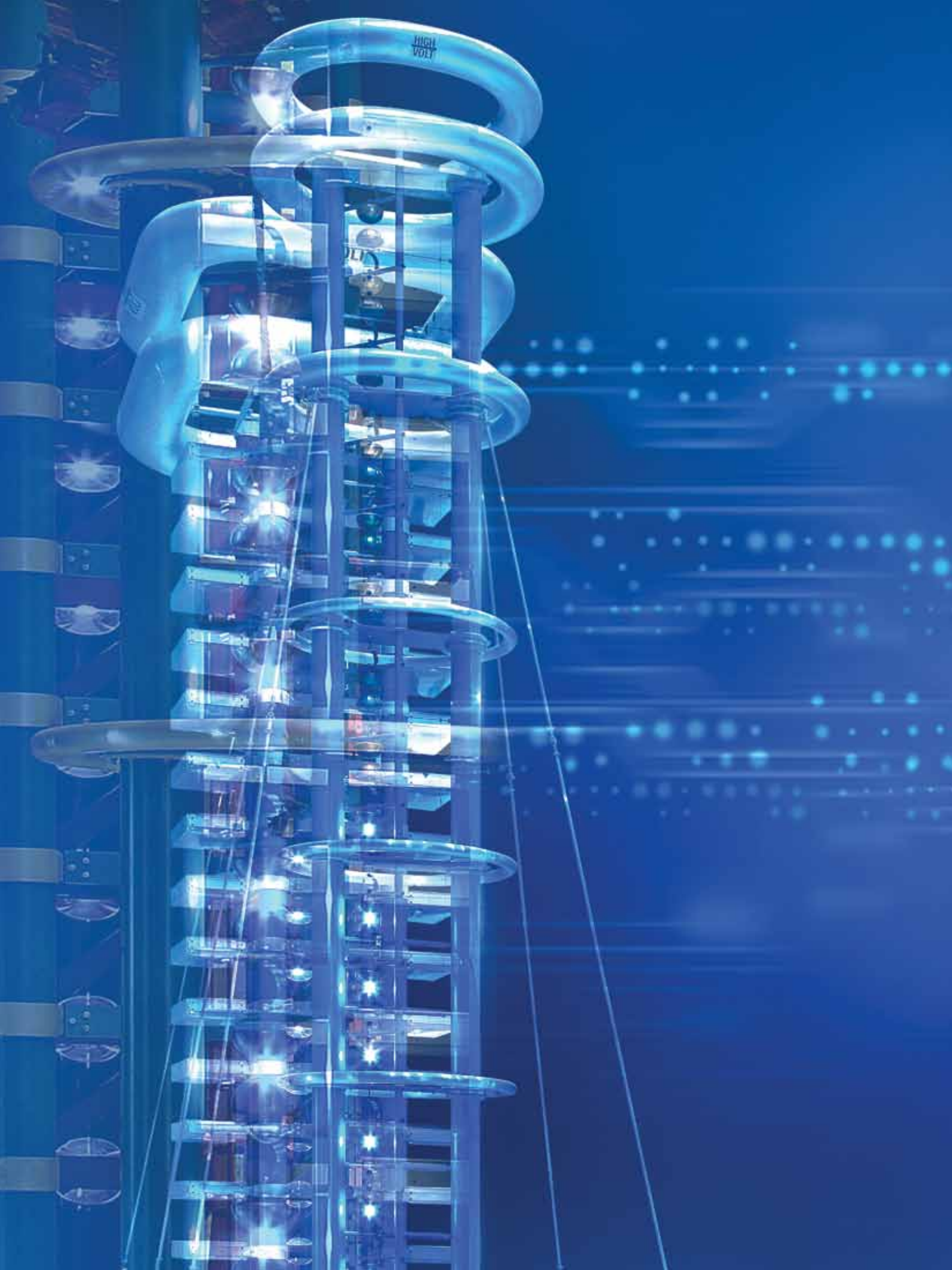


STRIKING A POSITIVE QUOTIENT THROUGH REENGINEERING



CAPITALIZING THE DISTINCT ADVANTAGES OF COMPETENCE







SENSITIZED
TO QUALITY
IN A CRITICAL
AMBIENCE



**REDEFINING THE
LIMITS OF EXCELLENCE**





VISION



VALUES



MISSION



KNOWLEDGE



RESEARCH



INNOVATION



TRANSPARENCY



GOVERNANCE



CHANGE



STRATEGY



GOALS



TEAMWORK



CHALLENGE



ETHICS



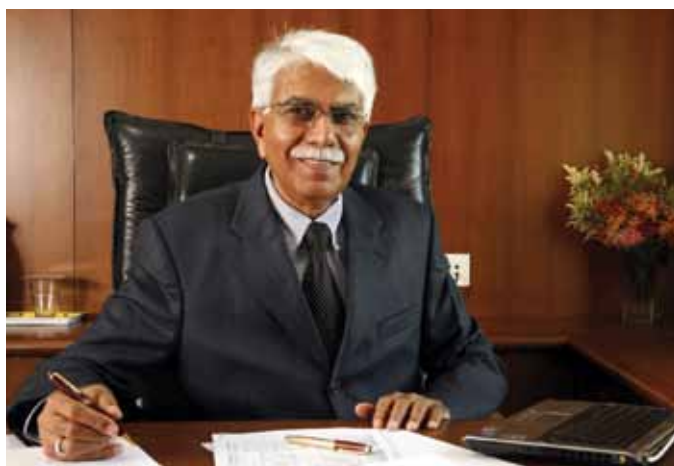
INTEGRITY



GROWTH



LEADERSHIP



Jitendra Mamtora
Chairman

(w.e.f. 28-04-2011)

Dear Shareholders,

I address this meeting with a deep sense of fulfillment and satisfaction, given the major milestones achieved by your company in fiscal 2010-11, and also in the current fiscal 2011-12 which would be putting your company in a new orbit.

Your company manufactures a wide range of power & distribution transformers right from 33 KV Class all the way upto 765 KV Class and also a range of niche specialized industrial transformers which include furnace transformers and rectifier transformers. Thus your company falls in the electrical equipment industry which is again having a strong nexus with the general economic outlook as well as the power sector scenario in India.

INDUSTRY

As you may be aware, between 1992 and 2005, Number of Electricity Consumers in the Country has doubled to 13.8 Cr. It is estimated to double again by the end of 11th Plan (March 2012). The per capita consumption of 445 Units (March 2009) is estimated to move Upto 1,000 Units by March 2012. Considering the massive capacity addition plans in the next 20-25 years, there exists a huge scope for the Power/Electrical Equipment Industry to maintain a growth trajectory over the same period without having to go through the inconsistent pattern seen in the earlier years.

Electrical Equipment Industry has witnessed a pickup in its growth momentum by registering nearly 16% growth

CHAIRMAN'S MESSAGE

during 2010-11. Significantly, Power Transformer growth has been around 14%. With a standing of over 50 years, and with the capability to cater to the 765 KV and even to the 1150 KV Class, the Indian Transformer Industry is certainly in an evolved and mature state. Apart from meeting almost the entire domestic demand, Indian made Transformers have even found acceptance in the Global Market, including developed countries. Hence, with respect to intrinsic capability, the Indian Transformer Industry is in a very reassuring position. As far as demand is concerned, except for an occasional muted market, there is unlikely to be any dearth of orders in the long term. The huge build-up in generation capacity, robust expansion of transmission lines, strengthening of the distribution network, replacement demand and even exports will be perennial demand drivers for Transformers.

Currently, the Transformer Industry accounts for 25% of the total electrical equipment space. This, however, excludes Special - Purpose industrial transformers. National Production of Transformers grew from 80,156 MVA in 2004-05 to 1,53,373 MVA in 2008-09. In 2011-12, production is estimated to cross, 2,04,000 MVA. Power Transformers have a share of 65-70% in total production.

PROSPECTS

I have always maintained that the long term prospects of the transformer industry are very bullish considering the fact that from the current power generation capacity of around



Satyen Mamtora
Managing Director
(w.e.f. 28-04-2011)

1,65,000 MW, India is aiming to increase the generation capacity by at least 10,000 - 15,000 MW per annum over next several years. Consequently, heavy investments are planned for transmission of power since the power produced has to be transmitted. Again the power transmission network in the country is being upgraded from the current 400 KV to 765 KV over next few years and eventually to 1150 KV, so as to enable the network to transmit the larger power capacities. This augurs very well for the transformer industry.

MAJOR DEVELOPMENTS

With a great sense of pride I am happy to announce that your company is fully geared to capitalize on this opportunity. Thus, your company has already started regular commercial supplies of 400 KV Class Transformers which have been developed in-house. In FY 2011 we have supplied the first 400 KV Transformer to a State Electricity Board and very soon your company will start supplying the same to PGCIL. Again in FY 2011 your company has entered into an arrangement with ZTR, a reputed Ukrainian company for manufacture and supply of 765 KV Class transformers to PGCIL.

The Company is LI in two of the tenders of PGCIL for 765 KV Transformers and the company is likely to get formal orders very soon for the same. Your Company has also signed an MOU with PGCIL for manufacturing of 1150 KV Class of Transformer as part of the Development project, and the same is likely to be dispatched in the current quarter.

Your company is also aggressively in the process of developing larger sizes of special transformers, particularly Rectifier Transformers which are having a huge requirement in the country.

Thus, the entire team of TRIL is highly thrilled and excited at the above developments and I firmly believe that the fruits thereof will start coming from fiscal year 2012-13 onwards.

On the financial performance front, although your company has achieved 8% top line growth in fiscal 2010-11, because of the cyclical industry trends the operating margins have come under pressure, but still the company could achieve a PAT of Rs.40 crores in FY 2010-11. While I believe that the margins may remain under pressure for next two or three quarters, due to the positive impact of the above developments, we should start seeing an improvement in the margins positively from the next fiscal year.

I would like to take this opportunity to thank all the stakeholders for their continued support and I reiterate my confidence about the long term growth prospects and robustness of the business model pursued by your company, which will help us in fulfilling our vision - which is to take the company to commanding heights in the Indian Transformer industry.

Thank You





Seventeenth Annual Report | 2010-2011

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VISION

To consolidate our National and International presence as a leading manufacturer of Power, Furnace & Rectifier Transformers and maintain a leading position in the T & D industry.

MISSION

To emerge as a preferred solution provider for quality Transformers with a team of dedicated professionals and business associates who are ethical, value driven and create excellent customer relationships.

BOARD OF DIRECTORS

Mr. Jitendra Mamtora

Chairman

(w.e.f. 28.04.2011)

Mr. Satyen Mamtora

Managing Director

(w.e.f. 28.04.2011)

Mrs. Karuna Mamtora

Executive Director

Mr. Bhaskar Sen

Director

Mr. Michael Homawalla

Director

Mr. Rajendra Shah

Director

Mr. Harish Rangwala

Director

Mr. Sureshchandra Agarwal

Director

Mr. Samkit Mehta

Chief Financial Officer

(w.e.f. 28.04.2011)

Mr. Tushar Shah

Company Secretary

COMMITTEES OF BOARD

Audit Committee
Shareholder's Grievance Committee
Remuneration Committee
Management Committee
Transfer Committee

Bankers

State Bank of India
Bank of Baroda
Axis Bank
Standard Chartered Bank
IDBI Bank

Auditors

Deloitte Haskins & Sells
Chartered Accountants
Heritage, Nr. Gujarat Vidyapith
Ahmedabad - 380014.

Registered Office/Plant

Survey No.344-350, Opp. PWD Stores,
Sarkhej-Bavla Highway, Village : Changodar
Taluka : Sanand, District : Ahmedabad-382213
Gujarat.
E-mail : info@transformerindia.com
Website : www.transformerindia.com

Plants

1. Moraiya Unit, Moraiya, Ahmedabad
2. Changodar Unit, Changodar, Ahmedabad
3. Odhav Unit, Odhav, Ahmedabad
4. Fabrication Unit, Odhav, Ahmedabad

Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd.
C-13 Pannalal Silk Mills Compound
L.B.S. Road, Bhandup (West)
Mumbai 400078.

Listing

Bombay Stock Exchange Ltd.
National Stock Exchange of India Ltd.

Depositories

NSDL
CDSL

ISIN

INE763l01018

CIN

L33121GJ1994PLC022460





NOTICE

Notice is hereby given that the Seventeenth Annual General Meeting of the members of the Company will be held on Friday, 29th July, 2011 at 11.00 a.m. at the Survey No. 344-350, Opp. PWD Stores, Sarkhej-Bavla Highway, Village: Changodar, Taluka Sanand, Ahmedabad-382213, Gujarat, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a director in place of Mr. Rajendra Shah, who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint a director in place of Mr. Bhaskar Sen, who retires by rotation and, being eligible, offers himself for reappointment.
5. To consider and if thought fit, to pass without modification(s), the following resolution as an Ordinary resolution as required under Section 224 of the Companies Act, 1956, for appointment of Auditors :

"RESOLVED THAT M/s. Deloitte Haskins & Sells, Ahmedabad, (Firm Registration No. 117365W) be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting on remuneration to be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS

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

To Appoint Mr. Jitendra Mamtora as Chairman (Whole-time Director) of the Company.

"RESOLVED THAT pursuant to Section 198, 269, 309, 310 and other applicable provisions, if any of the Companies Act, 1956, read with and in accordance with the conditions specified in Schedule XIII of the said Act, (including any statutory modification of re-enactment thereof for the time being in force) the approval of the Company be and hereby accorded to the appointment of Mr. Jitendra Mamtora as Chairman (Whole-time Director) of the Company with effect from 28th April, 2011 for the remaining period of his tenure or till Board resolves otherwise or Chairman (Whole-time Director) resign from the office of the Directorship.

RESOLVED FURTHER THAT there is no change in terms & conditions of remuneration payable to him which was previously approved by the members at 16th Annual General Meeting held on 28th July, 2010.

RESOLVED FURTHER THAT Board of Directors be and hereby authorised to take such steps as may be give effect to this resolution."

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

To Appoint Mr. Satyen Mamtora as Managing Director of the Company.

"RESOLVED THAT pursuant to Section 198, 269, 309, 310 and other applicable provisions, if any of the Companies Act, 1956, read with and in accordance with the conditions specified in Schedule XIII of the said Act, (including any statutory modification of re-enactment thereof for the time being in force) the approval of the Company be and hereby accorded to the appointment of Mr. Satyen Mamtora as Managing Director of the Company with effect from 28th April, 2011 for the remaining period of his tenure or till Board resolves otherwise or Managing Director resigns from the office of the Directorship.

RESOLVED FURTHER THAT there is no change in terms & conditions of remuneration payable to him which was previously approved by the members at 16th Annual General Meeting held on 28th July, 2010.

RESOLVED FURTHER THAT Board of Directors be and hereby authorised to take such steps as may be give effect to this resolution."

By Order of the Board of Directors

Place : Ahmedabad

Date : 22nd April, 2011

Tushar Shah

Company Secretary

Registered Office :

Survey No : 344-350, Opp. P.W.D. Stores, Sarkhej Bavla Highway, Village: Changodar, Taluka: Sanand, District: Ahmedabad-382213

Notes :

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. Proxies in order to be effective must reach the registered office of the Company not less than 48 hours before the scheduled commencement of the meeting.
 - A brief profile of the directors retiring by rotation and eligible for appointment/reappointment is furnished as per Clause 49 of the Listing Agreement.
 - Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 23rd July, 2011 to Friday, 29th July, 2011 (both days inclusive) for the purpose of dividend, if declared at the Annual General Meeting.
 - The dividend on shares as recommended by the Board of Directors, if declared at the meeting, will be paid:
 - in respect of shares held in demat form, on the basis of beneficial ownership as per details furnished by the depositories, as at the end of the business day on Friday, 22nd July, 2011 and
 - in respect of shares held in physical form to those members whose names appear in the Registers of Members of the Company after giving effect to all valid share transfer lodged with Company/RTA on Friday, 22nd July, 2011.
 - Members holding shares in dematerialized form are requested to intimate all changes with respect to their address/bank details/ email/mandate etc. to their respective Depository Participant. The Company or its RTA will not act on any direct request from these members for change of such details. However request for any change in respect of shares held in physical form should be sent to Company or RTA.
 - As the payment of Dividend will be made through NECS, members holding shares in dematerialized form are requested to intimate all changes with respect to their address/bank details/mandate etc. to their respective Depository Participants. The Company or its RTA will not act on any direct request from these members for change of such details. However request for any change in respect of shares held in physical form should be sent to Company or RTA.
 - Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Mr. Tushar Shah, Company Secretary, at the Company's Registered Office. Members are requested to note that dividend warrants not encashed or claimed within seven years from date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund as per Section 205A of the Companies Act, 1956.
 - Members who have not so far encashed the dividend warrants in respect of the dividend declared after the year 2007-2008 are advised to submit their claim to the Company (Email : tushar@transformerindia.com) or RTA quoting their Folio No./DP ID Client ID.
 - Members who wish to attend the meeting are requested to bring attendance slip sent herewith, duly filled in & signed, and the copy of the annual report. Copies of the annual report will not be distributed at the meeting.
 - The Ministry of Company Affairs (MCA) has taken the "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated April, 2011 and Circular No. 18/2011 dated April 20, 2011) alongwith paperless compliance by compliances by companies through electronic mode.
- Keeping in view the underlying theme and circular issued by MCA, we propose to send all documents to be sent to shareholders like General Meeting Notice including the AGM, Annual report including Audited Financial Statements, Director Report, Auditor Rport etc to our shareholder in electronic form, to the email address provided by them and made available to us by the Depositories.
- Please also note that you will be entitled to be furnished free of cost, with a copy of the Annual report of the Company and all other documents required by law to be attached thereto, **upon receipt of a requisition from you, any time**, as a member of the Company, such a requisition may be sent to the registered office of the Company at the address given below.

By Order of the Board of Directors

Place : Ahmedabad
Date : 22nd April, 2011

Tushar Shah
Company Secretary

Registered Office :

Survey No : 344-350, Opp. P.W.D. Stores, Sarkhej Bavla Highway, Village: Changodar, Taluka: Sanand, District: Ahmedabad-382213

EXPLANATORY STATEMENT

ITEM NO. 6

Mr. Jitendra Mamtora was appointed as Chairman & Managing Director of the Company for 5 years w.e.f. from 1st January, 2007. The Board at its meeting held on 22nd April, 2011 has decided to appoint him as Chairman (Whole-time Director) of the Company with effect from 28th April, 2011 for the remaining period of his tenure. There is no change in terms & conditions of remuneration payable to him which was previously approved by the members at 16th Annual General Meeting held on 28th July, 2010.

This may also be treated as an abstract pursuant to Section 302 of the Companies Act, 1956.

The Board recommends the resolution for the approval of the shareholders. Except Mr. Jitendra Mamtora himself, Mr. Satyen Mamtora and Mrs. Karuna Mamtora, relatives of him, none of the other Directors are interested or concerned in this resolution.

ITEM NO. 7

Mr. Satyen Mamtora was appointed as Joint Managing Director of the Company for 5 years w.e.f. from 1st April, 2010. The Board at its meeting held on 22nd April, 2011 has decided to appoint him as Managing Director of the Company with effect from 28th April, 2011 for the remaining period of his tenure. There is no change in terms & conditions of remuneration payable to him which was previously approved by the members at 16th Annual General Meeting held on 28th July, 2010.

This may also be treated as an abstract pursuant to Section 302 of the Companies Act, 1956.

The Board recommends the resolution for the approval of the shareholders. Except Mr. Satyen Mamtora himself, Mr. Jitendra Mamtora and Mrs. Karuna Mamtora, relatives of him, none of the other Directors are interested or concerned in this resolution.

Place : Ahmedabad
Date : 22nd April, 2011

By Order of the Board of Directors
Tushar Shah
Company Secretary

Registered Office :

Survey No : 344-350, Opp. P.W.D. Stores, Sarkhej Bavla Highway,
Village: Changodar, Taluka: Sanand, District: Ahmedabad-382213

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DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AT ANNUAL GENERAL MEETING AS PER CLAUSE 49 OF THE LISTING AGREEMENT

Sr. No.	1	2	3	4
Name of Directors	Mr. Satyen Mamtora	Mr. Jitendra Mamtora	Mr. Rajendra Shah	Mr. Bhaskar Sen
Age	37 years	65 years	62 years	70 years
Date of Appointment	01/04/2007	01/04/2007	25/08/2005	09/07/2007
Expertise in specific functional areas	In Area of Production, Project & Marketing In Transformers Industries	Designing Transformers & Marketing in Transformers Industries	In Manufacturing of Taper Roller Bearing Cages	Overall Management of business relating to switchgears, transformers, motor projects, REC equipments etc.
Qualification	Diploma in Electrical Engineering	B.E. Electrical	Mechanical Engineer	Mechanical Engineer
No. of Equity Shares held	97,000	8,858,992	5,250	-
List of Outside Company Directorship held	Transweld Mechanical Engineering Works Ltd.	Harsha Engineers Ltd.	1. Harsha Engineers Ltd. 2. Harsha Engineers (India) Pvt. Ltd. 3. AIA Engineering Ltd. 4. Welcast Steel Ltd. 5. Shilp Gravures Ltd.	-
Chairmanship/ Membership of the Audit Committee, Shareholder's/ Investors Grievance Committee of other Companies in which he/she is a Director	-	Chairman Audit Committee Harsha Engineers Ltd.	Chairman Shareholder's Grievance Committee AIA Engineering Ltd. Chairman Audit Committee AIA Engineering Ltd. Member Remuneration Committee of AIA Engineering Ltd.	-

DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 17th Annual Report and Audited Accounts for the year ended 31st March, 2011.

Financial Highlights

(₹ in Lacs)

Particulars	Standalone	
	2010-2011	2009-2010
Turnover	53,356.84	51,509.95
Other Income	1,345.44	810.60
Total Income	54,702.28	52,320.55
EBIDTA	6,874.29	8,373.70
Interest & Finance charges	411.93	470.38
Depreciation & Amortization	579.41	441.06
PROFIT BEFORE TAX	5,882.95	7,462.26
Taxation	1,871.91	2,511.38
NET PROFIT AFTER TAX	4,011.04	4,950.88
Appropriations:		
Transferred to General Reserve	500.00	500.00
Balance carried to Balance Sheet	14,940.83	12,174.35

Dividend

Your Directors recommend a dividend of 50% i.e. Rs. 5/- per Equity Share of Rs. 10/- each for the year 2010-2011 (Previous year 50% i.e. Rs. 5/- per Equity Share), subject to approval of shareholders at the 17th Annual General Meeting.

Review of Operations

For the year ended 31st March, 2011, your Company has reported standalone turnover and net profit after taxation of Rs.53,356.84 Lacs and Rs. 4,011.04 lacs respectively. As compared to previous year's turnover, it is up by 3.59% and net profit after taxation is down by 18.98%.

MVA Production

During the year, Company has produced 13,527 MVA, out of which Changodar unit produced 276 transformers totaling 7,424 MVA, Moraiya unit produced 50 transformers totaling 5,503 MVA & Odhav unit produced 187 transformers totaling 600 MVA.

Plans and Prospects

Your Company has tied with ZTR, Ukraine to manufacture & supply 765 kV class transformers to PGCIL. The Company is likely to get an order for 765 kV class transformers. Your Company has plans to manufacture such transformer at its Moraiya plant. Apart from this your Company has signed MOU with PGCIL to develop 1200 kV class transformer.

Consolidated Financial Statements

Consolidated Financial Statements pursuant to Clause 41 of the Listing Agreement entered into with the stock exchanges and prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India are attached herewith this Annual Report.

Order Book

As on 22.4.2011, the Company has Order Book position of Rs. 32,860 Lacs. The table below indicates the division of order book between business segments:

(₹ in Lacs)

Type of Transformers	MVA	Order Book	%
Power Transformer	6,253	21,587	65.70
Distribution Transformer	254	1,821	5.54
Furnace/Rectifier Transformer	462	4,928	15.00
Export	780	4,524	13.76
Total	7,749	32,860	100%

Exports

During the year, the Company has achieved export sales of Rs. 6,392.67 Lacs as against Rs. 6,618.01Lacs last year.

Fixed Deposit

The Company has neither accepted nor invited any deposit from public, within the meaning of Section 58A of the Companies Act, 1956 and Rules made thereunder.

Awards

The Company was included in Forbes 200 Top performing small & midsize enterprise - revenue under \$1 billion, and the selection was on the basis of criteria like profitability, growth, modest indebtedness and future prospects. The Company has also received "Best Equipment Supplier" Award from Gujarat Engery Transmission Company Limited (GETCO) for the third time consecutively. It indicates that we are very much on track with respect to our endeavour to satisfy the stakeholders by providing the timely deliveries & prompt after sales service in growing and profitable environment.

"Group" for Inter se Transfer of Shares

As required under Clause 3(1)(e) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 persons constituting "Group" (within the meaning as defined in the Monopolies and Restrictive Trade Practice Act, 1969) for the purpose of availing exemption from applicability of the provisions of Regulation 10 to 13 of the aforesaid SEBI Regulation are given in Annexure II forms part of this Annual Report.

Associate Portfolio

During the year 2010-2011, Savas Engineering Company Pvt. Ltd. has achieved Sales of Rs. 1,583.08 Lacs and posted profit before tax of Rs. 47.30 Lacs. The main activity of the Company is to manufacture various equipments for transformers manufacturing like vacuum plants etc.

Subsidiary Companies

The Company has two subsidiaries namely Transweld Mechanical Engineering Works Limited (wholly owned subsidiary) and Transpares Limited (51% holding). A statement pursuant to Section 212 of the Companies Act, 1956 is attached to the Accounts.

In terms of general exemption granted by Ministry of Corporate Affairs vide General Circular No. 2/2011 dated 8.2.2011, under section 212(8) of the Companies Act, 1956, the Audited Balance Sheet, Profit and Loss Account, Report of the Board of Directors and Auditors of our subsidiaries need not to be attached with the Balance Sheet of the Company subject to complying with the certain conditions. These documents will be made available upon request by any member of the Company interested in obtaining the same. However, the brief financial details of the subsidiaries have been furnished under "Financial details of Subsidiary Companies" forming part of the Annual Report. Further, pursuant to Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company includes financial information of its subsidiaries. These documents will also be available for inspection during business hours at our registered office. The details of the accounts of individual subsidiary companies are available on the website of the Company.

Directors

Pursuant to the provisions of Section 256 of the Companies Act, 1956 and Articles of Association of the Company, Mr. Rajendra Shah & Mr. Bhaskar Sen, Directors of the Company who retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

The Board of Directors at its meeting held on 22nd April, 2011 appointed Mr. Jitendra Mamtora as Chairman

(Whole-time Director) and Mr. Satyen Mamtora as Managing Director w.e.f. from 28th April, 2011. However, there was no change in terms & conditions of remuneration payable to them which was previously approved by the members at 16th Annual General Meeting held on 28th July 2010.

Details of the Directors seeking appointment/reappointment as required under Clause 49(VI) of the Listing Agreements are provided in the Notice forming part of this Annual Report. None of the Directors of the Company is disqualified for being appointed as Director as specified in Section 274(1)(g) of the Companies Act, 1956.

Directors' Responsibility Statement

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the Directors confirm that:

- In preparation of annual accounts for the year ended 31st March, 2011, the applicable accounting standards have been followed and that no material departures have been made from the same;
- The Directors have 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 the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts for the year ended 31st March, 2011 on going concern basis.

Insurance

Assets of your Company are adequately insured against various perils.

Corporate Governance

As stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges, a separate report on "Corporate Governance" as well as "Management Discussion and Analysis" confirming compliance, is set out in the Annexure forming part of this report. A Certificate from Practicing Company Secretary regarding compliance with corporate governance norms stipulated in Clause 49 of the Listing Agreement is annexed to the report on Corporate Governance.

Auditors

The term of appointment of M/s. C.C. Chokshi & Co., Chartered Accountants, Ahmedabad, (Firm Reg. No.101876W) as a Statutory Auditor will expire at the ensuing Annual General Meeting. The Company propose the appointment of M/s. Deloitte Haskins & Sells, Ahmedabad (Firm Registration No. 117365W) as its Statutory Auditor at the ensuing Annual General Meeting. M/s. C. C. Chokshi & Co., Chartered Accountants, Ahmedabad, (Firm Reg. No.101876W) has expressed their unwillingness to be appointed as a Statutory Auditors of the Company.

The Company has received a written certificate from M/s. Deloitte Haskins & Sells, Ahmedabad (Firm Registration No. 117365W) to the effect that the appointment, if made, would be within the prescribed limit under Section 224(1B) of the Companies Act, 1956 for the year 2011-12.

The Audit Committee at their meeting held on 22nd April, 2011 has recommended the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad (Firm Registration No. 117365W) as Statutory Auditors of the Company for the year 2011-12.

Auditors Report

The Auditors' Report on the accounts of the Company for the accounting year ended 31st March, 2011 is self explanatory and do not call for further explanations or comments that may be treated as adequate compliance of Section 217(3) of the Companies Act, 1956.

Personnel

The information required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, forming part of this report.

However, as permitted by Section 219(i)(b)(iv) of the said Act, this Annual Report being sent to all shareholders excluding the said information. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

Particulars required to be furnished by the Companies (Disclosure of particulars in the report of the Board of Directors) Rule, 1988

The particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosures of the Particulars in Report of the Board of Directors) Rules, 1988 relating to conservation of energy and technology absorption are set out in Annexure-I to this Report.

Corporate Social Responsibility

The Company is contributing to sustainable development by its economic activities combined with the fulfillment of its social responsibilities relating to the education, health, safety and environment aspects.

Acknowledgement

Your Directors wish to convey their thanks for the support & co-operation to all Company's valued customers, suppliers, bankers, business partners and all departments of Government.

The Directors also acknowledge & appreciate all employees for the hard work, dedication & contribution made without which the good result would not have been possible.

By Order of the Board of Directors

Place : Ahmedabad

Date : 22nd April, 2011

Jitendra Mamtora

Chairman & Managing Director

ANNEXURE-I TO THE DIRECTOR'S REPORT

Information as per Section 217 (1) (e) read with Company's (Disclosures of particulars in the report of Board of Directors) Rules, 1988 and forming part of the Directors Report for the year ended on 31st March, 2011.

1. Conservation of Energy :

A. Energy conservation measures taken & its impact :

The Company makes an ongoing study to identify and implement energy saving system to reduce energy consumption and cost of production. All new Equipment & Machineries are installed based upon optimum utilization of energy.

- The Company has implemented use of piped natural gas in place of residual fuel oil for our thermic fluid heaters which are used for operating vacuum drying ovens, which gained Rs. 33.98 Lacs.
- The Company has stopped using screw type air compressor and now we are using reciprocating air compressors and have allotted to the specific areas which has saved Rs. 3.26 Lacs.

B. Additional investment and proposals, if any being implemented for reduction of energy consumption of energy & its impact: The Company plans to implement use of piped natural gas in place of residual fuel oil for our thermic fluid heaters at our Moraiya Plant.

Details of total & per unit consumption of energy are as follows.

Particulars	(₹ in Lacs)	
	2010-2011	2009-2010
Electricity (Purchased)		
Units (Kwh)	4,052,507 Units	3,241,029 Units
Total Amount (₹ in Lacs)	250.54	206.68
Rate / Unit (Rs.)	6.18 / Unit	6.38 / Unit

2. Technology Absorption :

The company has not taken any new technology in particular or entered into any technology agreement during the period hence the information required as per Form B is not applicable to the Company.

3. Foreign Exchange Earnings & Outgo :

Particulars	(₹ in Lacs)	
	2010-2011	2009-2010
Earnings	6,392.07	6,618.01
Outgo :		
Foreign Travel Expenses	57.90	39.72
Import	3,807.59	4,090.74



ANNEXURE-II FORMING PART OF DIRECTOR'S REPORT

The following is the list of persons (in alphabetical order) constituting "Group" within the meaning as defined in the Monopolistic and Restrictive Trade Practice Act, 1969) for the purpose of availing exemption from applicability of the provisions of Regulations 10 to 12 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 ("the said Regulations"), as provided in Clause 3(e) of the said Regulations:

Sr. No.	List of Persons	Sr. No.	List of Persons
1.	Akanksha S. Mamtora	15.	Mamtora Brothers
2.	Asha Mamtora	16.	M.B.Optics Pvt. Ltd.
3.	Ashish Kiri	17.	Michael Homawalla
4.	Benchmark HR Solutions (India) Pvt. Ltd.	18.	Ms. Vritika Kiri
5.	Bhaskar Sen	19.	Pramila Mamtora
6.	Bipin Mamtora	20.	Rajendra Shah
7.	Dilip Mamtora	21.	Ramesh Mamtora
8.	Harish Rangwala	22.	Satyen J. Mamtora
9.	Janki Mamtora	23.	Savas Engineering Company Pvt. Ltd.
10.	Jitendra Mamtora HUF	24.	Sureshchandra Agarwal
11.	Jitendra U Mamtora	25.	Transpares Ltd.
12.	Karuna J. Mamtora	26.	Transpower
13.	Pranay S. Mamtora	27.	Transweld Mechanical Engineering Works Ltd.
14.	Pratham S. Mamtora	28.	Vandana Mamtora

Place : Ahmedabad

Date : 22nd April, 2011

By Order of the Board of Directors

Jitendra Mamtora

Chairman & Managing Director

REPORT ON 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."

The Board of Directors is at the core of our Corporate Governance practice and Company's management and employees operate with the highest degree of ethical standards. Corporate Governance is strongly driven by our values such as quality, commitment, customer orientation and integrity.

We are an ethically responsible company, operate with transparency, validate commitment and sincerity, both vertically and horizontally across the organization with a spirit of integrity.

1. Company's Philosophy on Corporate Governance

TRIL's commitment for effective corporate governance is continues process to benchmark its efforts within accepted standards for the creation of golden & trustable value towards the shareholders.

The Board of Directors represents the interest of the Company's stakeholders, for optimizing long-term value by way of providing necessary guidance and strategic vision to the Company. The basic philosophy of Corporate Governance in the Company is to achieve business excellence for long term stakeholder value.

The Company believe to achieve good governance, which ensures our performance rules with integrity whereby ensuring the truth, transparency, accountability and responsibility in all our dealings with our employees, shareholders, consumers and the community at large. Apart from compliance with the statutory provisions of Company Law, allied acts and Listing Agreements. Our disclosure always seeks to attain best practice in corporate governance. We believe that sound corporate governance is critical to enhance and retain stakeholders trust.

2. Board of Directors

A. Composition

The Board of Directors of TRIL consists of eight (8) Directors of which Three (3) are Executive and Non-Independent Directors. Four (4) are Non-Executive and Independent Directors. One (1) is Non-Executive and Non-Independent Director. The Chairman of the Board is Executive Director.

B. Information on Board of Directors & Board Meetings

The Board Meetings are held at least once in every quarter inter-alia, to review the quarterly results. The Board Meetings are generally held at registered office of the company. All the mandatory items as prescribed in Clause 49 (IA) of the Listing agreement are placed before the Board.

During the year Board meets Four (4) times i.e. 27.4.2010, 28.7.2010, 20.10.2010 & 28.1.2011. The maximum gap between any two board meetings did not exceed four months.

Management Committee oversees day to day operations of the Company, which consist of Three (3) Executive Directors subject to supervision and control of the Board of Directors. The Management Committees appointed by the Board make decision within the authority delegated. All decisions/recommendation of the Committees are placed before the Board for information and/or their approval.



Present Composition of the Board, the attendance at the Board Meetings and at the last AGM, number of directorship is as under:

Name of Directors and their Designation	Category	No. of BM held	No. of BM attended	Attendance at Last AGM	No. of Outside Directorship held*	Outside Committees**	
						Member	Chairman
Mr. Jitendra Mamtora (CMD)	ED & NID	4	4	Yes	1	-	1
Mrs. Karuna Mamtora (ED)	ED & NID	4	4	Yes	1	-	-
Mr. Satyen Mamtora (JMD)	ED & NID	4	4	Yes	1	-	-
Mr. Bhaskar Sen (D)	NED & NID	4	3	Yes	-	-	-
Mr. Rajendra Shah (D)	NED & ID	4	3	Yes	5	1	2
Mr. Harish Rangwala (D)	NED & ID	4	1	No	3	-	-
Mr. Michael Homawalla (D)	NED & ID	4	3	Yes	3	-	-
Mr. Sureshchandra Agarwal (D)	NED & ID	4	4	Yes	1	-	-

- *Including Private Companies, **Committees are as per Clause 49 of Listing Agreement.
- CMD-Chairman & Managing Director, JMD- Joint Managing Director, ED-Executive Director, D-Director, NID-Non-Independent Director, NED-Non-Executive Director, ID-Independent Director.

None of the Directors of Board is a member of more than ten Committees and no Director is Chairman of more than five committees across all the companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors.

C. Code of Conduct

In Compliance with clause 49(I)(D) of Listing Agreement, the Company has adopted a code of conduct for Board Members and the Senior Management Personnel. All the Board members and Senior Management Personnel have affirmed compliance with the code of conduct. The code of conduct is available on the website of the Company at www.transformerindia.com.

A declaration to this effect duly signed by CEO of the Company is attached herewith and forms part of Corporate Governance Report.

3. Audit Committee

Composition & Attendance

The Audit Committee comprises of 3 Non-Executive Directors namely Mr. Michael Homawalla, Mr. Harish Rangwala & Mr. Sureshchandra Agarwal and 1 Executive Director namely Mr. Jitendra Mamtora. The Chairman of the Audit Committee is an Independent Director. The Constitution of the Committee meets the requirements of Section 292A of the Companies Act, 1956 as well as Clause 49 of the Listing Agreement.

Four Audit Committee Meetings were held during the year 2010-2011 on 27.4.2010, 28.7.2010, 20.10.2010 & 28.1.2011.

The Statutory Auditors and Internal Auditors attend the meetings by invitation. Mr Tushar Shah, Company Secretary attended the meetings as Secretary. Mr. Michael Homawalla, Chairman of the Audit Committee was present at the 16th AGM held on 28th July, 2010.

Sr. No.	Name of Members	Designation	Category	No. of Meetings held/attended
1.	Mr. Michael Homawalla	Chairman	NED & ID	4/3
2.	Mr. Jitendra Mamtora	Member	ED & NID	4/4
3.	Mr. Harish Rangwala	Member	NED & ID	4/1
4.	Mr. Sureshchandra Agarwal	Member	NED & ID	4/4

The Committee is authorized by the Board in the manner as envisaged under Clause 49 (II)(C) of the Listing Agreement. The Committee has been assigned task as listed under Clause 49(II)(D) of the Listing Agreement. The Committee reviews the information as listed under Clause 49(II)(E) of the Listing Agreement.

4. Subsidiary Companies

Mr. Michael Homawalla, an Independent Director of the Company, is Director on the Board of our non listed Indian subsidiary Companies i.e. Transpares Ltd.(51%) and Transweld Mechanical Engineering Works Ltd. (100%).

Financial Statements of our unlisted subsidiary companies were reviewed by the Audit Committee of the Company and Minutes of their Board Meetings as well as statements of all significant transactions of unlisted subsidiary companies are placed before the Board for their review.

5. Disclosures

A. Basis of Related Party Transaction

Related Party Transactions during the year have been disclosed vide Note No. 10 of Schedule 20 to the Accounts as per requirement of "Accounting Standards -18- Related Party Disclosur issued by ICAI. These transactions are not likely to conflict with the interest of the Company at large. All significant transactions with related parties are placed before the audit committee periodically.

B. Disclosure of accounting treatment in preparation of Financial Statement

Your Company has followed all relevant Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) while preparing Financial Statements.

C. Details of non-compliance by the Company

Your Company has complied with all the requirement of regulatory authorities. No penalty/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market.

D. Risk Management

The Company has framed a formal Risk Management Framework for risk assessment and risk minimization which have been periodically reviewed to ensure smooth operation and effective management control. The Audit Committee also reviewed the adequacy of the risk management framework of the Company, the key risks associated with the business and measure and steps in place to minimize the same.

E. Proceeds from Public Issue / Rights Issue / Preferential Issue / Warrant Conversion

During the year, the Company has not raised any fund through Public Issue / Rights Issue / Preferential Issue / Warrant Conversion.

6. Remuneration Committee

A. Composition & Attendance

The Remuneration Committee comprises of three (3) Non-Executive & Independent Directors namely Mr. Michael Homawalla, Mr. Harish Rangwala & Mr. Sureshchandra Agarwal. Mr. Tushar Shah, Company Secretary attended the meeting as Secretary. One (1) Remuneration Committee Meeting was held on 27.4.2010 during the year 2010-11.

Sr. No.	Name of Members	Designation	Category	Meeting held on 27/04/2010
1.	Mr. Sureshchandra Agarwal	Chairman	NED & ID	1/1
2.	Mr. Michael Homawalla	Member	NED & ID	1/1
3.	Mr. Harish Rangwala	Member	NED & ID	1/0

B. Terms of Reference

The terms of reference of the Remuneration Committee are inter alia to recommend to the Board, the remuneration packages of Company's Managing/Joint Managing/Executive Directors, including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.), Company's policy on specific remuneration packages for Company's Managing/Joint Managing/Executive Directors, including pension rights and any compensation payment and to implement, supervise and administer any share or stock option scheme of the Company.

C. Remuneration of Directors

Non-Executive Directors have no pecuniary relationship or transaction with the Company, except receiving sitting fees for attending Meetings. The Company does not pay any severance fee/stock option to the directors. The aggregate value of salary, perquisites, commissions, Performance incentive & Sitting fees paid for the year 2010-11 all the Directors are as follows:

(₹ in Lacs)

Name of Directors	Category	Sitting Fees				Remuneration		Total
		BM	AC	SGC	RC	Fixed Salary	Performance Incentive*/Commission@	
Mr. Jitendra Mamtora@	ED & NID	-	-	-	-	132.59	100.00	232.59
Mrs. Karuna Mamtora	ED & NID	-	-	-	-	21.98	-	21.98
Mr. Satyen Mamtora*	ED & NID	-	-	-	-	86.78	24.00	110.78
Mr. Bhaskar Sen	NED & NID	0.30	-	0.15	-	-	-	0.45
Mr. Rajendra Shah	NED & ID	0.30	-	0.15	-	-	-	0.45
Mr. Harish Rangwala	NED & ID	0.10	0.075	-	-	-	-	0.18
Mr. Michael Homawalla	NED & ID	0.30	0.225	-	0.05	-	-	0.57
Mr Sureshchandra Agarwal	NED & ID	0.40	0.30	-	0.05	-	-	0.75
Total		1.40	0.6	0.30	0.10	241.35	124.00	367.75

Note: BM-Board Meeting, AC-Audit Committee Meeting, SGC-Shareholders Grievance Committee Meeting, RC-Remuneration Committee Meeting. Fixed Salary includes Salary, Perks & Retirement Benefits.

D. Director's Shareholding

The details of Shares held by Directors as on 31st March, 2011 are as under:

Sr. No.	Name of Directors	Age (yrs)	Designation	Date of Appointment	Nature of Employment	No. Shares held	% held
1.	Mr. Jitendra Mamtora	65	CMD	Since Incorporation	Contractual	8,858,992	68.55
2.	Mrs. Karuna Mamtora	61	ED	Since Incorporation	Contractual	267,736	2.07
3.	Mr. Satyen Mamtora	36	JMD	Since Incorporation	Contractual	97,000	0.75
4.	Mr. Bhaskar Sen	70	Director	July 9, 2007	-	-	-
5.	Mr. Rajendra Shah	63	Director	August 25, 2005	-	5,250	0.04
6.	Mr. Harish Rangwala	63	Director	August 25, 2005	-	3,000	0.02
7.	Mr. Michael Homawalla	52	Director	September 6, 2005	-	-	-
8.	Mr Sureshchandra Agarwal	60	Director	August 13, 2007	-	-	-

E. Management Discussion and Analysis

The Management Discussion and Analysis Report have been given separately in this Annual Report as required under Clause 49 of the Listing Agreement on page No.24.

F. CEO/CFO Certification:

As required under Clause 49(V) of the Listing Agreement with the stock exchanges, CEO and CFO of the Company have certified the financial statement for the year ended 31st March, 2011.

7. Shareholders' Grievance Committee
A. Composition & Attendance

The Shareholder's Grievance Committee comprises of 2 Non-Executive Directors namely Mr. Rajendra Shah & Mr. Bhaskar Sen and 1 Executive Director namely Mr. Satyen Mamtora. Mr. Tushar Shah, Company Secretary attended the meeting as Secretary.

Four Shareholder Grievance Committee meetings were held on 27.4.2010, 28.7.2010, 20.10.2010 & 28.1.2011.

Sr. No.	Name of Members	Designation	Category	No. Meetings held/attended
1.	Mr. Rajendra Shah	Chairman	NED & ID	4/3
2.	Mr. Bhaskar Sen	Member	NED & NID	4/3
3.	Mr. Satyen Mamtora	Member	ED & NID	4/4

B. Complaints

The Committee is authorized to redress the shareholders. During the 2010-11, There were 2 unresolved complaints pending as on 1.4.2010 and during the year 10 Complaints were received from the shareholders and 12 complaints were resolved to the satisfaction of shareholders. There were no complaints remained unattended/ pending more than 30 days as on 31.03.2011.

C. Compliance Officer

Mr. Tushar Shah, Company Secretary is the Compliance Officer of the Company and can be contacted at Survey No.344-350, Opp. PWD Stores, Sarkhej-Bavla Highway, Village : Changodar, Taluka Sanand, Ahmedabad-382213, Gujarat Tel. 02717-661661, Fax : 02717 – 661716, Email : tushar@transformerindia.com

D. Terms of Reference

The Shareholders' Grievance Committee specifically looks into the redressal of Shareholders' complaints like transfer of shares/non-receipt of shares, non-receipt of annual reports, non-receipts of declared dividends/refund/remat/demat request etc.

The Board has delegated the said powers for approving transfer and transmission of shares and issue of duplicate shares to Transfer Committee. The status of transfer, duplicate etc., is periodically reported to the Committee. Other details for shareholders have been provided separately in Shareholders' Information.

8. Information about General Body Meetings

A. Annual General Meetings

The Location, date and time of last three Annual General Meetings held.

Financial Year	Date	Time	No. of Special Resolution	Place of Meeting
2009-2010	28-07-2010	11.00 A.M	3	Survey No. 344-350 Sarkhej-Bavla Highway, Changodar, Sanand, Ahmedabad-382213
2008-2009	15-07-2009	11.00 A.M	2	Survey No. 344-350 Sarkhej-Bavla Highway, Changodar, Sanand, Ahmedabad-382213
2007-2008	26-06-2008	11.00 A.M.	-	Survey No. 344-350 Sarkhej-Bavla Highway, Changodar, Sanand, Ahmedabad-382213

B. Special Resolution

Particulars of Special Resolution passed :

Financial Year	Date	Particulars
2009-2010	28-07-2010	<ol style="list-style-type: none"> 1. Reappoint Mr. Satyen Mamtora as a Joint Managing Director of the Company 2. Reappoint Mrs. Karuna Mamtora as an Executive Director of the Company. 3. Revision in Remuneration of Mr. Jitendra Mamtora, Chairman & Managing Director of the Company.
2008-2009	15-07-2009	<ol style="list-style-type: none"> 1. Revision in Remuneration of Mrs. Karuna Mamtora, Executive Director of the Company. 2. Revision in Remuneration of Mr. Satyen Mamtora, Joint Managing Director of the Company.



C. Postal Ballot

The Company has neither passed any resolution through postal ballot during the year 2010-11 nor any resolution proposed to be passed for the ensuing Annual General Meeting of the Company.

9. Non-Mandatory Requirements

- **The Board** : There is no policy at present to determine the tenure of Independent Directors.
- **Remuneration Committee**: The Company has constituted Remuneration Committee. A detailed note on Remuneration Committee is provided elsewhere in the Report.
- **Shareholder’s Right** : Half yearly financial results including summary of the significant events are presently not being sent to shareholders of the Company. However quarterly financial results are published in the leading news papers and are also available on the website of the Company.
- **Audit Qualification** : There is no qualification in the Auditor’s Report on the Financial Statements to the shareholders of the Company.
- **Training of Board Members** : As the members of the Board are eminent and experienced professional persons, there is no formal policy at present for their training.
- **Mechanism for evaluating non-executive Board Members** : There is no policy framed for evaluation of Non-executive directors.
- **Whistle Blower Policy** : The Company has not established any formal Whistle Blower Policy.

10. Means of Communication

Quarterly Financial Results :

30 th June, 2011	- End of July, 2011
30 th September, 2011	- End of October, 2011
31 st December, 2011	- End of January, 2012
Audited Results for the year ended	- 45 days from the end of Quarter (i.e. on or before 15.5.2012) or 60 days from end of Financial Year (i.e. on or before 31.5.2012) (As per Clause 41 of Listing Agreement)

The Company has published its Quarterly/Half yearly Financial Results in Economic Times both in English and vernacular language where the registered office of the Company is situated as per Listing Agreement. The result were also submitted to Stock Exchanges as per Clause 41 of the Listing Agreement. The result and presentations made to Institutional Investors or to the Analysts were also displayed on Company’s website www.transformerindia.com.

11. General Information for Shareholders

A. Annual General Meeting :

Date : Friday, 29th July, 2011
 Time : 11.00 a.m.
 Venue : Survey No.344-350, Opp. PWD Stores,
 Sarkhej-Bavla Highway, Changodar,
 Sanand, Dist: Ahmedabad-382213, Gujarat

B. Financial Year : 1st April, 2010 to 31st March, 2011

C. Book Closure : The Register of Members and Share Transfer Books of the Company shall Remain closed from Saturday, 23rd July, 2011 to Friday, 29th July, 2011 (both days inclusive) for the purpose of ensuing Annual General Meeting. The Dividend, if approved by shareholders at AGM, shall be paid to shareholders whose names appear :

- a) As beneficial owners at the end of the business day on Friday, 22nd July, 2011 as per the details available with NSDL and CDSL.
- b) On the Register of Members as on Friday, 22nd July, 2011 of the owners holding shares in physical form.

D. **Dividend payment date** : On or after Wednesday, 3rd August, 2011 but within the statutory time limit of 30 days from the date of approval by members.

E. **Listing on Stock Exchanges & Stock Code**

: Equity shares of the Company are listed on National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Ltd. (BSE).

Security	Group & Stock Cod at BSE	Scrip ID at NSE	ISIN
Equity Shares	B - 532928	TRIL	INE763l01018

The Company had paid listing fees to Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. for financial year 2011-12.

As on 31st March, 2011, there were 44,588 shareholders of the Company.

F. **Market Price Data**

The Monthly High & Low share price of BSE & NSE Compared to SENSEX & Nifty during the financial year 2010-11 are as under :

Months	BSE Share Price		BSE Sensex		NSE Share Price		Nifty	
	High	Low	High	Low	High	Low	High	Low
Apr-10	429.75	360.00	18,047.86	17,276.80	429.00	361.00	5,399.65	5,160.90
May-10	429.00	389.00	17,536.86	15,960.15	429.00	388.10	5,250.15	4,786.45
Jun-10	472.70	411.50	17,919.62	16,318.39	472.60	411.55	5,366.75	4,967.30
Jul-10	470.70	398.25	18,237.56	17,395.58	471.80	400.00	5,477.50	5,225.85
Aug-10	436.85	382.10	18,475.27	17,819.99	423.00	385.50	5,549.80	5,348.90
Sep-10	427.50	387.00	20,267.98	18,027.12	427.40	387.00	6,073.50	5,471.85
Oct-10	404.00	369.00	20,854.55	19,768.96	403.50	352.30	6,284.10	5,937.10
Nov-10	373.50	300.00	21,108.64	18,954.82	379.70	300.15	6,338.50	5,690.35
Dec-10	342.05	290.65	20,552.03	19,074.57	344.90	293.20	6,147.30	5,721.15
Jan-11	373.00	273.00	20,664.80	18,038.48	374.00	273.10	6,181.05	5,416.65
Feb-11	280.00	235.30	18,690.97	17,295.62	280.50	235.30	5,599.25	5,177.70
Mar-11	265.35	240.00	19,575.16	17,792.17	266.00	242.20	5,872.00	5,348.20

G. **Price Movement Chart : TRIL vis-à-vis S&P CNX Nifty**



H. Registrar and Share Transfer Agents (RTA)

Members are requested to correspond with the Company's RTA for all matters related to share transfers, dematerialization, complaints for non-receipt of refund order/dividends etc. at the following address :

M/s. Link Intime India Pvt. Ltd.

C-13 Pannalal Silk Mill Compound,
L B S Marg, Bhandup (West), Mumbai - 400 078
Tel No. : 022 - 25963838 -2301
Fax No : 022 – 25946969
Email : rnt.helpdesk@linkintime.co.in

Our RTA has a separate cell to take care of telephone calls, emails (rnt.helpdesk@linkintime.co.in), letters etc. received from shareholders and separate set of telephone lines on hunting, with the primary number as 022-25946970.

I. Share Transfer System

Applications for transfer of shares in physical form are processed by the Company's RTA M/s. Link Intime India Pvt. Ltd., Mumbai. The Transfer Committee constituted for transfer/transmission of shares, issue of duplicate shares, demat / remat request and allied matters considers and approves the share transfer once in fortnight subject to transfer instrument being valid and complete in all respects.

The Company obtained certificates from Company Secretary in Practice for compliance of share transfer formalities as per the requirement of Clause 47(c) of the Listing Agreement on half yearly basis. The Company also carried out quarterly Secretarial Audit for the reconciliation of Share Capital regularly.

J. Distribution of Shareholding (As of 31st March, 2011)

No. of Shares of Rs. 10/- each	Shareholders		Share Amount	
	Number	% to the Total	Rs.	% to the Total
Upto - 5,000	43,974	98.6229	16,325,450	12.6323
5001 - 10,000	326	0.7311	2,571,530	1.9898
10,001 - 20,000	163	0.3656	2,410,790	1.8654
20,001 - 30,000	50	0.1121	1,239,650	0.9592
30,001 - 40,000	14	0.0314	514,600	0.3982
40,001 - 50,000	14	0.0314	648,280	0.5016
50,001 - 1,00,000	31	0.0695	2,051,310	1.5873
1,00,001 & above	16	0.0359	103,474,500	80.0662
Total	44,588	100.00%	129,236,110	100.00%

K. Details of Unclaimed Shares

As per the new clause 5A of the Listing agreement, as on 1.4.2010, the Company has 30 cases consists of 450 unclaimed shares, allotted under the Initial Public Offering (IPO) of the Company. The Company has received 2 request for credit of 15 unclaimed shares each during the year under review and the same has been resolved by crediting the shares to the respective shareholder's account after proper verification of identity & documents. As on 31.3.2011 there were 28 cases consists of 420 unclaimed shares.

L. Shareholding Pattern (As of 31st March, 2011)

Sr. No.	Categories	No. of shares	% of voting
A	Promoters Holding		
	Promoters		
	- Indian	9,928,415	76.8238
B	Non Promoter Holding		
	Institutional		
	- Mutual Fund	256,188	1.9823
	- Financial Institutions/Banks	29,150	0.2256
	- FI's	8,613	0.0666
	Non-Institutional		
	- Bodies Corporates	372,832	2.8849
	- Individuals :		
	Capital upto Rs.1 Lacs	2,175,308	16.8320
	Capital > Rs. 1 Lacs	60,979	0.4718
	Any Others		
	- Clearing Members	34,584	0.2676
	- NRIs	47,168	0.3650
	- Overseas Bodies Corporates	115	0.0009
	- Trusts	2,009	0.0155
	- Directors/Relatives	8,250	0.0638
	Grand total	12,923,611	100.0000

M. Demat & Liquidity

As on 22.04.2011 :

Holding Mode	No. of Equity Shares
Dematerialized	12,923,598
Physical	13
Total	12,923,611

The trading in the Company's equity shares is compulsorily in dematerialized mode. The Company has tied up with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). Thus the investors can exercise dematerialization and transfer actions through a recognized Depository Participant (DP) who is connected to NSDL or CDSL. Requests for dematerialization of physical shares are processed and completed within an average period of 15 days from the date of receipt of documents provided they are in order.

As on 31.03.2011 there were 12,137,117 equity shares & 786,481 equity shares held in dematerialized form with NSDL & CDSL respectively.

N. Outstanding GDRs / ADRs / Warrants / Options or any Convertible Instruments

Company has no outstanding GDRs / ADRs / Warrants / Options or any convertible instruments as on 31st March 2011.

O. Plant Locations

1. Moraiya Unit, Moraiya, Ahmedabad
2. Changodar Unit, Changodar, Ahmedabad
3. Odhav Unit, Odhav, Ahmedabad
4. Fabrication Unit, Odhav, Ahmedabad

P. Investors Communication

For Share Transfers / Dematerialization or other queries relating to Shares :

M/s. Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound,
LBS Road, Bhandup (West), Mumbai-400078
Telephone : 022-25960320, 022- 25946970 Fax : 022-25960329
Email : rnt.helpdesk@linkintime.co.in

For other inquiry:

Mr. Tushar Shah, Company Secretary & Compliance Officer
Transformers and Rectifiers (India) Limited
Survey No. 344-350, Opp. PWD Stores, Sarkhej-Bavla Highway,
Changodar, Sanand, Dist : Ahmedabad-382213
Telephone : 02717-661661, Fax : 02717-661716
Email : tushar@transformerindia.com

Declaration regarding compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

The Board of Directors of the Company has adopted Code of Conduct; followed by all members of the Board and all Senior Management Personnel of the Company in compliance with the clause 49 of the Listing Agreement with the Stock Exchanges. This Code is available on the Company's website www.transformerindia.com.

This is to confirm that the Company has received a declaration of compliance with the Code of Conduct as applicable to them from each member of the Board and Senior Management Personnel.

Place : Ahmedabad
Date : 22nd April, 2011

Jitendra Mamtora
Chairman & Managing Director

CEO/CFO CERTIFICATION

We, Jitendra Ujamshi Mamtora, Chairman and Managing Director and Rahul Shah, CFO of the Company, to the best of our knowledge and belief certify that:

- (a) We have reviewed the balance sheet and profit and loss account and all its schedules and notes on accounts, as well as the cash flow statements and the Director's Report;
- These statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading;
 - These statements together present a true and fair view of the Company, and are in compliance with the existing Accounting Standards and/or 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, 2011 are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept 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 and deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- (d) We have indicated to Auditors and Audit Committee :
- 1) There has not been any significant change in internal control over financial reporting during the year under reference;
 - 2) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - 3) We are not aware of any instance 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 : Ahmedabad
Date : 22nd April, 2011

Jitendra Mamtora
Chairman & Managing Director

Rahul Shah
Chief Financial Officer

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

CIN : L33121GJ1994PLC022460

Nominal Capital : Rs.15,00,00,000/-

To,
The Members of
TRANSFORMERS AND RECTIFIERS (INDIA) LIMITED

In accordance with Clause 49 of the Listing Agreement entered into by Transformers and Rectifiers (India) Limited with the Stock Exchanges, I have examined all the relevant records of the Company relating to its compliance of conditions of Corporate Governance as stipulated in revised Clause 49 for the financial year ended on March 31, 2011.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My 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.

In my opinion and to the best of my information and according to the explanations given to me and the re-presentations made by the Directors and the Management, I certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in abovementioned listing agreement.

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

Place : Ahmedabad
Date : 22nd April, 2011

Name of Company Secretary : Tapan Shah
Membership No. : FCS 4476
C. P. Number : 2839



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC OUTLOOK

The mid-year (FY 10/11) review of the economy pointed to the possibility of India achieving 9% GDP growth this year. India was firing on all cylinders at a time when the global economy was yet again facing uncertainties due to the European debt crisis and Chinese inflation. All three sectors, viz., Agriculture, Industry and Services were contributing to the GDP growth. After raging for months, inflation finally was falling. Consumption rebounded strongly after having gone through a slump in the earlier year. Double digit rise in investments also indicated that growth momentum was unlikely to falter in near future. Inflow from abroad was increasing at an unprecedented rate to offset current account deficit.

However, the industrial output growth starting at 17.6% in April 2010 plunged to 2.7% in November, 1.6% in December, and then slightly picked to 3.9% in January 2011 and again dipped to 3.6% in February 2011. Since, Industry has an 18% weight in the GDP, the economy is moderating, though not collapsing.

India's exports surged 37.5% in 2010-11 – the fastest annual rate since independence – despite a strong rupee and weak demand in developed markets.

India shipped goods worth US \$ 245.9 billion as attempts to diversify markets and increase regional trade paid off. The base effect, however, contributed to a part of the rise. Exports had fallen 3.5% in 2009-10 due to global financial crisis.

POWER SECTOR OVERVIEW

1. Generation:

Cumulatively, net capacity addition in public utilities till December 2010 in the ongoing 11th plan amounted to 28,393 MW. Grid-connected renewable energy sources (small hydro power, Bio mass, Wind power etc.) contributed 9,026 MW.

The total stock of installed generating capacity at the end of December 2010 worked out to 1,69,749 MW. Grid-connected captive generating capacity contributed another 19,509 MW.

Despite several initiatives, the achievement is unlikely to exceed 50,000 MW against original target of 78,577 MW in the 11th plan.

However this still gives projected achievement ratio of around 64%, much improved compared to those achieved during the earlier three plan periods. Further, the 12th plan target has been set at 100,000 MW, some of which are in fairly advanced stages, will definitely get commissioned by the first half of the 12th plan with strong focus remaining undiluted, the generation capacity addition should continue to be encouraging, thereby paving the way for all out growth of the power sector.

The targets set for the 11th Plan were ambitious, as the Planning Commission did not want to set low, easily achievable targets. Preparedness during the 11th Plan was much better in respect of timely placement of orders and increase in the manufacturing capacity of domestic suppliers. Ministry of Power had put in place a strong review system and monitoring mechanism to oversee the capacity addition programme. Rigorous monitoring of projects is held at different levels, including the Ministry of Power, the CEA, the Power Project Monitoring Panel and the Adversary Group under the chairmanship of the Hon'ble Minister of Power.

2. Transmission:

As of December 31, 2010, India had 132,413 ckm (circuit km) of 220 kV lines, 925 owned by state utilities. 440 kV lines stood at 102,912 ckm, 66% under Central ownership. Central agencies did well to more than double their 440 kV network from 29,345 ckm as of March 2002 to 68,423 ckm as of December 31, 2010.

The 11th plan period is also significant as it marks the furtherance of EHV/UHV infrastructure in the form of bipolar 500 kV HVDC and 765 kV lines. As of December 31, 2010, the country had 3,982 ckm of 765 kV lines, almost entirely in central ownership. The 500 kV HVDC transmission line network stood at 8,234 ckm.

Efforts were also initiated for the development of 1200 kV transmission lines. PGCIL is currently constructing a 1-KM test line at Bina in Madhya Pradesh, in association with leading private and public sector equipment manufacturers and service providers.

BUDGET (2010-11) HIGHLIGHTS – PROMISES & FOCUS

The biggest gainer in the Budget is the Infrastructure sector, critical to boost growth to double digit levels. Government hiked spending sharply by more than 23% to Rs. 214,000 crore for the sector. FIs can now invest up to US \$ 25 billion each year in 5-year tradable infrastructure bonds, up from a measly US\$ 5 billion. Domestic investors can buy Tax-free bonds worth another Rs. 30,000 crore.

The Union Budget 2011-12 has hardly any major announcement or initiative specifically for the Power Sector. Central Plan Outlay for the Power Sector has been enhanced from Rs. 66,097 crore in budget 2010-11 to Rs. 72,754 crore in budget 2011-12. Also, the central plan for RGGVY (Rajiv Gandhi Gramin Vidyuti Karan Yojna) received Rs. 6,000 crore in comparison to Rs. 5,500 crore in the year 2010-11. Surprisingly, the allocation to R-APDRP (Restructured Accelerated Power Development & Reforms Programme) has been reduced from Rs. 3,700 crore to Rs. 2,034 crore.

ELECTRICAL EQUIPMENT INDUSTRY

Indian Electrical Equipment Industry has witnessed a pickup in its growth momentum by registering a 16.6% growth in the 1st 6 months of FY 2010-11. The switch gear industry was the best performer clocking 34.1% increase. The Transformer Industry grew by 20%. The performance was favourable in contrast with that in the 1st half of 2009-10, when the transformer industry declined by around 3%. In the power transformer segment, higher domestic consumption offset the fall in exports.

Currently Transformer Industry accounts for around 25% of the equipment space. This, however, excludes special purpose industrial transformers. Production of transformers grew from 80,156 MVA in 2004-05 to 153,373 MVA in 2008-09. In 2011-12, production is estimated to cross, 204,000 MVA. Power transformers have a share of 65-70% in total production.

OPPORTUNITIES & THREATS

Given the huge outlay of over Rs 11 trillion in the 11th and 12th plan periods, the opportunity size is huge. However, the projected growth of transformers or T&D industry cannot be seen in isolation. Targeted addition of generation capacity, timely expansion of transmission network, financial viability of the state utilities all have direct impact on the demand of transformers. The commissioning of all UMPPs (Ultra Mega Power Projects) and steady increase of capacity and capabilities of BTG (Boiler – Turbine – Generator) package suppliers and of the BOP (Balance – Of – Plants) suppliers are likely to bring in relief during the 12th plan.

MAJOR ISSUES – RISKS AND CONCERNS

1. Coal linkages and availability of coal.
2. Right-of-way (ROW) and forest clearances.
3. Land acquisition issues.
4. Constraints of skilled manpower.
5. Volatility of copper prices due to speculation.
6. Volatility of crude oil prices due to political unrest in several oil producing countries.
7. High inflation.

THE WAY FORWARD FOR TRIL

The production of Power Transformers (above 10MVA, above 36kV) during January to December 2010 clocked 1,56,363 MVA. More than 30% of this has been in the 400kV segment. Looking at the addition plan and expansion of EHV/UHV transmission network, we may reasonably assume that about 35% of the MVA demand will be in the 400/765 kV segment. 400 kV numbers are expected to be much higher than the 765 kV numbers till about another 3 years. 765 kV numbers are expected to rise from the mid of the 12th plan.

Against this expected pattern of demand, TRIL must try for optimal utilisation of the Moraiya plant by making more number of transformers in the 400/765 kV segment and taking 220 kV transformers as balancing load.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a well established system of internal controls and Internal Audit commensurate with its size and complexity of business. You Company has appropriate internal control systems for business process, with regards to efficiency of operations, financial reporting, compliance with applicable laws and regulations etc. All parameters are monitored and controlled at regular interval. Internal audits are conducted by experienced firm of chartered accountants in close co-ordination with company's finance department. The findings of the Audit team are discussed internally as well as in the Audit Committee meetings. The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them from time to time. The Company is continuously upgrading its internal control system by adding better process control, various audit trails and use of external management assurance services.

MAJOR DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT

The HR focus has been on the Organizational Development and Intervention. The aim of Organizational Development Intervention is to strengthen the culture of the organization & create a winning team. There has been many intervention to focus on enhancing Team Building. This will support the organization to keep the team motivated. Learning & Development has been strengthen further to bring value addition in the employee.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Comparison of various items between Financial Statements for Fiscal Year 2011 and Fiscal Year 2010:

(₹ in Lacs)

PARTICULARS	Standalone				Consolidated			
	FY 2011		FY 2010		FY 2011		FY 2010	
	Rs.	%	Rs.	%	Rs.	%	Rs.	%
Net Sales	53,184.82	97.23%	51,221.63	97.90%	53,720.27	97.18%	51,682.98	97.80%
Trading Sales	97.88	0.18%	-	-	97.88	0.18%	-	-
Service Income	74.14	0.14%	288.32	0.55%	87.45	0.16%	288.32	0.54%
Other Income	1,345.44	2.45%	810.60	1.55%	1,369.01	2.48%	875.61	1.66%
Total Income	54,702.28	100.00%	52,320.55	100.00%	55,274.61	100.00%	52,846.91	100.00%
Raw Material Consumed	45,435.81	83.06%	38,298.41	73.20%	45,006.94	81.42%	37,823.18	71.57%
Trading Purchases	70.86	0.13%	-	-	70.86	0.13%	-	-
Manufacturing Expenses	1,169.31	2.14%	1,088.49	2.09%	1,698.79	3.07%	1,518.20	2.87%
Employee Cost	1,607.48	2.94%	1,285.81	2.46%	1,666.70	3.02%	1,326.45	2.51%
Selling, Distribution & Administration Expenses	2,829.70	5.17%	3,240.31	6.19%	2,955.50	5.35%	3,339.36	6.32%
Decrease/(Increase) in Stock	(3,285.17)	-6.01%	33.83	0.06%	(3,411.40)	-6.17%	97.86	0.19%
Total Expenses	47,827.99	87.43%	43,946.85	84.00%	47,987.39	86.82%	44,105.05	83.46%
EBIDTA	6,874.29	12.57%	8,373.70	16.00%	7,287.22	13.18%	8,741.86	16.54%
Finance Charge	411.93	0.75%	470.38	0.90%	464.28	0.84%	510.07	0.97%
Depreciation	579.41	1.06%	441.06	0.84%	619.68	1.12%	475.89	0.90%
PBT	5,882.95	10.76%	7,462.26	14.26%	6,203.26	11.22%	7,755.90	14.67%
Taxation	1,871.91	3.42%	2,511.38	4.80%	1,997.09	3.61%	2,621.56	4.96%
Minority Interest	-	-	-	-	68.86	0.12%	44.22	0.08%
Share in Profit/Loss of Associates	-	-	-	-	14.47	0.03%	73.93	0.14%
PAT	4,011.04	7.34%	4,950.88	9.46%	4,151.78	7.46%	5,164.05	9.49%

STANDALONE BASIS

Total income of the Company has stepped up from Rs. 52,320.55 Lacs in FY 2010 to Rs. 54,702.28 in FY 2011, thus there is an increase of 4.55% in the total income of the Company. Due to price increased in Raw Material & other costs, Profit Before Taxation decreased from Rs. 7,462.26 Lacs during FY 2010 to Rs. 5,882.95 Lacs during FY 2011. Profit after tax for FY 2011 stood at Rs. 4,011.04 Lacs compared to Rs. 4,950.88 Lacs during FY 2010.

CONSOLIDATED

Total income of the Company has stepped up from Rs. 52,846.91 Lacs in FY 2010 to Rs. 55,274.61 Lacs in FY 2011, thus there is increase of 4.59% in the total income of the Company. Due to price increased in Raw Material & other costs, Profit Before Taxation decreased from Rs. 7,755.90 Lacs during FY 2010 to Rs. 6,203.26 Lacs during FY 2011. Profit after tax for FY 2011 stood at Rs. 4,151.78 Lacs compared to Rs. 5,164.05 Lacs during FY 2010.

CAVEAT

This section of the Annual Report has been included in adherence to the spirit enunciated in the Code of Corporate Governance approved by the Securities and Exchange Board of India. Shareholders and Readers are cautioned that in the case of data and information external to the company, though the same are based on sources believed to be reliable, no representation is made on its accuracy or comprehensiveness. Further, though utmost care has been taken to ensure that the opinions expressed by the management herein contain its perceptions on most of the important trends having a material impact on the Company's operations, no representation is made that the following presents an exhaustive coverage on and of all issues related to the same. The opinions expressed by the management may contain certain forward-looking statements in the current scenario, which is extremely dynamic, and increasingly fraught with risk and uncertainties. Actual results, performances, achievements or sequence of events may be materially different from the views expressed herein. Readers are hence cautioned not to place undue reliance on these statements, and are advised to conduct their own investigation and analysis of the information contained or referred to in this section before taking any action with regard to their own specific objectives. Further, the discussion following herein reflects the perceptions on major issues as on date and the opinions expressed here are subject to change without notice. The Company undertakes no obligation to publicly update or revise any of the opinions or forward-looking statements expressed in this report, consequent to new information, future events, or otherwise.

Financial Statement





AUDITOR'S REPORT

To The Members of
Transformers & Rectifiers (India) Limited
Ahmedabad.

1. We have audited the attached Balance Sheet of **TRANSFORMERS & RECTIFIERS (INDIA) LIMITED** ("the Company") as at 31st March, 2011, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
 - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (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 Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - (e) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - b) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date and
 - c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the Directors as on 31st March, 2011 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

For C. C. Chokshi & Co.
Chartered Accountants
(Registration No. 101876W)

Place : Ahmedabad
Date : 22nd April, 2011

H. P. Shah
Partner
Membership No. 33331

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date

- (i) Having regard to the nature of the Company's business/activities/result, clauses (x), (xiii) and (xiv) of CARO are not applicable.
- (ii) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In respect of its inventory:
- (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals, except for stock lying at third party location for which confirmations have been obtained for the major portion of stocks confirming such holding and for goods in transit.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) In respect of the loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the Register under section 301 of the Companies Act, 1956:
- (a) The Company has granted unsecured loans to a party covered in the register maintained under section 301 of the Companies Act, 1956. At the year-end, the outstanding balances of such loans aggregated to Rs. 296.51 lacs and the maximum amount involved during the year was Rs 385.00 lacs.
 - (b) According to the information and explanations given to us, the rate of interest and the other terms and conditions are not, in our opinion, prima facie, prejudicial to the interest of the Company.
 - (c) The aforesaid loans are repayable on demand and no repayment schedules have been stipulated. Under the circumstances, the question of regularity of the principal amounts does not arise.
- The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the Register under section 301 of the Companies Act, 1956.
- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
- (a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
 - (b) Having regard to the fact that the goods purchased and services received by the Company pursuant to the contracts or arrangements, where each of such transaction is in excess of Rs.5 Lacs in respect of any party, are of a specialized nature for which suitable alternative sources do not exist for obtaining comparative market prices prevailing at the relevant time, we are unable to comment as to whether these transactions were made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vii) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year.
- (viii) In our opinion, the internal audit functions carried out during the year by firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.

- (ix) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956, in respect of Power Transformers and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records for any other product of the Company.
- (x) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom 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 Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2011 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2011 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (₹ in Lacs)
Income Tax Act, 1961	Income tax	Income Tax Appellate Tribunal	AY 2008-09	48.48
Central Excise Act, 1944	Excise Duty	Assistant Commissioner of Central Excise	AY 2009-10 & 2010-11	1.9
Central Excise Act, 1944	Excise Duty	Central Excise Service Tax Appellate Tribunal (CESTAT)	AY 2006-07, 2007-08, 2008-09 & 2009-10	190.43
Central Excise Act, 1944	Excise Duty	Commissioner (Appeals) of Central Excise	AY 2007-08, 2009-10 & 2010-11	176.27

- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks.
- (xii) According to the information and explanations given to us, the Company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not prima facie prejudicial to the interests of the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained, other than temporary deployment pending application.
- (xv) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long-term investment.
- (xvi) The Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xvii) No debentures have been issued by the Company and hence the question of creating the securities or charges in respect thereof does not arise.
- (xviii) The Management has disclosed the end use of money raised by public issue and we have verified the same.
- (xix) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

For C. C. Chokshi & Co.
Chartered Accountants
(Registration No. 101876W)

H. P. Shah
Partner

Membership No. 33331

Place : Ahmedabad
Date : 22nd April, 2011

BALANCE SHEET

As at 31st March, 2011

(₹ in Lacs)

	Schedule	As At 31 st March, 2011	As At 31 st March, 2010
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	1,292.36	1,292.36
Reserves & Surplus	2	30,637.89	27,371.41
		<u>31,930.25</u>	<u>28,663.77</u>
Loan Funds			
Secured Loans	3	6,409.75	6,751.04
Deferred Tax Liability (Net)			
(See note no. 13 of Schedule 20)		635.30	470.30
TOTAL		<u>38,975.30</u>	<u>35,885.11</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	4	10,757.19	9,942.44
Less : Depreciation & Amortisation		2,002.91	1,436.85
Net Block		<u>8,754.28</u>	<u>8,505.59</u>
Add :- Capital Work In Progress		1,808.49	1,322.00
		<u>10,562.77</u>	<u>9,827.59</u>
Investments			
	5	211.19	211.19
Current Assets, Loans & Advances			
Inventories	6	10,636.36	5,150.59
Sundry Debtors	7	23,149.10	14,773.09
Cash & Bank Balances	8	5,551.60	13,309.59
Loans & Advances	9	2,669.42	1,497.30
		<u>42,006.48</u>	<u>34,730.57</u>
Less : Current Liabilities & Provisions			
	10	13,805.14	8,884.24
Net Current Assets		<u>28,201.34</u>	<u>25,846.33</u>
Miscellaneous Expenditure			
(To the extent not written off)	11	-	-
TOTAL		<u>38,975.30</u>	<u>35,885.11</u>
Significant Accounting Policies			
	19		
Notes on Accounts			
	20		
Schedule 1 to 20 form part of this Balance Sheet			

As per our attached report of even date.

For and on behalf of Board of Directors

For C. C. Chokshi & Co.
Chartered Accountants

Jitendra U. Mamtora
Chairman & Managing Director

Satyen J. Mamtora
Joint Managing Director

H.P.Shah
Partner

Tushar Shah
Company Secretary

Place : Ahmedabad
Dated : 22nd April, 2011

Place : Ahmedabad
Dated : 22nd April, 2011

PROFIT & LOSS ACCOUNTFor the Year ended on 31st March, 2011

(₹ in Lacs)

	Schedule	For the Year Ended on 31 st March, 2011	For the Year Ended on 31 st March, 2010
INCOME			
Sale of Goods Manufactured (Gross)		57,575.31	54,940.98
Sale of Goods Traded in		97.88	-
Service Income (Gross)		74.14	288.32
		<u>57,747.33</u>	<u>55,229.30</u>
Less : Cenvat Duty recovered on Sales & Service income (See note 3 of Schedule 20)		<u>4,390.49</u>	<u>3,719.35</u>
Net Sales & Service Income		53,356.84	51,509.95
Other Income	12	1,345.44	810.60
TOTAL		<u>54,702.28</u>	<u>52,320.55</u>
EXPENDITURE			
Raw materials consumed		45,435.81	38,298.41
Decrease/(Increase) in Stock of Finished Goods and Process Stock	13	(3,285.17)	33.83
Trading Goods purchased		70.86	-
Manufacturing expenses	14	1,169.31	1,088.49
Payments to and provision for Employees	15	1,607.48	1,285.81
Selling, Distribution, Administrative and Other expenses	16	2,829.70	3,240.31
Interest & Finance Charges	17	411.93	470.38
Depreciation & Amortisation		579.41	441.06
TOTAL		<u>48,819.33</u>	<u>44,858.29</u>
Profit Before Tax		<u>5,882.95</u>	<u>7,462.26</u>
Provision for taxation	18	1,939.99	2,528.80
Short/(Excess) provision of taxation of earlier years		(68.08)	(17.42)
Profit After Tax		<u>4,011.04</u>	<u>4,950.88</u>
Balance of Profit & Loss Account brought forward from previous year		12,174.35	8,472.03
TOTAL		<u>16,185.39</u>	<u>13,422.91</u>
AVAILABLE FOR APPROPRIATION			
Appropriations			
Proposed Dividend		646.18	646.18
Tax on Dividend		98.38	102.38
Transferred to General Reserve		500.00	500.00
Balance carried To Balance Sheet		14,940.83	12,174.35
TOTAL		<u>16,185.39</u>	<u>13,422.91</u>
Basic & Diluted Earning Per Share (Rs.) (See note no. 12 of Schedule 20)		31.04	38.31
Significant Accounting Policies	19		
Notes on Accounts	20		
Schedule 1 to 20 form part of this Balance Sheet			

As per our attached report of even date.

For and on behalf of Board of Directors

For C. C. Chokshi & Co.
Chartered AccountantsJitendra U. Mamtora
Chairman & Managing DirectorSatyen J. Mamtora
Joint Managing DirectorH.P.Shah
PartnerTushar Shah
Company SecretaryPlace : Ahmedabad
Dated : 22nd April, 2011Place : Ahmedabad
Dated : 22nd April, 2011

CASH FLOW STATEMENT

For the Year ended on 31st March, 2011

(₹ in Lacs)

Particulars	For the Year Ended on 31 st March, 2011	For the Year Ended on 31 st March, 2010
(A) Cash Flow from operating activities		
Profit before tax	5,882.95	7,462.26
Adjustment for :		
Loss on sale of fixed assets	6.31	0.72
Unrealised foreign exchange losses/(gain)	(41.67)	(22.07)
Dividend income	(39.76)	(117.03)
Interest income	(453.59)	(299.09)
Depreciation & Amortisation	579.41	441.06
Loss on sale of investments	-	0.32
Interest & Finance charges	411.93	470.38
Miscellaneous expenditure written off	-	0.48
Operating profit before working capital changes	<u>6,345.58</u>	<u>7,937.03</u>
Adjustment For :		
Trade & Other receivables	(9,494.76)	164.66
Inventories	(5,485.77)	321.15
Trade & Other payables	5,089.90	(5.57)
	(9,890.63)	480.24
Cash generated from operations	<u>(3,545.05)</u>	<u>8,417.27</u>
Direct taxes paid	<u>(1,883.61)</u>	<u>(2,444.87)</u>
Net cash from operating activities-(A)	<u>(5,428.66)</u>	<u>5,972.40</u>
(B) Cash flow from investing activities		
Purchase of fixed assets	(1,327.67)	(2,371.51)
Sale of fixed assets	6.77	0.43
Proceeds from mutual funds (Net)	-	7,617.41
Long term investment in associates	-	(12.50)
Sale of investment in other companies	-	5.32
Dividend received	39.76	113.73
Interest received	453.59	299.09
Net cash used in investing activities-(B)	<u>(827.55)</u>	<u>5,651.97</u>
(C) Cash flow from financing activities		
Proceeds from borrowings (Net)	(341.29)	1,248.11
Interest & finance charges paid	(411.93)	(470.38)
Dividend & Tax on dividend paid	(748.56)	(598.42)
Net cash from financing activities- (C)	<u>(1,501.78)</u>	<u>179.31</u>
Net changes in cash & cash equivalents (A + B + C)	<u>(7,757.99)</u>	<u>11,803.68</u>
Add : Cash & Cash equivalents - opening balance	<u>13,309.59</u>	<u>1,505.91</u>
Cash & Cash equivalents -closing balance	<u>5,551.60</u>	<u>13,309.59</u>
Note:		
1 Cash And Cash Equivalents Includes:	As at 31st March, 2011	As at 31st March, 2010
Cash & Cheques on hand with scheduled banks:	5.09	5.72
In current accounts	1,566.81	1,062.68
In fixed deposits	3,972.03	12,234.70
Unclaimed share application money lying in escrow account	3.56	3.56
Unclaimed dividend money lying in escrow account	4.11	2.93
Total	<u>5,551.60</u>	<u>13,309.59</u>
2 Cash and cash equivalents include following amounts not available for immediate use:		
In fixed deposits	920.34	1,214.36
Unclaimed share application money lying in escrow account	3.56	3.56
Unclaimed dividend money lying in escrow account	4.11	2.93
3 The cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.		
4 The previous year's figures have been regrouped wherever necessary.		

As per our attached report of even date.

For and on behalf of Board of Directors

For C. C. Chokshi & Co.
Chartered Accountants

Jitendra U. Mamtora
Chairman & Managing Director

Satyen J. Mamtora
Joint Managing Director

H.P.Shah
Partner

Tushar Shah
Company Secretary

Place : Ahmedabad
Dated : 22nd April, 2011

Place : Ahmedabad
Dated : 22nd April, 2011

SCHEDULES

Forming part of the Balance Sheet

(₹ in Lacs)

	As At 31 st March, 2011	As At 31 st March, 2010
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Schedule 1: Share Capital**Authorised**

15,000,000 Equity Shares of Rs. 10/- each	1,500.00	1,500.00
	<u>1,500.00</u>	<u>1,500.00</u>

Issued, Subscribed and Paid Up

12,923,611 Equity Shares of Rs. 10/- each fully paid up	1,292.36	1,292.36
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TOTAL

<u>1,292.36</u>	<u>1,292.36</u>
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Notes:

Of the above shares: -

- (i) 4,747,466 equity shares have been allotted as fully paid up by way of bonus shares by capitalisation of Securities Premium Account of Rs. 377.63 Lacs, General Reserve Rs. 65.00 Lacs and Surplus in Profit and Loss Account Rs. 32.11 Lacs.
- (ii) 157,260 equity shares have been issued on preferential basis.
- (iii) 117,085 equity shares have been issued pursuant to a contract without payment being received in cash.

Schedule 2 : Reserves & Surplus

Securities Premium Account	13,508.13	13,508.13
General Reserve		
As Per last Balance Sheet	1,688.93	1188.93
Add : Amount transferred from Profit and Loss Account	500.00	500.00
	<u>2,188.93</u>	<u>1,688.93</u>
Surplus in Profit & Loss Account	14,940.83	12,174.35
TOTAL	<u>30,637.89</u>	<u>27,371.41</u>

Schedule 3 : Secured Loans**From Banks**

Cash Credit Accounts (Note: 1)	5,500.67	6,544.02
Packing Credit in Foreign Currency (Note: 1)	200.66	207.02
Foreign Currency Demand Loan (Note: 1)	669.65	-
Interest Accrued and Due	38.77	-
TOTAL	<u>6,409.75</u>	<u>6,751.04</u>

Notes:

- 1) Secured by hypothecation of current assets of the Company on paripassu basis and collaterally secured by residual value of net fixed assets of the company excluding fixed assets of Moraiya plant and also collaterally legal mortgage on paripassu basis on immovable properties situated at Changodar, Dhank and Ahmedabad and in addition to above secured by pledge of 2,110,000 equity shares of promoters and personal guarantees of some of the directors.
- 2) Payable within 12 months out of the above loans is Rs. Nil (Previous year Rs. Nil).

SCHEDULES

Forming part of the Balance Sheet

Schedule 4 : Fixed Assets

(₹ in Lacs)

Assets	Gross Block (At Cost)			Depreciation & Amortisation				Net Block		
	As At 1 st Apr 10	Additions	Deductions/ Adjustment	As At 31 st Mar 11	As At 1 st Apr 10	Additions	Deductions/ Adjustment	As At 31 st Mar 11	As At 31 st Mar 11	As At 31 st Mar 10
Goodwill	119.07	-	-	119.07	95.24	23.83	-	119.07	0.00	23.83
Land	179.00	-	-	179.00	-	-	-	-	179.00	179.00
Building	3,728.17	32.46	-	3,760.63	218.91	121.59	-	340.50	3,420.13	3,509.26
Plant & Machinery	4,392.91	418.62	-	4,811.53	723.50	270.78	-	994.28	3,817.25	3,669.41
Electrifications	433.57	3.44	-	437.01	65.12	25.27	-	90.39	346.62	368.45
Furniture, Fixtures & Office Equipments	385.51	77.82	0.51	462.82	85.34	22.47	0.37	107.44	355.38	300.17
Computer & Accessories	152.58	11.33	0.58	163.33	93.87	17.34	0.17	111.04	52.29	58.71
Computer Software	191.28	70.58	-	261.86	50.29	56.08	-	106.37	155.49	140.99
Vehicles	360.35	226.93	25.34	561.94	104.58	42.05	12.81	133.82	428.12	255.77
TOTAL	9,942.44	841.18	26.43	10,757.19	1,436.85	579.41	13.35	2,002.91	8,754.28	8,505.59
Capital Work in Progress									1,808.49	1,322.00
Previous Year	5,049.60	4,895.96	3.12	9,942.44	997.76	441.06	1.97	1,436.85	8,505.59	4,051.84

Note:

1. Capital work in progress includes Rs. 174.67 Lacs (Previous year Rs. 84.31 Lacs) on account of advance against Capital Expenditure.

SCHEDULES

Forming part of the Balance Sheet

(₹ in Lacs)

	As At 31 st March, 2011	As At 31 st March, 2010
Schedule 5 : Investments		
Long Term Investments (Unquoted)		
Trade Investments		
<i>Investment in Subsidiary Companies</i>		
Face value Rs 10/- each, fully paid up :		
987,768 (987,768) Equity shares of Transpares Ltd.	137.19	137.19
250,000 (250,000) Equity shares of Transweld Mechanical Engineering Works Ltd.	32.50	32.50
<i>Investment in Associate Company</i>		
Face value Rs 10/- each, fully paid up :		
6,350 (6,350) Equity shares of Savas Engineering Company Pvt. Ltd.	41.50	41.50
TOTAL	211.19	211.19
Unquoted Investments		
In Subsidiary Companies	Cost price	169.69
In Associate Company	Cost price	41.50

Schedule 6 : Inventories(Raw Materials, Process Stock and Finished Goods
are valued at lower of cost and net realisable value)**Stock-in-Trade**

Raw Materials		
[Including Goods in transit Rs. 329.50 Lacs (Previous year Rs. 167.30 Lacs)]	4,231.78	2,031.18
Finished Goods	567.56	959.63
Process Stock	5,837.02	2,159.78
TOTAL	10,636.36	5,150.59

Schedule 7 : Sundry Debtors

(Unsecured)

Exceeding Six Months

Considered good	2,057.78	1,980.12
Considered doubtful	116.95	116.95

Others Debts

Considered good	21,091.32	12,792.97
	23,266.05	14,890.04
Less: Provision for doubtful debts	116.95	116.95

TOTAL	23,149.10	14,773.09
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SCHEDULES

Forming part of the Balance Sheet

(₹ in Lacs)

	As At 31 st March, 2011	As At 31 st March, 2010
Schedule 8 : Cash & Bank Balances		
Cash & Cheques on hand	5.09	5.72
Balances with Scheduled Banks:		
- In Current accounts	1,566.81	1,062.68
- In Fixed Deposit accounts	3,972.03	12,234.70
[Rs. 920.34 Lacs (Previous year Rs. 1214.36 Lacs) lodged with banks as securities for guarantees given by the banks]		
- Unclaimed Share application money in escrow account	3.56	3.56
- Unclaimed Dividend money in escrow account	4.11	2.93
TOTAL	<u>5,551.60</u>	<u>13,309.59</u>

Schedule 9 : Loans & Advances

(Unsecured)

Considered Good

Loan to Associate Company:		
- Savas Engineering Company Pvt. Ltd.	296.51	-
Advances recoverable in cash or in kind or for value to be received	56.93	39.08
Advances to Suppliers	219.91	213.04
Other Advances	120.29	105.44
Deposits and Balances with Government and Other authorities	1,098.71	957.74
Other Deposits	363.25	178.72
Export Benefit Receivable	308.36	-
Advance Tax Paid (Net of Provision for Tax)	202.18	-
Interest receivable	3.28	3.28
TOTAL	<u>2,669.42</u>	<u>1,497.30</u>

SCHEDULES

Forming part of the Balance Sheet

(₹ in Lacs)

	As At 31 st March, 2011	As At 31 st March, 2010
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Schedule 10 : Current Liabilities & Provisions**Current Liabilities**

Sundry Creditors :

a) Micro & Small Enterprises (Refer Note no. 5 of Schedule 20)	41.83	113.19
b) Others	9,602.96	5,206.71
	9,644.79	5,319.90
Due to Subsidiary Companies	469.14	486.52
Advance from customers	2,008.58	1,313.58
Other Liabilities	881.42	883.97
Investor Education and Protection fund		
Unclaimed share application money	3.56	3.56
Unclaimed dividend	4.11	2.93
TOTAL (A)	13,011.60	8,010.46

Note : There is no amount due and outstanding as at balance sheet date to be credited to Investor Education and Protection Fund.

Provisions

Proposed dividend	646.18	646.18
Tax on proposed dividend	98.38	102.38
Provision for gratuity	13.60	-
Provision for leave encashment	35.38	46.51
Provision for taxation (Net of advance tax paid)	-	78.71
TOTAL (B)	793.54	873.78
TOTAL (A + B)	13,805.14	8,884.24

Schedule 11 : Miscellaneous Expenses

(To the extent not written off or adjusted)

Share Issue Expense	-	0.48
Less : written off	-	0.48
TOTAL	-	-

SCHEDULES

Forming part of the Profit and Loss Account

(₹ in Lacs)

	For the Year Ended on 31 st March, 2011	For the Year Ended on 31 st March, 2010
Schedule 12 : Other Income		
Interest received on fixed deposits with Banks [Tax deducted at source:- Rs. 28.39 Lacs (Previous year Rs 31.48 Lacs)]	406.68	299.09
Interest Received from Others & Associate Company [Tax deducted at source:- Rs. 5.12 Lacs (Previous year Rs 0.11 Lacs)]	46.91	7.99
Dividend Income		
On Trade Investment - From a subsidiary companies	39.76	29.76
On Non Trade Investments - Investment in mutual funds	-	87.27
Sale of scrap	321.55	232.73
Discount rebates (Net)	-	81.60
Export incentives	308.36	-
Miscellaneous amount written back	86.67	-
Bad debts recovered	-	6.00
Foreign exchange gain (Net)	127.81	47.57
Miscellaneous Income	7.70	18.59
TOTAL	<u>1,345.44</u>	<u>810.60</u>

Schedule 13 : Decrease/(Increase) in Stock of Finished Goods and Process Stock

Closing Stock		
Finished Goods	567.56	959.63
Process Stock	5,837.02	2,159.78
	<u>6,404.58</u>	<u>3,119.41</u>
Less : Opening Stock		
Finished Goods	959.63	751.04
Process Stock	2,159.78	2,402.20
	<u>3,119.41</u>	<u>3,153.24</u>
TOTAL	<u>(3,285.17)</u>	<u>33.83</u>

Schedule 14 : Manufacturing Expenses

Power & Fuel	305.38	245.98
Repairs		
Plant and Machinery	86.63	129.08
Factory Building	44.11	33.55
Tools purchase	49.41	87.86
Workers wages	287.00	204.55
Testing charges & other manufacturing expenses	416.86	353.31
Cenvat duty provided on stocks	(20.08)	34.16
TOTAL	<u>1,169.31</u>	<u>1,088.49</u>

SCHEDULES

Forming part of the Profit and Loss Account

(₹ in Lacs)

	For the Year Ended on 31 st March, 2011	For the Year Ended on 31 st March, 2010
Schedule 15 : Payments to and Provisions for Employees		
Salaries, Bonus, Gratuity etc.	1,542.34	1,172.42
Contribution to Provident and other funds	62.57	53.25
Employee welfare expenses	2.57	60.14
TOTAL	1,607.48	1,285.81

Schedule 16 : Selling, Distribution, Administrative and Other Expenses

Selling expenses	696.57	464.33
Discounts, rebates & allowances (Net)	65.97	-
Advertisement expenses	65.44	79.11
Stationary, Printing, Postage and Telephone expenses	94.14	89.99
Insurance	66.99	31.23
Rent	16.42	14.48
Repairs		
Office building	8.15	0.18
Others	14.24	9.92
Rates and Taxes	1.25	0.24
Travelling expenses & Conveyance	376.95	297.94
Directors sitting fees	2.45	2.75
Bank charges	271.41	370.21
Legal & Professional charges	70.25	74.79
Audit fees	10.00	10.00
Sales commission	329.55	154.86
After sales/Replacement expenses	31.45	673.88
Late delivery charges	560.76	739.64
Premium on forward contract amortised	0.32	9.64
General charges	108.48	106.22
Bad debts written off	-	21.47
Cenvat duty expense	32.60	87.91
Loss on sale of investment	-	0.32
Loss on sale of fixed assets	6.31	0.72
Miscellaneous expenses written off :		
Share issue expenses	-	0.48
TOTAL	2,829.70	3,240.31

SCHEDULES

Forming part of the Profit and Loss Account

(₹ in Lacs)

	For the Year Ended on 31 st March, 2011	For the Year Ended on 31 st March, 2010
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Schedule 17 : Interest & Finance Charges

Interest on borrowings from Banks	270.80	339.53
Discount on Commercial Paper Amortised	56.94	27.95
Interest - Others	6.22	37.67
Bill Discounting charges	77.97	65.23
TOTAL	<u>411.93</u>	<u>470.38</u>

Schedule 18 : Provision for Taxation

Current Tax (Including Wealth Tax)	1,775.00	2,115.91
Deferred Tax	164.99	412.89
TOTAL	<u>1,939.99</u>	<u>2,528.80</u>

Schedule 19 : Significant Accounting Policies

1) Accounting Convention

The accounts are prepared on historical cost basis and based on accrual method of accounting and applicable Accounting Standards.

2) Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on date of the financial statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known/ materialized.

3) Fixed Assets

- a) Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes non-refundable taxes and levies, freight and other incidental expenses related to acquisition and installation of the respective assets.
- b) Certain computer software costs are capitalised and recognised as intangible assets in terms of Accounting Standard 26 on intangible assets based on materiality, accounting prudence and significant economic benefits expected to flow therefrom for a period longer than 1 year. Capitalised cost include direct cost of implementation and expenses directly attributable to the implementation.
- c) The Company evaluates the impairment losses on the fixed assets whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If such assets are considered to be impaired the impairment loss is then recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the smallest level for which there are separately identifiable cash flows.

4) Depreciation and Amortisation

- a) Depreciation on fixed assets is provided on Straight Line Method in accordance with Section 205(2)(b) of the Companies Act, 1956 at the rate and in the manner prescribed in Schedule XIV of the said Act.
- b) Computer software costs capitalised are amortised using the Straight Line Method over estimated useful life of 3 to 5 years, as estimated at the time of capitalisation.

5) Investments

- a) Long Term investments are stated at cost and provision is made to recognise any diminution in value, other than that of temporary nature.
- b) Current investments are carried at lower of cost and fair value. Diminution in value is charged to the profit and loss account.

6) Inventories

- a) Raw materials, Process stock and Finished Goods are valued at lower of cost or net realisable value.
- b) Cost for Raw materials is determined on Weighted Average/FIFO basis, net of cenvat credit availed.
- c) Cost for Finished Goods and Process Stock is determined taking material cost [net of cenvat credit availed] labour and relevant appropriate overheads and cenvat duty.

7) Revenue Recognition

In appropriate circumstances, Revenue (income) is recognised when no significant uncertainty as to determination or realisation exists.

8) Sales/Service Income

Sales of product are recognised when risk and rewards of ownership of the products are passed on to the customers, which is generally on despatch of goods. Exports sales are accounted on the basis of date of Bill of lading. Sales value is inclusive of Cenvat Duty and but does not include other recoveries such as insurance charges, transport charges etc. Service income excludes service tax.

9) Cenvat Credit

Cenvat credit is accounted for on accrual basis on purchase of eligible inputs, capital goods and services.

10) Foreign Currency Transactions

- a) Monetary items denominated in foreign currency are translated at the exchange rate prevailing on the last day of the accounting year. Foreign currency transactions are accounted at the rate prevailing on the date of transaction.
- b) Non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.
- c) Gain or loss arising out of translation/conversion is taken credit for or charged to the profit and loss account.

11) Prior Period Expenses/Income

Material items of prior period expenses/income are disclosed separately.

12) Employees Benefits

a) Defined Contribution Plan

The Company's contributions paid / payable for the year to Provident Fund are recognised in the profit and loss account.

b) Defined Benefit Plan

The Company's liabilities towards gratuity, and leave encashment are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognised on a straight line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognised immediately in the profit and loss account as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

13) Borrowing Cost

Interest and other costs in connection with the borrowings of the funds to the extents related/attribution to the acquisition /construction of qualifying fixed assets are capitalised upto the date when such assets are ready for their intended use and other borrowing costs are charged to profit and loss account.

14) Miscellaneous Expenditure

Shares issue expenses incurred are amortised over a period of five years.

15) Taxes on Income

Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with provision of Income Tax Act, 1961. Deferred tax resulting from "timing difference "between book and taxable profit is accounted for using the tax rates and laws that have been enacted or subsequently enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

16) Leases

Lease transaction entered into on or after April 1, 2001:

a) Assets acquired under lease where the company has substantially all risk and rewards incidental to ownership are classified as finance leases. Such assets are capitalised at the inception of lease at the lower of fair value or the present value of minimum lease payment and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability of each period.

b) Assets acquired on lease where a significant portion of risk and rewards incidental to ownership is retained by the lessor are classified as operating lease. Lease rental are charged to the profit and loss account on accrual basis.

17) Earnings Per Share

The Company reports basic and diluted Earnings Per Share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year.

18) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

Schedule 20 : Notes Forming Part of Accounts

1. Contingent Liabilities in respect of :

(₹ in Lacs)

Particulars	As At	
	31 st March, 2011	31 st March, 2010
a) Disputed demand of Central Excise Department/Income Tax Department	417.08	653.68
b) Guarantee given by bankers on behalf of Company	21,078.42	13,042.85
c) Corporate Guarantees of Rs. 2889.00 Lacs given by Company for loan taken by a subsidiary / Associate Company	1,156.20	443.90
d) Performance Guarantees given by Company	33.47	111.05
e) Bills discounted with Banks	3,296.35	3,135.90
f) Import duty benefit towards duty free import of raw materials made in respect of which export obligations are yet to be discharged.	16.12	7.94
g) Claims against Company not acknowledged as debts	Amount not ascertained	Amount not ascertained

2. Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for Rs. 28.90 Lacs (Previous year Rs. 25.00 Lacs).

3. Cenvat duty shown as a deduction from the Gross Sales and Service Income represents the amount of cenvat duty collected on sales & service income. Cenvat duty expensed represents the difference between excise duty element in the amounts of closing stocks & opening stocks and excise duty paid which is not recoverable from sales.

4. Profit and Loss includes:

1. Managerial Remuneration :

(₹ in Lacs)

Particulars	For the Year Ended	
	on 31 st March, 2011	on 31 st March, 2010
i) Chairman & Managing Director's Remuneration		
Salary	108.00	90.00
House Rent Allowance	21.60	3.60
Contribution to provident fund	0.09	0.09
Other Allowance	3.02	1.54
Commission	100.00	70.00
Total	232.71	165.23
ii) Joint Managing Director's Remuneration		
Salary	72.00	48.00
House Rent Allowance	14.40	9.60
Contribution to provident fund	0.09	0.09
Performance Incentive	24.00	24.00
Other Allowance	0.28	0.38
Total	110.77	82.07
iii) Executive Director's Remuneration		
Salary	18.00	12.00
House Rent Allowance	3.60	2.40
Contribution to provident fund	0.09	0.09
Other Allowance	0.28	0.19
Total	21.97	14.68

Note: Provision for leave encashment and gratuity benefits which is based on actuarial valuation done on an overall Company basis is excluded from the above.

Computation of Net profit as per section 349 read with section 309 (5) and section 198 of the Companies Act, 1956:

(₹ in Lacs)

Particulars		For the Year Ended on 31 st March, 2011	For the Year Ended on 31 st March, 2010
Profit as per Profit and loss account		4,011.04	4,950.88
Add:			
Provision for taxation		1,871.91	2,511.38
Managerial Remuneration (Including commission)		365.45	261.98
Director's Sitting Fees		2.45	2.75
Depreciation (as per accounts)		579.41	441.06
Loss(Profit) on sale of investments		-	0.32
Loss(Profit) on sale of fixed assets		6.31	0.72
Share Issue Expenses written off		-	0.48
Total	(A)	6,836.57	8,169.57
Less : Depreciation (as per Section 350)	(B)	579.41	441.06
Net Profit	(A-B)	6,257.16	7,728.51
Remuneration @ 10%	625.71	772.85	
Commission : (Subject to the overall ceiling laid down in Section 193 and Section 309 of the Companies Act,1956)			
i) 2% of Net Profit to the Managing Director (Previous year 1% of Net profit)		125.14	77.28
ii) Restricted to		100.00	70.00

2. Auditor's Remuneration :

(₹ in Lacs)

Particulars		For the Year Ended on 31 st March, 2011	For the Year Ended on 31 st March, 2010
Audit Fees		10.00	10.00
Tax Audit Fees		1.50	1.75
Certification and other matters		5.34	2.98
		<u>16.84</u>	<u>14.73</u>

Payments made to firms in which some of the partners of audit firm are of partners is Rs. Nil (Previous year Rs. 5.27 Lacs)

5. The Company has amounts dues to Micro & Small Enterprises under The Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act) as at 31st March, 2011.

(₹ in Lacs)

Particulars		For the Year Ended on 31 st March, 2011	For the Year Ended on 31 st March, 2010
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at 31 st March.			
	Principal Amount	41.83	113.19
	Interest	0.54	3.26
ii) The amount of the interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day.			
	Principal Amount	-	-
	Interest	-	-
iii) The amount of interest due and payable for the period of delay in making payment (beyond the appointed day during the year).		3.80	3.26
iv) The amount of interest accrued and remaining unpaid.		3.80	3.26
v) The amount of further interest remaining due and payable for the earlier years.		3.26	-

Note: The information has been given in respect of only those suppliers who have intimated the Company that they are registered as Micro and Small Enterprises.

6. Tax assessment of the company under Income Tax Act 1961, has been completed up to Financial Year 2007-08 and the sales tax assessment up to Financial Year 2006-07.

7. **Disclosures regarding Derivative Instruments :**

(A) The company uses forward exchange contracts to hedge its exposure in foreign currency. There are no contracts entered into for the purpose of speculation.

(B) The information on derivative instruments as on 31st March, 2011 is as follows:

Exposure hedged by Derivative instruments

(Amount in Lacs)

Particulars	No. of Contracts		Foreign Currency Amount		Reporting Currency Amount (INR)	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
	Forward cover for Import Payable –USD	2	-	10.00	-	446.70
Forward cover for Import Payable –EURO	-	1	-	4.05	-	266.17

Unhedged Exposures :

(Amount in Lacs)

Particulars	Foreign Currency Amount		Reporting Currency Amount (INR)	
	2010-11	2009-10	2010-11	2009-10
	Loan Outstanding			
USD	9.50	4.59	423.61	207.02
Accounts Receivable				
USD	5.33	12.00	237.80	541.86
EURO	0.12	-	7.74	-
AUD	0.25	-	11.53	-
Account Payable				
USD	32.57	10.30	1452.14	464.93
EURO	0.14	4.05	8.65	266.17

Expenditure on account of Premium on forward exchange contracts to be recognized in Profit & Loss Account of subsequent accounting period aggregates to Rs. 9.43 Lacs (Previous year Rs. Nil).

8. Employee Benefits

(A) Defined Benefit Plans :

(₹ in Lacs)

Particulars	Gratuity		Leave Encashment	
	2010-11	2009-10	2010-11	2009-10
i Expenses recognized in Profit & Loss Account				
Current service cost	18.35	18.27	9.15	41.25
Interest Cost	6.11	5.03	3.83	1.48
Expected return on plan assets	(7.79)	(4.81)	-	-
Adjustment	0.30	-	-	-
Net actuarial losses (gains)	15.13	(6.76)	(22.61)	(14.12)
Total Expenses	32.10	11.73	(9.63)	28.61
ii Reconciliation of opening and closing balances of changes in present value of the defined benefit obligation				
Opening defined benefit obligation	74.07	61.01	46.51	17.90
Service cost	18.35	18.27	9.15	41.25
Interest cost	6.11	5.03	3.83	1.48
Actuarial losses (gains)	15.71	(4.00)	(22.61)	(14.12)
Losses/(gains) on curtailments	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-
Benefits paid	(1.45)	(6.24)	(1.50)	-
Closing defined benefit obligation	112.79	74.07	35.38	46.51
iii Reconciliation of opening and closing balances of changes in fair value of plan assets				
Opening fair value of plan assets	92.58	28.25	-	-
Adjustment	(0.30)	-	-	-
Expected return on plan assets	7.79	4.81	-	-
Actuarial gains and (losses)	0.58	2.75	-	-
Assets distributed on settlements	-	-	-	-
Contributions by employer	-	63.00	-	-
Benefits paid	(1.45)	(6.24)	-	-
Closing balance of fair value of plan assets	99.19	92.58	-	-
iv Net Liability recognized in the Balance Sheet				
Defined Benefit Obligation	112.79	74.07	35.38	46.51
Fair Value of plan assets	99.19	92.58	-	-
Present Value of unfunded obligation recognized as liability	13.60	(18.51)	35.38	46.51
v Past Three year data for define benefit obligation and fair value of plan assets are as under:	2009-10	2008-09	2007-08	
Gratuity				
Defined Benefit Obligation	74.07	61.01	41.04	
Fair value of plan assets	92.58	28.25	4.20	
Present Value of unfunded obligation recognized as liability	(18.51)	32.76	36.84	
Leave Encashment				
Defined Benefit Obligation	46.51	17.90	14.72	
Fair value of plan assets	-	-	-	
Present Value of unfunded obligation recognized as liability	46.51	17.90	14.72	
vi Actual Return on plan assets	-	-	-	-
vii Major categories of Plan Assets as a Percentage of total plan assets are as follows:				
Policy of Insurance	100%	100%	-	-

vii Actuarial Assumptions	As at 31st March, 2011
Discount Rate	8.25 %
Expected rate of return on plan assets	8.50% Based on LIC Structure of interest rates on gratuity funds
Expected rate of salary increase	6.5 %
Mortality	LIC (1994-96) published table of mortality rates
Withdrawal Rates	5% at younger ages reducing to 1% at older age
Retirement Age	58 Years
Actuarial Valuation Method	Projected Unit Credit Method

(B) Defined Contribution Plans :

During the year, Rs. 62.57 Lacs (Previous year Rs. 53.25 Lacs) recognised as an expense and included in the Schedule 15 of Profit and Loss Account under the head "Contribution to Provident and Other funds".

9. Segment Reporting**(A) Primary Segment:**

In accordance with the requirements of Accounting Standard-17 on Segment Reporting, the Company has determined its business segment as "Electric Transformer". Since all of the Company's business is from "Electric Transformer", there are no other primary reportable segments. Thus the segment revenue, segment result, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, the total amount of charge for depreciation during the year are all reflected in the financial statement as of and for the year ended 31st March, 2011.

(B) Secondary Segment (Geographical Segment) :

(₹ in Lacs)

Particulars	India		Outside India		Total	
	For the year ended on 31 st Mar 2011	For the year ended on 31 st Mar 2010	For the year ended on 31 st Mar 2011	For the year ended on 31 st Mar 2010	For the year ended on 31 st Mar 2011	For the year ended on 31 st Mar 2010
	Revenue	46,964.17	44,891.94	6,392.67	6,618.01	53,356.84
Carrying Amounts of Segment Assets	52,523.37	44,227.49	257.07	541.86	52,780.44	44,769.35
Capital Expenditure	1,301.24	2,368.39	-	-	1,301.24	2,368.39

10. Related Party Transactions:**(a) Names of related parties and description of relationship:**

Sr. No	Nature of Relationship	Name of Related Parties
1	Subsidiaries	Transweld Mechanical Engineering Works Ltd. Transpares Ltd.
2	Associate Company	Savas Engineering Company Pvt. Ltd.
3	Key Management Personnel	Mr. Jitendra Mamtora Mr. Satyen Mamtora Mrs. Karuna Mamtora
4	Relative of Key Management Personnel	Ms. Janki Jitendra Mamtora Mrs. Akanksha Mamtora Mr. Dilip Mamtora Mr. Bipin Mamtora
5	Enterprise over which key Managerial Personnel is able to exercise significant Influence	Benchmark HR Solutions (India) Pvt. Ltd. Jitendra U. Mamtora (HUF) Transpower



b) Details of transactions with related parties :

(₹ in Lacs)

Particulars	2010-11	2009-10
(A) Volume of Transactions		
1) Service Received		
Subsidiaries		
Transweld Mechanical Engineering Works Ltd.	31.64	48.04
Transpares Ltd.	0.36	0.36
Associate Company		
Savas Engineering Company Pvt. Ltd.	60.47	77.21
Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
Benchmark HR Solutions (India) Pvt. Ltd.	1.20	3.55
2) Service Rendered		
Subsidiaries		
Transweld Mechanical Engineering Works Ltd.	9.98	6.92
3) Bank Charges recovered from Subsidiaries / Associate Company		
Subsidiaries		
Transpares Ltd.	2.57	-
Associate Company		
Savas Engineering Company Pvt. Ltd.	17.49	-
4) Purchase of Goods		
Subsidiaries		
Transweld Mechanical Engineering Works Ltd.	1,326.64	1,224.01
Transpares Ltd.	1,374.69	1,216.44
Associate Company		
Savas Engineering Company Pvt. Ltd.	2.38	-
5) Sale of Goods		
Subsidiaries		
Transweld Mechanical Engineering Works Ltd.	4.82	41.42
Transpares Ltd.	2.12	3.38
Associate Company		
Savas Engineering Company Pvt. Ltd.	5.40	3.23
6) Capital Goods Purchased		
Subsidiaries		
Transweld Mechanical Engineering Works Ltd.	0.41	14.83
Associate Company		
Savas Engineering Company Pvt. Ltd.	21.77	3.77
7) Corporate Guarantee given to Banker for loan taken by Subsidiaries/ Associate Company		
Subsidiaries		
Transpares Ltd.	1,194.00	1,281.00
Associate Company		
Savas Engineering Company Pvt. Ltd.	1,695.00	-
8) Bonus Shares Received		
Subsidiaries		
Transpares Ltd. (During the year ended 31 st March, 2010, 439,008 Nos Equity Shares fully paid up were allotted as Bonus Shares)	-	-
9) Sale of Equity Shares		
Relatives of Key managerial Personnel		
Mrs. Akansha Mamtora	-	5.32
(Sale of 1,900 Equity Shares of Benchmark HR Solutions (India) Pvt. Ltd.)		

Particulars	2010-11	2009-10
10) Investment in Associate Company		
Associate Company		
Savas Engineering Company Pvt. Ltd.	-	12.50
11) Loan Given / Repaid and Interest thereon to Associate Company		
Associate Company		
Savas Engineering Company Pvt. Ltd.		
Loan Given	1,028.00	-
Loan repaid	747.36	-
Interest	15.87	-
Balance as at 31 st March	296.51	-
Balance as at 1 st April	-	-
12) Managerial Remuneration		
Key Managerial Personnel		
Mr. Jitendra Mamtora	232.71	165.23
Mr. Satyen Mamtora	110.77	82.07
Mrs. Karuna Mamtora	21.97	14.68
13) Dividend Paid		
Key Managerial Personnel		
Mr. Jitendra Mamtora	442.95	354.36
Mr. Satyen Mamtora	4.85	3.88
Mrs. Karuna Mamtora	13.39	10.71
Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
Mr. Jitendra U. Mamtora (HUF)	34.15	27.32
Relatives of Key Managerial Personnel		
Ms. Janki Jitendra Mamtora	1.07	0.85
Mr. Bipin Mamtora	0.01	0.01
Mr. Dilip Mamtora	0.01	0.01
14) Dividend Received From Subsidiary		
Subsidiaries		
Transweld Mechanical Engineering Works Ltd.	20.00	10.00
Transpares Ltd.	19.76	16.46
(B) Balance at the end of the Period		
1) Due To		
Subsidiaries		
Transweld Mechanical Engineering Works Ltd.	-	74.92
Transpares Ltd.	469.14	411.60
Associate Company		
Savas Engineering Company Pvt. Ltd.	54.80	-
Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
Benchmark HR Solutions (India) Pvt. Ltd.	-	0.66
2) Due from		
Subsidiaries		
Transweld Mechanical Engineering Works Ltd.	21.71	-
[Maximum outstanding during the year Rs. 394.20 Lacs (Previous Year Rs. 249.95)]		
Associate Company		
Savas Engineering Company Pvt. Ltd.	-	126.52

Particulars	2010-11	2009-10
Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
Benchmark HR Solutions (India) Pvt. Ltd. [Maximum outstanding during the year Rs. 0.79 Lacs (Previous Year Rs. 1.46)]	0.23	-
(C) Corporate Guarantee given to Bankers for loan taken by Subsidiaries / Associate Company		
1) Subsidiaries Company		
Transpares Ltd.	1,194.00	1,281.00
Associate Company		
Savas Engineering Company Pvt. Ltd.	1,695.00	-

11. Leases:

Operating Lease

Lease rentals charged to revenue for lease agreements for the right to use the following assets are following:

(₹ in Lacs)

Particulars	For the Year Ended on 31 st March, 2011	For the Year Ended on 31 st March, 2010
Office Premises	7.09	5.37
Godown 2.76	2.34	

The Lease agreements are executed for a period of 11 months with a renewal clause and also provide for termination at will by either party by giving prior notice.

12. Earning Per Share:

(₹ in Lacs)

Particulars		For the Year Ended on 31 st March, 2011	For the Year Ended on 31 st March, 2010
Net Profit for the period	(A)	4,011.04	4,950.88
Weighted Average number of equity shares	(B)	12,923,611	12,923,611
EPS (Basic & Diluted)	(A) / (B)	31.04	38.31
Nominal value of Equity Shares		10.00	10.00

13. Components of Deferred Tax Liability are as under:

(₹ in Lacs)

Particulars		As At 31 st March, 2011	As At 31 st March, 2010
(A) Deferred Tax Liability:			
Difference between book and tax depreciation		779.86	646.07
Total	(A)	<u>779.86</u>	<u>646.07</u>
(B) Deferred Tax Assets:			
Disallowances under Income Tax Act 1961		53.83	49.04
Tax benefit on share issue expenses set off against share premium.		90.73	126.73
Total	(B)	<u>144.56</u>	<u>175.77</u>
Net Deferred Tax Liability	(A) – (B)	<u>635.30</u>	<u>470.30</u>

14. Information pursuant to the provisions of paragraphs 3,4C & 4D of Part II of Schedule VI to the Companies Act, 1956

(a) Particulars of Capacity (As certified by management)

Particulars	Unit	For the Year Ended on 31 st March, 2011	For the Year Ended on 31 st March, 2010
Licensed Capacity :	MVA	N.A.	N.A.
Installed Capacity :	MVA	23,200	23,200

(b) Details of Products Manufactured, Turnover, Opening Stock and Closing Stock and Purchase and Sales of traded items:

(₹ in Lacs)

Product/Year	Opening Stock		Production	Turnover		Closing Stock	
	Qty (Nos)	Amount (Rs.)	Qty (Nos)	Qty (Nos)	Amount (Rs.)	Qty (Nos)	Amount (Rs.)
1) Electric Transformer							
2010-11	21	959.63	513	524	53356.84	10	567.56
2009-10	15	751.04	530	524	51509.95	21	959.63
2) Trading items							
Others-Transformer Spares							
2010-11	-	-	1 Set	1 Set	70.86	-	-
2009-10	-	-				-	-

(c) Particulars of Raw Material consumed:

(₹ in Lacs)

Indigenous	Unit	For the Year Ended on 31 st March, 2011		For the Year Ended on 31 st March, 2010	
		Qty	Value	Qty	Value
Copper	Kgs	3,884,150	16,192.15	3,073,789	10,096.19
Lamination	Kgs	8,119,627	10,745.49	6,562,797	12,907.30
Transformer Oil	Lts	7,527,440	3,947.61	5,850,973	2,083.23
Radiators	Nos	3,366	1,340.67	3,739	1,169.49
Others			13,209.89		12,042.20
Total			45,435.81		38,298.41

(d) Value of Imported and Indigenous Raw Materials and tools and percentage thereof to the total consumption

(₹ in Lacs)

Particulars		For the Year Ended on 31 st March, 2011		For the Year Ended on 31 st March, 2010	
			%		%
Raw Materials	Imported	3,659.01	8.15	3,855.04	10.07
	Indigenous	41,776.80	91.85	34,443.37	89.93
	Total	45,435.81	100.00	38,298.41	100.00
Tools Imported				-	-
	Indigenous	49.41	100.00	87.86	100.00
	Total	49.41	100.00	87.86	100.00

(e) C.I.F. Value of Imports:

(₹ in Lacs)

Particulars	For the Year Ended on 31 st March, 2011	For the Year Ended on 31 st March, 2010
i] Raw Materials	3,659.01	3,855.04
ii] Capital Goods	148.58	235.70



(f) Expenditure in Foreign Currency:

Particulars	(₹ in Lacs)	
	For the Year Ended on 31 st March, 2011	For the Year Ended on 31 st March, 2010
i] Traveling	57.90	39.72
ii] Other	163.24	24.56
iii] Commission	53.05	600.06

(g) Earnings in Foreign Currency:

Particulars	(₹ in Lacs)	
	For the Year Ended on 31 st March, 2011	For the Year Ended on 31 st March, 2010
i] FOB Value of Export	6,392.67	6,618.01

15. Previous year's figures have been regrouped wherever necessary.

As Per our attached report of even date.

For C.C.Chokshi & Co.
Chartered Accountants

For and on behalf of board

H. P. Shah
Partner

Tushar Shah
Company Secretary

Jitendra U. Mamtora
Chairman & Managing Director

Satyen J. Mamtora
Joint Managing Director

Date : 22nd April, 2011
Place : Ahmedabad

Date : 22nd April, 2011
Place : Ahmedabad

16. Balance Sheet Abstract and Company's General Business Profile as per Schedule VI of the Companies Act, 1956.

(₹ in Lacs)

1. REGISTRATION DETAILS			
Registration No. (CIN)	: L33121GJ1994PLCo22460	State Code No.	: 04
Balance Sheet Date	: 31.03.2011		
2. CAPITAL RAISED DURING THE YEAR			
Public Issue	: -	Bonus Issue	: -
Right Issue	: -	Private Placement	: -
Preferential Allotment	: -		
3. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS :			
Total Liabilities	: Rs. 38,975.30	Total Assets	: Rs. 38,975.30
SOURCES OF FUNDS:			
Paid up Capital	: Rs. 1,292.36	Reserve & Surplus	: Rs. 30,637.89
Secured Loans	: Rs. 6,409.75	Unsecured Loans	: Rs. Nil
		Deferred Tax Liability	: Rs. 635.30
APPLICATION OF FUNDS:			
Net Fixed Assets	: Rs. 10,562.77	Investment	: Rs. 211.19
Net Current Assets	: Rs. 28,201.34	Misc. Expenditure	: Rs. Nil
4. PERFORMANCE OF COMPANY:			
Turnover (including other income)	: Rs. 54,702.28	Total Expenditure	: Rs. 48,819.33
Profit Before Tax	: Rs. 5,882.95	Profit After Tax	: Rs. 4,011.04
Earning per share	: Rs. 31.04	Dividend Rate	: 50%
5. Generic Name of Principal Product of the Company			
Item Code No.: 8504			
Product Description: Electric Transformer			

For and on behalf of the Board

Jitendra U. Mamtora
Chairman & Managing Director

Satyen J. Mamtora
Joint Managing Director

Tushar Shah
Company Secretary

FINANCIAL DETAILS OF SUBSIDIARY COMPANIES

Details of Subsidiary Companies pursuant to the Central Government
General Circular no. 2/2011 dated 8th February, 2011 under Section 212(8) of the Companies Act, 1956

(₹ in Lacs)

Particulars	Transweld Mechanical Engineering Works Ltd.	Transpares Ltd.
Share Capital	25.00	193.68
Reserves	373.73	572.73
Total Assets	422.74	1,276.01
Total Liabilities	422.74	1,276.01
Investments	-	11.25
Turnover	1,179.77	1,715.94
Profit before Taxation	125.45	230.03
Provision for Taxation	41.96	83.22
Profit after Taxation	83.48	146.82
Proposed Dividend	20.00	38.74

For and on Behalf of the Board

Place : Ahmedabad
Date : 22nd April, 2011

Jitendra U. Mamtora
Chairman & Managing Director

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

Details of Subsidiary Companies pursuant to the Central Government
General Circular no. 2/2011 dated 8th February, 2011 under Section 212(8) of the Companies Act, 1956

(₹ in Lacs)

Sr. No.	Name of the Subsidiary Companies	Transweld Mechanical Engineering Works Ltd.	Transpares Ltd.
1.	Financial Year of the Subsidiary Company ended on	31 st March, 2011	31 st March, 2011
2.	Share of the Subsidiary held on the above date		
	a) Number of Equity Shares	2,50,000	9,87,768
	b) Face Value	Rs.10/-	Rs.10/-
	c) Extent of Holding	100%	51%
3.	Net aggregate amount of profit/loss of the subsidiary for the above financial year so far as they concern the members of the Company		
	a) dealt with in the accounts of the Company for the period ended 31 st March, 2011	-	71.94
	b) not dealt with in the accounts of the Company for the period ended 31 st March, 2011	83.48	74.88
4.	Net aggregate amount of the profit/loss of the subsidiary for the previous financial years so far as they concern the members of the Company		
	a) dealt with in the accounts of the Company for the period ended 31 st March, 2011	-	66.42
	b) not dealt with in the accounts of the Company for the period ended 31 st March, 2011	75.82	69.14
5.	Material changes between the end of the subsidiary's financial year and 31 st March, 2011	N.A.	N.A.
	a) Fixed Assets	-	-
	b) Investment made	-	-
	c) Money lent by the Subsidiary	-	-
	d) Money borrowed by the Subsidiary Company other than for meeting current liabilities	-	-
	e) Investment disposal	-	-
	f) Share Capital	-	-

For and on behalf of board

Date : 22nd April, 2011
Place : Ahmedabad

Jitendra U. Mamtora
Chairman & Managing Director

Satyen J. Mamtora
Joint Managing Director

Tushar Shah
Company Secretary

Consolidated Financial Statement





AUDITOR'S REPORT

on Consolidated Financial Statements

To the Board of Directors
Transformers & Rectifiers (India) Limited

1. We have audited the attached Consolidated Balance Sheet of **TRANSFORMERS & RECTIFIERS (INDIA) LIMITED** ("the Company"), its subsidiaries (the Company and its subsidiaries constitute "the Group") as at 31st March, 2011, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement of the Group for the year ended on that date, both annexed thereto. The Consolidated Financial Statements include investments in associates accounted on the equity method in accordance with Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) as notified under the Companies (Accounting Standards) Rules, 2006. These financial statements are the responsibility of the Company's Management and have been prepared on the basis of the separate financial statements and other information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of a subsidiary company Transweld Mechanical Engineering Works Limited, whose financial statements reflect total assets of Rs.591.74 Lacs, as at 31st March, 2011, total revenues of Rs.1,179.77 Lacs and net cash inflows amounting to Rs.12.05 Lacs for the year ended on that date as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in respect of the aforesaid subsidiary is based solely on the reports of the other auditors.
4. We did not audit the financial statements of the associate company Savas Engineering Company Private Limited. The Company's share of profit in the said associate company aggregates to Rs.14.47 lacs for the year ended 31st March 2011 as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in respect of the aforesaid associate company is based solely on the reports of the other auditors.
5. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements), Accounting Standard 23 (Accounting for Investment in Associates in Consolidated Financial Statements) as notified under the Companies (Accounting Standards) Rules, 2006.
6. Based on our audit and on consideration of the separate audit reports on the individual financial statements of the Company, and the aforesaid subsidiaries and associates, and to the best of our information and according to the explanations given to us, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2011;
 - (ii) in the case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date and
 - (iii) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For C. C. Chokshi & Co.
Chartered Accountants
(Registration No. 101876W)

H. P. Shah
Partner
Membership No. 33331

Place : Ahmedabad
Date : 22nd April, 2011

CONSOLIDATED BALANCE SHEET

As at 31st March, 2011

(₹ in Lacs)

	Schedule	As At 31 st March, 2011	As At 31 st March, 2010
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	1,292.36	1,292.36
Reserves & Surplus	2	31,335.10	27,956.46
		32,627.46	29,248.82
Minority Interest		375.54	325.66
Loan Funds			
Secured Loans	3	6,884.30	7,215.65
Deferred Tax Liability (Net)		694.38	521.48
(See note no. 12 of Schedule 20)			
TOTAL		40,581.68	37,311.61
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	4	11,615.23	10,707.68
Less : Depreciation & Amortisation		2,172.36	1,571.63
Net Block		9,442.87	9,136.05
Add :- Capital Work In Progress		2,083.88	1,604.87
		11,526.75	10,740.92
Investments	5	146.64	132.17
Current Assets, Loans & Advances			
Inventories	6	11,249.31	5,520.73
Sundry Debtors	7	23,392.42	14,858.95
Cash & Bank Balances	8	5,631.32	13,375.11
Loans & Advances	9	2,663.27	1,518.96
		42,936.32	35,273.75
Less : Current Liabilities & Provisions	10	14,028.03	8,835.23
Net Current Assets		28,908.29	26,438.52
Miscellaneous Expenditure	11	-	-
(To the extent not written off)			
TOTAL		40,581.68	37,311.61
Significant Accounting Policies	19		
Notes on Accounts	20		
Schedule 1 to 20 form part of this Balance Sheet			

As per our attached report of even date.

For and on behalf of Board of Directors

For C. C. Chokshi & Co.
Chartered Accountants

Jitendra U. Mamtora
Chairman & Managing Director

Satyen J. Mamtora
Joint Managing Director

H.P.Shah
Partner

Tushar Shah
Company Secretary

Place : Ahmedabad
Dated : 22nd April, 2011

Place : Ahmedabad
Dated : 22nd April, 2011

CONSOLIDATED PROFIT & LOSS ACCOUNTFor the Year ended on 31st March, 2011

(₹ in Lacs)

	Schedule	For the Year Ended on 31 st March, 2011	For the Year Ended on 31 st March, 2010
INCOME			
Sale of Goods Manufactured (Gross)		58,422.89	55,636.90
Sale of Goods Traded in		97.88	-
Service Income (Gross)		87.45	288.32
		<u>58,608.22</u>	<u>55,925.22</u>
Less : Cenvat Duty recovered on Sales & Service income (See note 4 of Schedule 20)		4,702.62	3,953.92
Net Sales & Service Income		53,905.60	51,971.30
Other Income	12	1,369.01	875.61
TOTAL		<u>55,274.61</u>	<u>52,846.91</u>
EXPENDITURE			
Raw materials consumed		45,006.94	37,823.18
Decrease/(Increase) in Stock of Finished Goods and Process Stock	13	(3,411.40)	97.86
Trading Goods purchased		70.86	-
Manufacturing expenses	14	1,698.79	1,518.20
Payments to and provision for Employees	15	1,666.70	1,326.45
Selling, Distribution, Administrative and Other expenses	16	2,955.50	3,339.36
Interest & Finance Charges	17	464.28	510.07
Depreciation & Amortisation		619.68	475.89
TOTAL		<u>49,071.35</u>	<u>45,091.01</u>
Profit Before Tax		<u>6,203.26</u>	<u>7,755.90</u>
Provision for taxation	18	2,060.65	2,637.08
Short/(Excess) provision of taxation of earlier years		(63.56)	(15.52)
Net Profit Before Minority Interest		<u>4,206.17</u>	<u>5,134.34</u>
Less: - Minority Interest		68.86	44.22
Add: - Share in Profit of Associates		14.47	73.93
Net Profit After Minority Interest		<u>4,151.78</u>	<u>5,164.05</u>
Balance of Profit & Loss Account brought forward from previous year		12,667.92	8,781.42
AVAILABLE FOR APPROPRIATION		<u>16,819.70</u>	<u>13,945.47</u>
Appropriations			
Proposed Dividend		665.16	646.18
Tax on Dividend		107.98	110.62
Transferred to General Reserve		521.25	520.75
Balance carried to Balance Sheet		15,525.31	12,667.92
TOTAL		<u>16,819.70</u>	<u>13,945.47</u>
Basic & Diluted Earning Per Share (Rs.) (See note no. 11 of Schedule 20)		32.13	39.96
Significant Accounting Policies	19		
Notes on Accounts	20		
Schedule 1 to 20 form part of this Balance Sheet			

As per our attached report of even date.

For and on behalf of Board of Directors

For C. C. Chokshi & Co.
Chartered AccountantsJitendra U. Mamtora
Chairman & Managing DirectorSatyen J. Mamtora
Joint Managing DirectorH.P.Shah
PartnerTushar Shah
Company SecretaryPlace : Ahmedabad
Dated : 22nd April, 2011Place : Ahmedabad
Dated : 22nd April, 2011

CONSOLIDATED CASH FLOW STATEMENT

For the Year ended on 31st March, 2011

(₹ in Lacs)

Particulars	For the Year Ended on 31 st March, 2011	For the Year Ended on 31 st March, 2010
(A) Cash Flow from operating activities		
Profit before tax	6,203.26	7,755.90
Adjustments for:		
Loss on sale of fixed assets	8.60	0.72
Unrealised foreign exchange losses/(gain)	(41.67)	(22.07)
Provision for diminution In value of investment no longer required	-	(3.33)
Dividend income	(1.66)	(117.19)
Interest income	(456.37)	(302.23)
Depreciation & Amortisation	619.68	475.89
Loss on sale of investments (Net)	-	0.32
Interest & Finance charges	464.28	510.07
Miscellaneous expenditure written off	-	0.83
Operating profit before working capital changes	<u>6,796.12</u>	<u>8,298.91</u>
Adjustment for :		
Trade & Other receivables	(9,639.60)	356.39
Inventories	(5,728.58)	292.06
Trade & Other payables	5,350.56	19.36
Cash generated from operations	<u>(3,221.50)</u>	<u>8,966.72</u>
Direct taxes paid	(2,004.76)	(2,560.42)
Net cash from operating activities-(A)	<u>(5,226.26)</u>	<u>6,406.30</u>
(B) Cash flow from investing activities		
Purchase of fixed assets	(1,437.63)	(2,576.07)
Sale of fixed assets	8.51	0.43
Proceeds from mutual funds (Net)	-	7,617.41
Long term investment in associates	-	(12.50)
Sale of investment in other companies	-	5.32
Dividend received	41.42	113.89
Interest received	456.37	302.23
Net cash used in investing activities-(B)	<u>(931.33)</u>	<u>5,450.71</u>
(C) Cash flow from financing activities		
Proceeds from borrowings (Net)	(330.71)	1,134.49
Government Grant received (TUF Scheme)	15.00	-
Interest & finance charges paid	(464.95)	(510.05)
Dividend & tax on dividend paid	(805.54)	(647.89)
Net cash from financing activities-(C)	<u>(1,586.20)</u>	<u>(23.45)</u>
Net changes in cash & cash equivalents (A + B + C)	<u>(7,743.79)</u>	<u>11,833.56</u>
Add : Cash & Cash equivalents - opening balance	13,375.11	1,541.55
Cash & Cash equivalents -closing balance	5,631.32	13,375.11
Note:		
1 Cash and Cash Equivalents includes:	As at 31st March, 2011	As at 31st March, 2010
Cash & Cheques on hand With scheduled banks:	5.58	6.36
In current accounts	1,596.01	1,079.70
In fixed deposits	4,022.06	12,282.56
Unclaimed share application money lying in escrow account	3.56	3.56
Unclaimed dividend money lying in escrow account	4.11	2.93
Total	<u>5,631.32</u>	<u>13,375.11</u>
2 Cash and cash equivalents include following amounts not available for immediate use :		
In fixed deposits	970.36	1,262.21
Unclaimed share application money lying in escrow account	3.56	3.56
Unclaimed dividend money lying in escrow account	4.11	2.93
3 Interest paid is exclusive of and Purchase of Fixed Assets is inclusive of Interest Capitalised	8.39	25.91
4 The cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.		
5 The previous year's figures have been regrouped wherever necessary.		

As per our attached report of even date.

For and on behalf of Board of Directors

For C. C. Chokshi & Co.

Jitendra U. Mamtora

Satyen J. Mamtora

Chartered Accountants

Chairman & Managing Director

Joint Managing Director

H.P.Shah

Tushar Shah

Partner

Company Secretary

Place : Ahmedabad

Place : Ahmedabad

Dated : 22nd April, 2011

Dated : 22nd April, 2011

SCHEDULES

Forming part of the Consolidated Balance Sheet

(₹ in Lacs)

	As At 31 st March, 2011	As At 31 st March, 2010
Schedule 1 : Share Capital		
Authorised		
15,000,000 Equity Shares of Rs. 10/- each	1,500.00	1,500.00
	<u>1,500.00</u>	<u>1,500.00</u>
Issued, Subscribed and Paid Up		
12,923,611 Equity Shares of Rs. 10/- each fully paid up	1,292.36	1,292.36
TOTAL	<u>1,292.36</u>	<u>1,292.36</u>

Notes:

Of the above shares: -

- (i) 4,747,466 equity shares have been allotted as fully paid up by way of bonus shares by capitalisation of Securities Premium Account of Rs. 377.63 Lacs, General Reserve Rs. 65.00 Lacs and Surplus in Profit and Loss Account Rs. 32.11 Lacs.
- (ii) 157,260 equity shares have been issued on preferential basis.
- (iii) 117,085 equity shares have been issued pursuant to a contract without payment being received in cash.

Schedule 2 : Reserves & Surplus

Securities Premium Account	13,508.13	13,508.13
Capital Reserve on Consolidation	46.29	46.29
General Reserve		
As Per last Balance Sheet	1,734.12	1,213.37
Add : Amount transferred from Profit and Loss Account	521.25	520.75
	<u>2,255.37</u>	<u>1,734.12</u>
Surplus in Profit & Loss Account	15,525.31	12,667.92
TOTAL	<u>31,335.10</u>	<u>27,956.46</u>

Schedule 3 : Secured Loans

From Banks		
Cash Credit Accounts (Note: 1)	5,836.37	6,785.19
Packing Credit in Foreign Currency (Note: 1)	200.66	207.02
Foreign Currency Demand Loan (Note: 1)	669.65	-
Term Loan (Note : 2)	137.28	223.44
Interest accrued and due	40.34	-
TOTAL	<u>6,884.30</u>	<u>7,215.65</u>

Notes:

- 1) Secured by hypothecation of current assets of the Company on paripassu basis and collaterally secured by residual value of net fixed assets of the company excluding fixed assets of Moraiya plant and also collaterally legal mortgage on paripassu basis on immovable properties situated at Changodar, Dhank and Ahmedabad and in addition to above secured by pledge of 2,110,000 equity shares of promoters and personal guarantees of some of the directors.
- 2) Secured by hypothecation of specific fixed assets acquired under the term loan and also collaterally secured by legal mortgage on paripassu basis on immovable property situated at Changodar and personal guarantee of some directors.
- 3) Payable within 12 months out of the above loans is Rs. 78.00 Lacs (Previous year Rs. 78.00 Lacs).

SCHEDULES

Forming part of the Consolidated Balance Sheet

Schedule 4 : Fixed Assets

(₹ in Lacs)

Assets	Gross Block (At Cost)			Depreciation & Amortisation				Net Block		
	As At 1 st Apr 10	Additions	Deductions/ Adjustment	As At 31 st Mar 11	As At 1 st Apr 10	Additions	Deductions/ Adjustment	As At 31 st Mar 11	As At 31 st Mar 11	As At 31 st Mar 10
Goodwill	119.07	-	-	119.07	95.24	23.83	-	119.07	-	23.83
Land	188.40	-	-	188.40	-	-	-	-	188.40	188.40
Building	4,047.46	109.38	-	4,156.84	251.84	132.09	-	383.93	3,772.91	3,795.62
Plant & Machinery	4,681.72	454.98	15.00	5,121.70	790.66	290.43	-	1,081.09	4,040.61	3,891.06
Electrifications	510.40	6.22	-	516.62	81.48	30.05	-	111.53	405.09	428.92
Furniture, Fixtures & Office Equipments	409.65	78.77	0.51	487.91	90.55	23.90	0.38	114.07	373.84	319.10
Computer & Accessories	159.17	11.76	0.58	170.35	98.05	17.70	0.15	115.60	54.75	61.12
Computer Software	191.51	70.58	-	262.09	50.46	56.22	-	106.68	155.41	141.05
Vehicles	400.30	226.93	34.98	592.25	113.35	45.46	18.42	140.39	451.86	286.95
TOTAL	10,707.68	958.62	51.07	11,615.23	1,571.63	619.68	18.95	2,172.36	9,442.87	9,136.05
Capital Work in Progress									2,083.88	1,604.87
Previous Year	5,604.95	5,105.85	3.12	10,707.68	1,097.71	475.89	1.97	1,571.63	9,136.05	4,507.24

Note:

1. Additions to fixed assets includes interest capitalised of Rs. 8.39 Lacs (Previous year Rs. 25.91 Lacs).
2. Capital work in progress includes Rs. 249.34 Lacs (Previous year Rs. 148.45 Lacs) on account of advance against Capital Expenditure.
3. Government subsidy received under TUF Scheme (Technology Upgradation) Rs. 15.00 Lacs on 10th Dec' 2010 for specific asset of Plant and Machinery has been deducted from gross book value of asset with effect from grant received date i.e 10-12-2010.

SCHEDULES

Forming part of the Consolidated Balance Sheet

(₹ in Lacs)

	As At 31 st March, 2011	As At 31 st March, 2010
Schedule 5 : Investments		
(A) Long Term Investments (Unquoted)		
Trade Investments		
<i>Investment in Associate Company</i>		
Face value Rs 10 each, fully paid up :		
6,350 (6,350) Equity shares of Savas Engineering Company Pvt. Ltd.	51.33	51.33
Less :- Capital Reserve	(9.83)	(9.83)
Add :- Share in Profit of Associate	93.89	79.42
Net Value of Investment	<u>135.39</u>	<u>120.92</u>
Non-Trade Investment		
<i>Investment in Other Company</i>		
Face value Rs 100 each, fully paid up :		
1,250 (1,250) Equity Share of The Bhagyodaya Co-operative Bank Ltd.	1.25	1.25
TOTAL (A)	<u>136.64</u>	<u>122.17</u>
(B) Current Investments (Quoted)		
Non-Trade Investment		
<i>Units of Mutual funds (Quoted)</i>		
Face value Rs 10 each, fully paid up :		
100,000 Units of SBI Bluechip Fund	10.00	10.00
TOTAL (B)	<u>10.00</u>	<u>10.00</u>
TOTAL (A + B)	<u>146.64</u>	<u>132.17</u>
Unquoted Investments		
In Equity Shares	Cost price	1.25
Mutual Funds	Cost price	10.00
Repurchase value	14.10	14.10

Schedule 6 : Inventories

(Raw Materials, Process Stock and Finished Goods
are valued at lower of cost and net realisable value)

Stock-in-Trade

Raw Materials		
[Including Goods in transit Rs. 335.64 Lacs (Previous year Rs. 176.19 Lacs)]	4,594.55	2,277.37
Finished Goods	630.00	998.50
Process Stock	6,024.76	2,244.86
TOTAL	<u>11,249.31</u>	<u>5,520.73</u>

SCHEDULES

Forming part of the Consolidated Balance Sheet

(₹ in Lacs)

	As At 31 st March, 2011	As At 31 st March, 2010
Schedule 7 : Sundry Debtors		
(Unsecured)		
Exceeding Six Months		
Considered good	2,051.48	1,995.89
Considered doubtful	156.71	156.71
Others Debts		
Considered good	21,340.94	12,863.06
	23,549.13	15,015.66
Less: Provision for doubtful debts	156.71	156.71
TOTAL	23,392.42	14,858.95

Schedule 8 : Cash & Bank Balances

Cash on hand	5.58	6.36
<u>Balances with Scheduled Banks:</u>		
- In Current accounts	1,596.01	1,079.70
- In Fixed Deposit accounts	4,022.06	12,282.56
[Rs. 970.36 Lacs (Previous year Rs. 1,262.21 Lacs) lodged with banks as securities for guarantees given by the banks]		
- Unclaimed Share application money in escrow account	3.56	3.56
- Unclaimed Dividend money in bank account	4.11	2.93
TOTAL	5,631.32	13,375.11

Schedule 9 : Loans & Advances

(Unsecured)

Considered Good

Loan to Associate Company		
- Savas Engineering Company Pvt. Ltd.	296.51	-
Advances recoverable in cash or in kind or for value to be received	60.67	44.70
Advances to suppliers	198.63	216.04
Other Advances	82.36	78.58
Deposits and balances with Government and other authorities	1,134.18	980.09
Other Deposits	376.80	195.10
Export Benefit receivable	308.36	-
Advance Tax paid (Net of Provision for Tax)	202.18	-
Interest receivable	3.58	4.45
TOTAL	2,663.27	1,518.96

SCHEDULES

Forming part of the Consolidated Balance Sheet

(₹ in Lacs)

	As At 31 st March, 2011	As At 31 st March, 2010
--	---------------------------------------	---------------------------------------

Schedule 10 : Current Liabilities & Provisions**Current Liabilities**

Sundry Creditors :

a) Micro & Small Enterprises (Refer Note no. 5 of Schedule 20)	41.83	113.19
b) Others	<u>10,209.73</u>	<u>5,593.63</u>
	10,251.56	5,706.82
Advance from customers	2,008.58	1,313.58
Other Liabilities	928.03	912.04
Investor Education and Protection fund		
Unclaimed share application money	3.56	3.56
Unclaimed dividend	<u>4.11</u>	<u>2.93</u>
TOTAL (A)	<u>13,195.84</u>	<u>7,938.93</u>

Note : There is no amount due and outstanding as at balance sheet date to be credited to Investor Education and Protection Fund.

Provisions

Proposed dividend	665.16	667.65
Tax on proposed dividend	107.98	89.16
Provision for gratuity	13.61	-
Provision for leave encashment	39.05	49.31
Provision for taxation (Net of advance tax paid)	<u>6.39</u>	<u>90.18</u>
TOTAL (B)	<u>832.19</u>	<u>896.30</u>
TOTAL (A + B)	<u>14,028.03</u>	<u>8,835.23</u>

Schedule 11 : Miscellaneous Expenses

(To the extent not written off or adjusted)

Share Issue Expense	-	0.83
Less : written off	-	0.83
TOTAL	<u>-</u>	<u>-</u>

SCHEDULES

Forming part of the Consolidated Profit and Loss Account

(₹ in Lacs)

	For the Year Ended on 31 st March, 2011	For the Year Ended on 31 st March, 2010
Schedule 12 : Other Income		
Interest received on fixed deposits with Banks [Tax deducted at source:- 28.46 Lacs (Previous year Rs. 31.51 Lacs)]	408.98	301.81
Interest received from Others & Associate Company [Tax deducted at source:- 5.16 Lacs (Previous year Rs. 0.11)]	47.39	8.41
Dividend Income		
On Non trade investments - Investment in mutual funds	1.66	87.43
Sale of scrap	378.36	293.62
Discount rebates (Net)	-	110.89
Provision for diminution in value of investment no longer required	-	3.33
Miscellaneous amount written Back	86.67	-
Export incentives	308.36	-
Bad debts recovered	-	6.00
Foreign exchange gain (Net)	127.81	47.57
Miscellaneous income	9.78	16.55
TOTAL	1,369.01	875.61

Schedule 13 : Decrease/(Increase) in Stock of Finished Goods and Process Stock

Closing Stock		
Finished Goods	630.00	998.50
Process Stock	6,024.76	2,244.86
	<u>6,654.76</u>	<u>3,243.36</u>
Less : Opening Stock		
Finished Goods	998.50	825.49
Process Stock	2,244.86	2,515.73
	<u>3,243.36</u>	<u>3,341.22</u>
TOTAL	(3,411.40)	97.86

Schedule 14 : Manufacturing Expenses

Power & Fuel	386.79	317.18
Job work charges & Other manufacturing expenses	147.89	117.89
Repairs		
Plant and Machinery	111.92	154.18
Factory Building	44.70	34.62
Tools purchase	70.72	106.45
Workers wages	528.61	395.29
Testing charges & other manufacturing expenses	426.04	360.68
Cenvat duty provided on stocks	(17.88)	31.91
TOTAL	1,698.79	1,518.20

SCHEDULES

Forming part of the Consolidated Profit and Loss Account

(₹ in Lacs)

	For the Year Ended on 31 st March, 2011	For the Year Ended on 31 st March, 2010
Schedule 15 : Payments to and Provisions for Employees		
Salaries, Bonus, Gratuity etc.	1,597.42	1,210.11
Contribution to Provident and Other funds	66.29	56.19
Employee welfare expenses	2.99	60.15
TOTAL	1,666.70	1,326.45

Schedule 16 : Selling, Distribution, Administrative and Other Expenses

Selling expenses	744.85	484.48
Discounts, rebates & allowances (Net)	73.35	29.29
Advertisement expenses	65.50	79.11
Stationary, Printing, Postage and Telephone expenses	97.05	92.83
Insurance	71.41	33.94
Rent	16.06	14.12
Repairs		
Office building	8.54	0.21
Others	14.57	10.18
Rates and Taxes	8.78	5.87
Travelling expenses & Conveyance	383.04	303.55
Bank charges	272.87	371.94
Legal & Professional charges	79.69	86.15
Audit fees	11.75	11.75
Sales commission	339.69	154.86
After sales/Replacement expenses	31.45	673.88
Late delivery charges	560.76	739.63
Premium on forward contract amortised	0.32	9.64
General charges	131.11	122.41
Bad debts written off	-	21.47
Cenvat duty expense	33.66	89.42
Loss on sale of fixed assets	8.60	0.72
Loss on Sale of Investments	-	0.32
Directors sitting fees	2.45	2.75
Miscellaneous expenses written off:		
Share issue expenses	-	0.83
TOTAL	2,955.50	3,339.36

SCHEDULES

Forming part of the Consolidated Profit and Loss Account

(₹ in Lacs)

	For the Year Ended on 31 st March, 2011	For the Year Ended on 31 st March, 2010
--	-------------------------------------------------------	-------------------------------------------------------

Schedule 17 : Interest & Finance Charges

Interest on borrowings from Banks	305.31	370.55
Discount on Commercial Paper Amortised	56.94	27.95
Interest - Others	23.63	45.40
Bill Discounting charges	78.40	66.17
TOTAL	464.28	510.07

Schedule 18 : Provision for Taxation

Current Tax (Including Wealth Tax)	1,887.75	2,211.13
Deferred Tax	172.90	425.95
TOTAL	2,060.65	2,637.08

Schedule 19 : Significant Accounting Policies

1) Accounting Convention

The consolidated financial statements are prepared on historical cost basis and based on accrual method of accounting and applicable Accounting Standards by consolidating the accounts of Parent Company with its subsidiaries in accordance with generally accepted accounting principles and in consonance with Accounting Standard 21 (Consolidated financial Statements) issued by the Institute of Chartered Accountants of India.

2) Principles of Consolidation

- a) The financial statements of the Parent Company and its Subsidiaries have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after eliminating intra-group balances and the unrealised profits/losses on intra-group transactions. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the Balance Sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the consolidated entities. The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent company for its separate financial statements.
- b) The difference between the cost of investment in the Subsidiaries, over the net assets at the time of acquisition of shares in the Subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.

3) Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on date of the financial statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known/ materialized.

4) Fixed Assets

- a) Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes non-refundable taxes and levies, freight and other incidental expenses related to acquisition and installation of the respective assets.
- b) Certain computer software costs are capitalised and recognised as intangible assets in terms of Accounting Standard 26 on intangible assets based on materiality, accounting prudence and significant economic benefits expected to flow therefrom for a period longer than 1 year. Capitalised cost include direct cost of implementation and expenses directly attributable to the implementation.
- c) The Company evaluates the impairment losses on the fixed assets whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If such assets are considered to be impaired the impairment loss is then recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the smallest level for which there are separately identifiable cash flows.

5) Depreciation and Amortisation

- a) Depreciation on fixed assets is provided on Straight Line Method in accordance with Section 205(2)(b) of the Companies Act, 1956 at the rate and in the manner prescribed in schedule XIV of the said Act.
- b) Computer software costs capitalised are amortised using the Straight Line Method over estimated useful life of 3 to 5 years, as estimated at the time of capitalisation.

6) Investments

- a) Long Term investments are stated at cost and provision is made to recognise any diminution in value, other than that of temporary nature.
- b) Current investments are carried at lower of cost and fair value. Diminution in value is charged to the profit and loss account.

7) Inventories

- a) Raw materials, Process stock and Finished Goods are valued at lower of cost or net realisable value.
- b) Cost for Raw materials is determined on Weighted Average/FIFO basis, net of cenvat credit availed.
- c) Cost for Finished Goods and Process Stock is determined taking material cost [Net of cenvat credit availed] labour and relevant appropriate overheads and cenvat duty.

8) Revenue Recognition

In appropriate circumstances, Revenue (income) is recognised when no significant uncertainty as to determination or realisation exists.

9) Sales/Service Income

Sales of products are recognised when risk and rewards of ownership of the products are passed on to the customers, which is generally on despatch of goods. Export sales are accounted on the basis of date of Bill of lading. Sales value is inclusive of Cenvat Duty and but does not include other recoveries such as insurance charges, transport charges etc. Service income excludes service tax.

10) Cenvat credit

Cenvat credit is accounted for on accrual basis on purchase of eligible inputs, capital goods and services.

11) Foreign Currency Transactions

- a) Monetary items denominated in foreign currency are translated at the exchange rate prevailing on the last day of the accounting year. Foreign currency transactions are accounted at the rate prevailing on the date of transaction.
- b) Non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.
- c) Gain or loss arising out of translation/conversion is taken credit for or charged to the Profit and Loss Account.

12) Prior Period Expenses/Income

Material items of prior period expenses/income are disclosed separately.

13) Employees Benefits

- a) Defined Contribution Plan
The Company's contributions paid / payable for the year to Provident Fund are recognised in the profit and loss account.
- b) Defined Benefit Plan
The Company's liabilities towards gratuity, and leave encashment are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognised on a straight line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognized immediately in the profit and loss account as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

14) Borrowing Cost

Interest and other costs in connection with the borrowings of the funds to the extents related/attribution to the acquisition /construction of qualifying fixed assets are capitalised upto the date when such assets are ready for their intended use and other borrowing costs are charged to Profit And Loss Account.

15) Miscellaneous Expenditure

Shares issue expenses incurred are amortised over a period of five years.

16) Taxes on Income

"Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with provision of Income Tax Act, 1961." "Deferred tax resulting from "timing difference" "between book and taxable profit is accounted for using the tax rates and laws that have been enacted or subsequently enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future."

17) Leases

Lease transaction entered into on or after April 1, 2001:

- a) Assets acquired under lease where the company has substantially all risk and rewards incidental to ownership are classified as finance leases. Such assets are capitalised at the inception of lease at the lower of fair value or the present value of minimum lease payment and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability of each period.
- b) Assets acquired on lease where a significant portion of risk and rewards incidental to ownership is retained by the lessor are classified as operating lease. Lease rental are charged to the profit and loss account on accrual basis.

18) Earnings Per Share

The Parent Company and its Subsidiaries reports basic and diluted Earnings Per Share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year.

19) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

Schedule 20 : Notes Forming Part of Consolidated Accounts

1. Details of Subsidiaries/Associate

The Consolidated Financial Statements (CFS) comprise the financial statements of the Parent Company, Transformers and Rectifiers (India) Limited and the following Subsidiaries and Associate:

Name of the Companies	Type	Country of Incorporation	Proportion of Ownership Interest	Date of Investment
Transweld Mechanical Engineering Works Ltd.	Subsidiary	India	100 %	1 st Aug 2006
Transpares Ltd.	Subsidiary	India	51 %	2 nd Oct 2006
Savas Engineering Company Pvt. Ltd.	Associate	India	50%	1 st Oct 2008

2. Contingent Liabilities in respect of

(₹ in Lacs)

Particulars	As At	As At
	31 st March, 2011	31 st March, 2010
a) Disputed demand of Central Excise Department / Income Tax Department	417.08	653.68
b) Guarantee given by bankers on behalf of Company	21,078.42	13,042.85
c) Corporate Guarantees of Rs. 2889.00 Lacs given by Company for loan taken by a subsidiary/Associate company	1,156.20	443.90
d) Performance Guarantees given by Company	33.47	111.05
e) Bills discounted with Banks	3,296.35	3,135.90
f) Import duty benefit towards duty free import of raw materials made in respect of which export obligations are yet to be discharged.	16.12	7.94
g) Claims against Company not acknowledged as debts	Amount not ascertained	Amount not ascertained

3. Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for Rs. 143.90 Lacs (Previous year Rs. 140.00 Lacs).

4. Cenvat duty shown as a deduction from the Gross Sales and Service Income represents the amount of cenvat duty collected on sales. Cenvat duty expensed represents the difference between excise duty element in the amounts of closing stocks & opening stocks and excise duty paid which is not recoverable from sales.

5. The Company has amounts dues to Micro & Small Enterprises under The Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act) as at 31st March, 2011.

(₹ in Lacs)

Particulars	For the Year Ended	For the Year Ended
	31 st March, 2011	31 st March, 2010
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at 31 st March.	Principal Amount	113.19
	Interest	3.26
ii) The amount of the interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day.	Principal Amount	-
	Interest	-
iii) The amount of interest due and payable for the period of delay in making payment (beyond the appointed day during the year).	3.80	3.26
iv) The amount of interest accrued and remaining unpaid.	3.80	3.26
v) The amount of further interest remaining due and payable for the earlier years.	3.26	-

Note: The information has been given in respect of only those suppliers who have intimated the Company that they are registered as Micro and Small Enterprises.

6. Disclosures regarding Derivative Instruments

(A) The Company uses forward exchange contracts to hedge its exposure in foreign currency. There are no contracts entered into for the purpose of speculation

(B) The information on derivative instruments as on 31st March, 2011 is as follows:

Exposure hedged by Derivative instruments

(Amount in Lacs)

Particulars	No of Contracts		Foreign Currency Amount		Reporting Currency Amount (INR)	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
	Forward cover for Import Payable - USD	2	-	10.00	-	446.70
Forward cover for Import Payable - EURO	-	1	-	4.05	-	266.17

Unhedged Exposures :

(Amount in Lacs)

Particulars	Foreign Currency Amount		Reporting Currency Amount (INR)	
	2010-11	2009-10	2010-11	2009-10
	Loan Outstanding			
USD	9.50	4.59	423.61	207.02
Accounts Receivable				
USD	5.33	12.00	237.80	541.86
EURO	0.12	-	7.74	-
AUD	0.25	-	11.53	-
Account Payable				
USD	32.57	10.30	1,452.14	464.93
EURO	0.14	4.05	8.65	266.17

Expenditure on account of Premium on forward exchange contracts to be recognized in Profit & Loss Account of subsequent accounting period aggregates to Rs. 9.43 Lacs (Previous year Rs. Nil).

7. Employee Benefits

a) Defined Benefit Plans :

(₹ in Lacs)

Particulars	Gratuity		Leave Encashment	
	2010-11	2009-10	2010-11	2009-10
i Expenses recognized in Profit & Loss Account				
Current service cost	19.30	19.03	9.70	41.25
Interest Cost	6.38	5.32	4.07	1.48
Expected return on plan assets	(8.14)	(5.07)	-	-
Adjustment	0.30	-	-	-
Net actuarial losses (gains)	15.77	(8.07)	(21.35)	(14.70)
Total Expenses	33.61	11.21	(7.59)	28.03
ii Reconciliation of Opening and Closing balances of changes in present value of the defined benefit obligation				
Opening defined benefit obligation	77.38	64.58	49.30	21.27
Service cost	19.30	19.03	9.70	41.25
Interest cost	6.38	5.32	4.07	1.48
Actuarial losses (gains)	16.30	(5.31)	(21.35)	(14.70)
Losses (gains) on curtailments	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-
Benefits paid	(2.34)	(6.24)	(2.67)	-
Closing defined benefit obligation	117.02	77.38	39.05	49.30
iii Reconciliation of Opening and Closing balances of changes in fair value of plan assets				
Opening fair value of plan assets	96.88	30.21	-	-
Expected return on plan assets	8.14	5.07	-	-
Adjustment	(0.30)	-	-	-
Actuarial gains and (losses)	0.54	2.75	-	-
Assets distributed on settlements	-	-	-	-
Contributions by employer	-	65.09	-	-
Benefits paid	(1.85)	(6.24)	-	-
Closing balance of fair value of plan assets	103.41	96.88	-	-
iv Net Liability recognized in the Balance Sheet				
Defined Benefit Obligation	117.02	77.38	39.05	49.30
Fair Value of plan assets	103.41	96.88	-	-
Present Value of unfunded obligation recognized as liability	13.59	(19.50)	39.05	49.30
v Past Three year data for define benefit obligation and fair value of plan assets are as under:	2009-10	2008-09	2007-08	
Gratuity				
Defined Benefit Obligation	77.38	64.58	44.05	
Fair value of plan assets	96.88	30.21	4.20	
Present Value of unfunded obligation recognized as liability	(19.50)	34.38	39.85	
Leave Encashment				
Defined Benefit Obligation	49.30	21.27	17.35	
Fair value of plan assets	-	-	-	
Present Value of unfunded obligation recognized as liability	49.30	21.27	17.35	
vi Actual Return on Plan Assets	-	-	-	-
vii Major categories of Plan Assets as a percentage of total plan assets are as follows:				
Policy of insurance	100%	100%	-	-

viii Actuarial Assumptions	As at 31st March, 2011
Discount Rate	8.25 %
Expected rate of return on plan assets	8.50% Based on LIC Structure of interest rates on gratuity funds
Expected rate of salary increase	6.5 %
Mortality	LIC (1994-96) published table of mortality rates
Withdrawal Rates	5% at younger ages reducing to 1% at older age
Retirement Age	58 Years
Actuarial Valuation Method	Projected Unit Credit Method

b) Defined Contribution Plans.

During the year, Rs. 66.29 Lacs (Previous year Rs. 56.19 Lacs) recognised as an expense and included in the Schedule 15 of Profit and Loss Account under the head "Contribution to Provident and Other funds".

8. Segment Reporting

(A) Primary Segment :

The Company operates in a single segment i.e. "Electric Transformer". In the context of Accounting Standard 17, on Segment Reporting issued by Institute of Chartered Accountant of India, is considered to constitute one single primary segment.

(B) Secondary Segment (Geographical Segment) :

(₹ in Lacs)

Particulars	India		Outside India		Total	
	For the year ended on 31 st Mar 2011	For the year ended on 31 st Mar 2010	For the year ended on 31 st Mar 2011	For the year ended on 31 st Mar 2010	For the year ended on 31 st Mar 2011	For the year ended on 31 st Mar 2010
	Revenue	47,512.93	45,353.29	6,392.67	6,618.01	53,905.60
Carrying Amounts of Segment Assets	54,352.62	45,604.98	257.07	541.86	54,609.69	46,146.84
Capital Expenditure	1,386.54	2,572.97	-	-	1,386.54	2,572.97

9. Related party transactions:

(a) Names of related parties and description of relationship:

Sr. No.	Nature of Relationship	Name of Related Parties
1	Associate Company	Savas Engineering Company Pvt. Ltd.
2	Key Management Personnel	Mr. Jitendra Mamtora Mr. Satyen Mamtora Mrs. Karuna Mamtora Mr. Hitendra Doshi
3	Relative of Key Management Personnel	Ms. Janki Jitendra Mamtora Mrs. Akansha Mamtora Mr. Dilip Mamtora Mr. Bipin Mamtora
4	Enterprise over which key Managerial Personnel is able to exercise significant Influence	Benchmark HR Solutions (India) Pvt. Ltd. Jitendra U. Mamtora (HUF) Transpower

(b) Details of transactions with related parties:

		(₹ in Lacs)	
Particulars	2010-11	2009-10	
(A) Volume of Transactions			
1) Service Received			
Associate Company			
Savas Engineering Company Pvt. Ltd.	87.11	77.21	
Enterprises over which Key Managerial Personnel is able to exercise Significant Influence			
Benchmark HR Solutions (India) Pvt. Ltd.	1.20	3.55	
2) Bank Charges recovered from Associate Company Associate Company			
Savas Engineering Company Pvt. Ltd.	17.49	-	
3) Purchase of Goods			
Associate Company			
Savas Engineering Company Pvt. Ltd.	2.38	-	
4) Sale of Goods			
Associate Company			
Savas Engineering Company Pvt. Ltd.	9.61	7.04	
5) Capital Goods Purchased			
Associate Company			
Savas Engineering Company Pvt. Ltd.	21.77	3.77	
6) Corporate Guarantee given to Banker for loan taken by Associate Company			
Associate Company			
Savas Engineering Company Pvt. Ltd.	1,695.00	-	
7) Investment in Associate Company			
Associate Company			
Savas Engineering Company Pvt. Ltd.	-	12.50	
8) Sale of Equity Shares			
Relatives of Key Managerial Personnel			
Mrs. Akansha Mamtara (Sale of 1900 Equity Shares of Benchmark HR Solutions (India) Pvt. Ltd.)	-	5.32	
9) Rent Paid			
Key Managerial Personnel			
Mrs. Karuna Mamtara	2.40	2.20	
10) Business Purchase			
Enterprises over which Key Managerial Personnel is able to exercise Significant Influence			
Allied Electrical Industries (Proprietor Firm of Mrs. Karuna Mamtara)	-	15.47	
11) Bonus Shares issued			
Key Managerial Personnel			
Mr. Hitendra Doshi (During the year ended 31 st March 2010, 4,21,392 Nos Equity Shares fully paid up were allotted as Bonus Shares)	-	-	
12) Loan Given / Repaid and Interest thereon to Associate Company			
Savas Engineering Company Pvt. Ltd.			
Loan given	1,028.00	-	
Loan repaid	747.36	-	
Interest	15.87	-	
Balance as at 31 st March	296.51	-	
Balance as at 1 st April	-	-	

(₹ in Lacs)

Particulars	2010-11	2009-10
13) Managerial Remuneration		
Key Managerial Personnel		
Mr. Jitendra Mamtora	232.71	165.23
Mr. Satyen Mamtora	110.77	82.07
Mrs. Karuna Mamtora	21.97	14.68
Mr. Hitendra Doshi	23.00	16.95
14) Dividend Paid		
Key Managerial Personnel		
Mr. Jitendra Mamtora	442.95	354.36
Mr. Satyen Mamtora	4.85	3.88
Mrs. Karuna Mamtora	13.39	10.71
Mr. Hitendra Doshi	18.96	15.80
Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
Mr. Jitendra U. Mamtora (HUF)	34.15	27.32
Relatives of Key Managerial Personnel		
Ms. Janki Jitendra Mamtora	1.07	0.85
Mr. Bipin Mamtora	0.01	0.01
Mr. Dilip Mamtora	0.01	0.01
(B) Balance at the end of the Period		
1) Due To		
Associate Company		
Savas Engineering Company Pvt. Ltd.	54.80	-
Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
Benchmark HR Solutions (India) Pvt. Ltd.	-	0.66
2) Due From		
Associate Company		
Savas Engineering Company Pvt. Ltd.	-	126.52
Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
Benchmark HR Solutions (India) Pvt. Ltd.	0.23	-
[Maximum outstanding during the year Rs. 0.79 Lacs (Previous Year Rs. 1.46 Lacs)]		
(C) Corporate Guarantee given to Bankers for loan taken by Associate Company		
1) Associate Company		
Savas Engineering Company Pvt. Ltd.	1,695.00	-

10. Leases

Operating Lease

Lease rentals charged to revenue for lease agreements for the right to use the following assets are as under :

(₹ in Lacs)

Particulars	For the year ended on 31 st March, 2011	For the year ended on 31 st March, 2010
Office Premises	7.09	5.37
Godown	2.76	2.34

The Lease agreements are executed for a period of 11 months with a renewal clause and also provide for termination at will by either party by giving prior notice.

11. Earning Per Share:

Particulars		For the year ended on 31 st March, 2011	For the year ended on 31 st March, 2010
Net Profit for the period (₹ in Lacs)	(A)	4,151.78	5,164.05
Weighted average number of equity shares	(B)	12,923,611	12,923,611
EPS (Basic & Diluted)	(A) / (B)	32.13	39.96
Nominal value of Equity Shares		10.00	10.00

12. Components of Deferred Tax Liability are as under:

Particulars		(₹ in Lacs)	
		As at 31 st March, 2011	As at 31 st March, 2010
(A) Deferred Tax Liability:			
Difference between book and tax depreciation		853.04	711.71
Total	(A)	853.04	711.71
(B) Deferred Tax Assets:			
Disallowance under Income Tax Act, 1961		67.93	63.50
Tax benefit on share issue expenses set off against share premium.		90.73	126.73
Total	(B)	158.66	190.23
Net Deferred Tax Liability	(A) – (B)	694.38	521.48

13. Previous year's figures have been regrouped wherever necessary.

As Per our attached report of even date.

For C.C.Chokshi & Co.
Chartered Accountants

For and on behalf of board

H. P. Shah
Partner

Jitendra U. Mamtora
Chairman & Managing Director

Satyen J. Mamtora
Joint Managing Director

Tushar Shah
Company Secretary

Date : 22nd April, 2011
Place : Ahmedabad

Date : 22nd April, 2011
Place : Ahmedabad





Awards and Achievements



Best Equipment Supplier Award
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Valued Customer Award from
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