

18th Annual Report

2011-12





TRANSFORMERS & RECTIFIERS (INDIA) LIMITED

Board of Directors

Mr. Jitendra U. Mamtora
Chairman

Mr. Satyen J. Mamtora
Managing Director

Mrs. Karuna Mamtora
Executive Director

Mr. Vinod Masson
Executive Director
(w.e.f.11.4.2012)

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

Mr. Tushar Shah
Company Secretary

Committees of Board

Audit Committee
Shareholders' Grievance Committee
Remuneration Committee

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Bankers

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

Auditors

Deloitte Haskins & Sells
Chartered Accountants,
Heritage, Nr. Gujarat Vidhyapith,
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
LBS Road, Bhandup (West),
Mumbai-400078.

Listing

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

Depositories

NSDL
CDSL

ISIN

INE763I01018

CIN

L33121GJ1994PLC022460

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.



NOTICE

Notice is hereby given that the Eighteenth Annual General Meeting of the members of the Company will be held on Wednesday, 8th August, 2012 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, 2012 and Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Sureshchandra Agrawal, who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint a director in place of Mrs. Karuna Mamtara, who retires by rotation and, being eligible, offers herself for reappointment.
4. 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 reappointed 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

5. To Consider and if thought fit, to pass with or without modifications the following resolution as Special Resolution.

To Appoint Mr. Vinod Masson as an Executive Director

“RESOLVED THAT in accordance with provisions of Section 198, 260, 269, 309, 310 and other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) read with and in accordance with the conditions specified in Schedule XIII, the approval of the Company be and hereby accorded to the appointment of Mr. Vinod Masson as an Executive Director designated as Director - Strategy with effect from 11th April, 2012, for a period of 1 year on such terms and conditions as set out in the Explanatory Statement annexed herewith.

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

By Order of the Board of Directors

Place : Ahmedabad
Date : 30th April, 2012

Tushar Shah
Company Secretary

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.
- 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 Participant. The Company or its share transfer agent 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 Registrar & Share Transfer Agent.
- 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 dividends 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.
- Register of Members and Share Transfer Books of the Company will remain closed from Friday, 3rd August, 2012 to Wednesday, 8th August, 2012 (both days inclusive) for the purpose of Annual General Meeting.
- Members who have not so far encashed the dividend 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 seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
- 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.

By Order of the Board of Directors

Place : Ahmedabad
Date : 30th April, 2012

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**

Pursuant to Section 173(2) of the Companies Act, 1956

ITEM NO. 5

Mr. Vinod Masson, qualified as Bachelor Electrical Engineer from VJTI Mumbai, has 40 years of rich experience in Power Sector in Indian and Global Markets. Mr. Masson has held various senior positions across Power Sector. Looking at his past experience and expertise knowledge, the Board of Directors has appointed him as an Executive Director designated as Director-Strategy of the Company, subject to the approval of members at general meeting, for a period of 1 year w.e.f. 11th April, 2012, on the terms and conditions, as mentioned in the draft agreement.

He will be entitled to the following remuneration per month:

Particulars	Per Month (₹)
Monthly Benefit :	
Basic	80,000
HRA	32,000
Special Allowance	77,086
Annual Benefit :	
Medical Reimbursement	1,250
LTA Reimbursement	3,000
Statutory Benefit :	
Bonus	6,664
Total	200,000

Perquisites: In addition to the salary, the following perquisites shall be allowed to the Executive Director.

Perquisites :**Category "A"**

Leave entitlement (PL) @ of 15 Days p.a., on full pay and allowances, as per rules of the Company.

Category "B"

The Company shall provide Chauffeur driven car & car maintains expenses on actuals basis at the entire cost of the Company for business use of the Company.

The Company shall provide telephone bill including mobile phone instrument and Residential Telephone bill on actuals basis at the entire cost of the Company.

The Company shall provide Laptop alongwith High speed data card at the entire cost of the Company.

Category "C"

In the event of cessation, during any financial year, a Pro rata proportion of the aforesaid remuneration shall be payable by the Company.

Category "D"

The Executive Director shall be entitled to reimbursement of all expenses incurred in connection with the business of the Company. He shall however not be entitled to any Sitting Fees.

Other Terms**Medical Reimbursement :**

Medical Expenses actually incurred for self and family shall be reimbursed by the Company.

Leave Travel Concession :

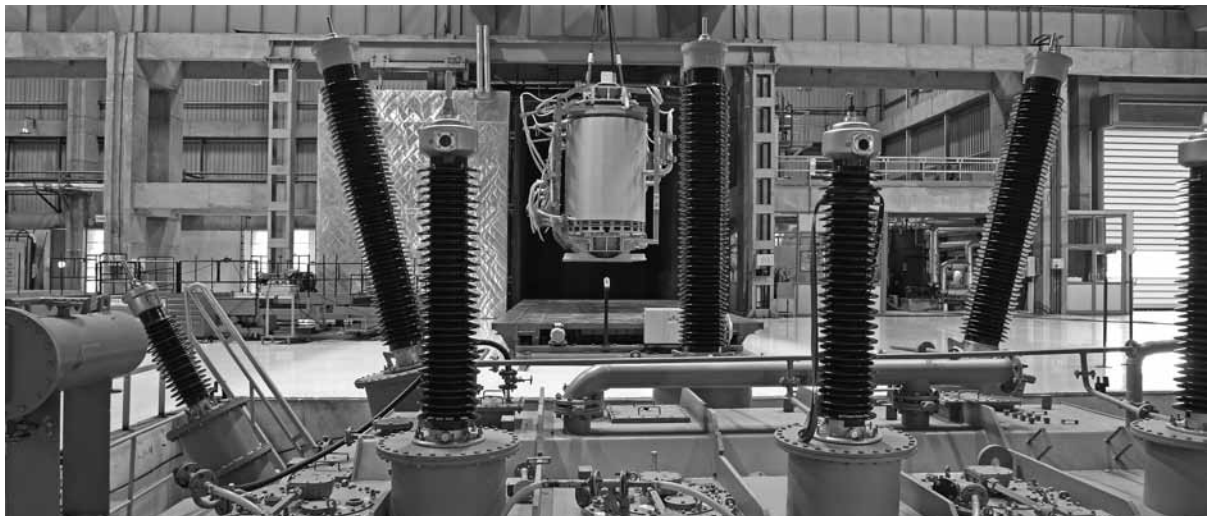
The Company shall provide leave travel fare for the Executive Director and his family once in a year, anywhere in the world, as per the Rules applicable to the Company.

"Family" means the spouse, dependent children and dependent parents of the Executive Director.

The remuneration referred to above is subject to the limit of 5% of the annual net profits of the Company and subject further to the overall limit of 10% of the annual net profits of the Company on the remuneration of the Managing Director and other Executive Directors of the Company taken together. Provided, however, that in the event of absence or inadequacy of profit, the Executive Director shall be entitled to remuneration and perquisites as mentioned above within the minimum remuneration specified in Schedule XIII to the Companies Act, 1956.

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. Vinod Masson himself, none of the other Directors are interested or concerned in this resolution.





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

Name of Directors	Mr. Sureshchandra Agarwal	Mrs. Karuna Mamtara	Mr. Vinod Masson
Age	62 Years	61 Years	65 Years
Date of Appointment	13/08/2007	01/04/2005	11/04/2012
Expertise in specific functional areas	Vast experience in the metal recovery and petroleum refining industry.	Implementation & Formulation of Corporate Social Responsibility and General Administrative function and the Human Resource Development	40 years of experience in the Power Sector in Indian & Global Markets
Qualification	Mechanical Engineer	M.B.A.	B.E. Electrical
No. of Equity Shares held	Nil	267,736	Nil
List of Outside Company Directorship held	Mahagujarat Smelting Company Pvt. Ltd.	Transpares Ltd.	Nil
Chairmanship/ Membership of the Audit Committee, Shareholder's/Investors Grievance Committee of other Companies in which he/she is a Director	Nil	Nil	Nil



Go Green

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.



DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 18th Annual Report on the business and operations together with the Audited accounts for the year ended 31st March, 2012. The performance of the Company for the year ended on 31st March, 2012 is summarized below:

Financial Highlight

(₹ in Lacs)

Particulars	Standalone	
	2011-12	2010-11
Net Revenue form Operation	51,215.06	53,684.10
Other Income	666.23	709.91
Total Revenue	51,881.29	54,394.01
Cost of Raw Material Consumed	42,469.22	44,416.58
(Increase)/Decrease in Stock of Finished Goods & Process Stock	(34.76)	(3,285.17)
Manufacturing Expenses	2,327.39	1,951.08
Employee Benefits Expense	1,654.28	1,607.48
Finance Costs	818.06	440.99
Depreciation & Amortisation	611.36	579.41
Other Expenses	2,717.46	2,800.69
Total Expenses	50,563.01	48,511.06
Profit/(Loss) before Tax	1,318.28	5,882.95
Tax Expense	399.98	1,871.91
Net Profit after Tax	918.30	4,011.04

Dividend

Your Directors considered it prudent to conserve the resources of the Company to sustain future growth and as such have not recommend any dividend for the year 2011-12.

Review of Operations

For the year ended 31st March, 2012, your Company has reported standalone revenue and net profit after taxation of ₹ 51,881.29 Lacs and ₹ 918.30 Lacs respectively. As compared to previous year's revenue it has reduced by 4.60 % and net profit after taxation has reduced by 77.10 %.

MVA Production

During the year 2011-12, Your Company has manufactured 13,206 MVA, out of which Changodar unit produce 348 transformers totaling 5,228 MVA, Moraiya unit produce 66 transformers totaling 7,281 MVA & Odhav unit produce 247 transformers totaling 697 MVA.

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 30th April, 2012, the Company has Order Book position of ₹ 60,700 Lacs. The table below indicates the division of our order book between our business segments:

(₹ in Lacs)			
Type of Transformers	MVA	Order Book	%
Power Transformer	19,360	54,289	89%
Distribution Transformer	278	1,763	3%
Furnace/Rectifier Transformer	199	2,189	4%
Export	503	2,459	4%
Total	20,340	60,700	100%

Exports

During the year, the Company has achieved export sales of ₹ 4,735.68 Lacs.

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 has received "Best Equipment Supplier" Award from Gujarat Energy Transmission Company Limited (GETCO) for the FOURTH consecutive year. It indicates that we are very much on track with respect to our endeavor 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.

Associates Portfolio

During the year 2011-12, Savas Engineering Company Pvt. Ltd. has achieved Sales of ₹ 1,308.73 Lacs and posted profit before tax of ₹ 30.17 Lacs. The main activities of the Company is to manufacture various equipment 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 letter No.5/12/2007-CL-III 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 attach 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, as directed by Central Government, 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. Sureshchandra Agarwal & Mrs. Karuna Mamtara, Directors of the Company who retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

Mr. Vinod Masson, qualified as Bachelor Electrical Engineer from VJTI Mumbai, has 40 years of rich experience in Power Sector in Indian and Global Markets. Looking at his past experience and expertise knowledge, the Board of Directors has appointed him as an Executive Director designated as Director-Strategy of the Company for a period of 1 year w.e.f. 11th April, 2012.

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:

- a) In preparation of annual accounts for the year ended 31st March, 2012, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) 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;
- c) 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;

- d) The directors have prepared the annual accounts for the year ended 31st March, 2012 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 Report” 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 Statutory Auditors of the Company, M/s. Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad (Firm Registration No. 117365W), will retire at conclusion of ensuing Annual General Meeting and being eligible, have offered themselves for reappointment for the year 2012-13.

The Company has received a written certificate from Auditors stating their appointment, if made, would be within the prescribed limit under Section 224(1B) of the Companies Act, 1956 for the year 2012-13. The Board, on the recommendation of the Audit Committee, has also proposed that M/s. Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad, be reappointed as Auditors of the Company.

Your Directors request you to reappoint the Auditors for the current year and fix their remuneration.

Auditors Report

The Auditors' Report on the accounts of the Company for the accounting year ended 31st March, 2012 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.

**Cost Auditor**

The Company has appointed M/s. Rajendra Patel & Associates, Cost Accountants, Ahmedabad to audit the cost accounts related to the Company's product Electric Transformer for the year 2012-13. The Company has received a written certificate stating their appointment, if made, would be within the prescribed limit under Section 224(1B) of the Companies Act, 1956 for the year 2012-13.

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.

Acknowledgment

Your Directors would like to express their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company.

By Order of the Board of Directors

Place : Ahmedabad
Date : 30th April, 2012

Jitendra U. Mamtora
Chairman

Annexure-I to the Directors' 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, 2012.

1. Conservation of Energy :**A. Energy conservation measures taken & its impact :**

The Company has 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.

- 1 The Company has implemented use of Piped Natural Gas (PNG) in place of Residual Fuel Oil (RFO) for its Thermic Fluid Heaters which are used for operating vacuum drying ovens.
- 2 The Company has stopped using screw type air compressor and in its place Company is using reciprocating air compressors which are allotted to specific areas.
- 3 The Company's Technical Department started monitoring the Power Factor with the help of Capacitor Bank & Company got the Power Factor Rebate from GEB.
- 4 The Company has started using air compressors with Variable Frequency Drive.
- 5 Control panels modified for all horizontal winding machine working platform to operate hydraulic power pack motors only when up-down or forward/reverse movement is required. Earlier motor was running continuously.
- 6 New workshop office lightings planned with electronic ballast.
- 7 The Company has used vapor phase drying ovens to reduce cycle time of drying process of active parts and windings drastically.

B. Additional investment & proposals, if any being implemented for reduction of energy consumption of energy & its impact:

- 1 The Company has started to use Electric Capacitor Bank for reducing the Power Consumption and is also going to implement use of PNG in place of RFO for its thermic fluid heaters at its Moraiya Plant.
- 2 Use of electronic ballast instead of copper ballast for shop floor gallery lightings.
- 3 LED lightings for core-coil assembly enclosures to reduce consumptions of air conditioners and electrical power.
- 4 Manufacturing process improvement to reduce overall manufacturing cycle time.

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

Particulars	2011-12	2010-11
Electricity : (Purchased)		
Units (Kwh)	3,937,601	4,052,507
Amount (₹ in Lacs)	260.21	250.54
Rate / Unit (₹)	6.61	6.18
Piped Natural Gas : (Purchased)		
Units (Scm)	646,004	Nil
Amount (₹ in Lacs)	208.27	Nil
Rate/Unit (₹)	32.24	Nil



2. Technology Absorption, Adoption & Innovation :

765 kV inputs received from Zaporozhtransformator PJSC (ZTR) Ukraine have been absorbed and being implemented for supply of 500 MVA, 765/√3 / 400/√3 / 33 kV Single Phase Auto Transformers to POWERGRID.

Successfully developed, manufactured and tested 63 MVA 420 kV Shunt Reactor first time. This Shunt Reactor shall be commissioned at Jetpur Sub Station of GETCO.

3. Foreign Exchange Earnings & Expenditure :

- Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans : The Company has made direct exports of Transformers to International customers. Overall growth prospect for export is encouraging.
- Total Foreign Exchange Earnings and Expenditure : Details concerning Foreign Exchange Earnings and Expenditure have been given under note 38, 39 and 40 of the Notes to the Financial Statements.

Annexure-II forming part of Director's Report

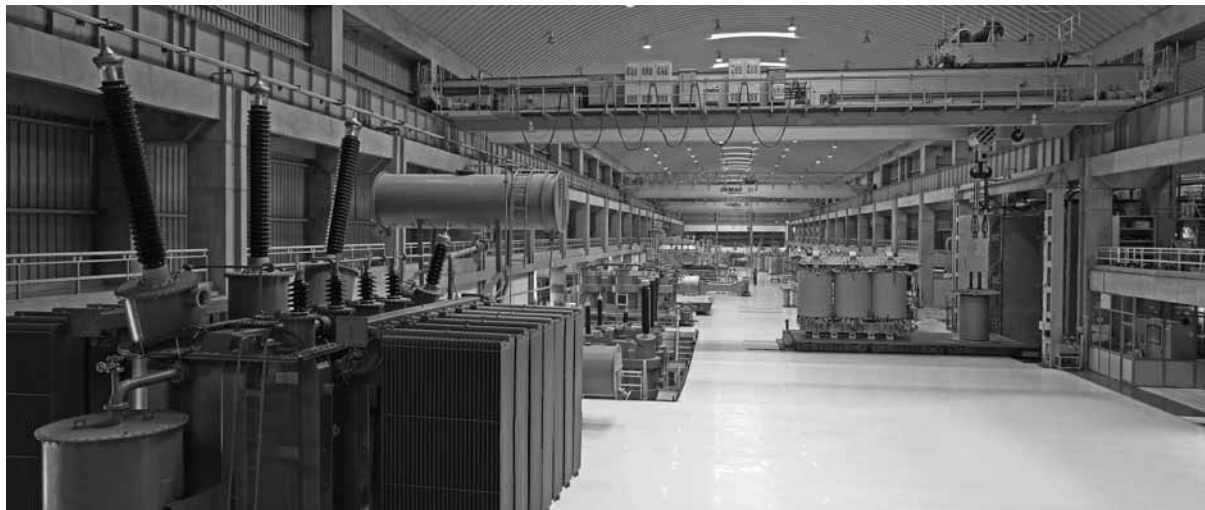
The following is the list of persons (in alphabetical order) constituting "Group" within the meaning as defined in the Monopolistic and Restrictive Trade Practice Act, 1969) for the purpose of availing exemption from applicability of the provisions of Regulations 10 to 12 of Securities and Exchange Board 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.	Aakanksha S. Mamtora	16.	M.B.Optics Pvt. Ltd.
2.	Asha Mamtora	17.	Michael Homawalla
3.	Ashish Kiri	18.	Ms. Vritika Kiri
4.	Benchmark HR Solutions (India) Pvt. Ltd.	19.	Pramila Mamtora
5.	Bhaskar Sen	20.	Rajendra Shah
6.	Bipin Mamtora	21.	Ramesh Mamtora
7.	Dilip Mamtora	22.	Satyen J. Mamtora
8.	Harish Rangwala	23.	Savas Engineering Company Pvt. Ltd.
9.	Janki Mamtora	24.	Sky Trek Tours & Travels
10.	Jitendra Mamtora HUF	25.	Sureshchandra Agarwal
11.	Jitendra U. Mamtora	26.	Transpares Ltd.
12.	Karuna J. Mamtora	27.	Transpower
13.	Pranay S. Mamtora	28.	Transweld Mechanical Engineering Works Ltd.
14.	Pratham S. Mamtora	29.	Vandana Mamtora
15.	Mamtora Brothers		

By Order of the Board of Directors

Place : Ahmedabad
Date : 30th April, 2012

Jitendra U. Mamtora
Chairman





CORPORATE GOVERNANCE

“Corporate Governance is the system by which Companies are directed and controlled. It also includes Board’s accountability to the Company and stakeholders, strategic vision and effective monitoring by the Board, protection and equitable treatment of all stakeholders as well as timely disclosure.

Corporate governance is a journey for constantly improving sustainable value creation and is an upward moving target.

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

1. Company’s Philosophy on Corporate Governance

Transformers and Rectifiers (India) Limited (TRIL) commitment for effective corporate governance continues and the Company has always been at their benchmarking efforts to follow the internal systems and policies within accepted standards for the creation of golden & trustable value towards the shareholders.

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

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

2. Board of Directors

A. Composition

The Board of Directors of TRIL has been constituted in manners which ensure the proper mix of Executive / Non Executive and Independent/Non-Independent Directors to ensure proper governance and management. Your Company’s Board consists of Nine (9) Directors of which Four (4) are Executive and Non-Independent Directors. Five (5) are Non-Executive and Independent Directors. 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. Additional Board meetings are convened by giving appropriate notice to address important issues relating to the Company. 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 met Four (4) times i.e. 22nd April, 2011, 29th July, 2011, 9th November, 2011 & 6th February, 2012. 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 it’s 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	Status-Category	No. of Board Meetings held	No. of Board Meetings attended	Attendance at Last AGM	No. of Outside Directorship held*	Outside Committees**	
						Member	Chairman
Mr. Jitendra Mamtora (WTD)	ED & NID	4	4	Yes	1	-	1
Mrs. Karuna Mamtora (ED)	ED & NID	4	4	Yes	1	-	-
Mr. Satyen Mamtora (MD)	ED & NID	4	3	Yes	1	-	-
Mr. Vinod Masson (ED) (w.e.f. 11 th April, 2012)	ED & NID	-	-	-	-	-	-
Mr. Bhaskar Sen (D)	NED & ID	4	4	Yes	-	-	-
Mr. Rajendra Shah (D)	NED & ID	4	2	Yes	6	1	2
Mr. Harish Rangwala (D)	NED & ID	4	2	No	3	-	-
Mr. Michael Homawalla (D)	NED & ID	4	4	Yes	3	-	-
Mr. Sureshchandra Agarwal (D)	NED & ID	4	4	Yes	1	-	-



- **Including Private Companies, **Committees include Audit Committee & Shareholders' Grievance Committee for the purpose of Clause 49.*
- *WTD-Whole Time Director, MD-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 2011-12 on 22nd April, 2011, 29th July, 2011, 9th November, 2011 & 6th February, 2012.

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 17th AGM held on 29th July, 2011.

Sr. No.	Name of Members	Designation	Status	No. of Meetings held/attended
1.	Mr. Michael Homawalla	Chairman	NED & ID	4/4
2.	Mr. Jitendra Mamtora	Member	ED & NID	4/4
3.	Mr. Harish Rangwala	Member	NED & ID	4/2
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 35 to the Accounts as per requirement of Accounting Standards 18 Related Party Disclosures 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. During the last year, no remuneration committee meeting was held.

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/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/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 and no stock option is available to the directors. The aggregate value of salary, perquisites & sitting fees paid for the year 2011-12 all the Directors are as follows:

Name of Directors	Category	Sitting Fees			Remuneration	Total
		BM	AC	SGC	Fixed Salary	
Mr. Jitendra Mamtora	ED & NID	-	-	-	130.09	130.09
Mrs. Karuna Mamtora	ED & NID	-	-	-	22.09	22.09
Mr. Satyen Mamtora	ED & NID	-	-	-	77.78	77.78
Mr. Bhaskar Sen	NED & ID	0.40	-	0.20	-	0.60
Mr. Rajendra Shah	NED & ID	0.20	-	0.10	-	0.30
Mr. Harish Rangwala	NED & ID	0.20	0.15	-	-	0.35
Mr. Michael Homawalla	NED & ID	0.40	0.30	-	-	0.70
Mr. Sureshchandra Agarwal	NED & ID	0.40	0.30	-	-	0.70
Total		1.60	0.75	0.30	229.96	232.61

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

D. Director's Shareholding

The details of Shares held by Directors 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	66	Chairman	Since Incorporation	Contractual	8,858,992	68.55
2.	Mrs. Karuna Mamtora	61	ED	Since Incorporation	Contractual	2,677,36	2.07
3.	Mr. Satyen Mamtora	37	MD	Since Incorporation	Contractual	97,000	0.75
4.	Mr. Vinod Masson	65	ED	April 11, 2012	-	-	-
5.	Mr. Bhaskar Sen	71	Director	July 9, 2007	-	-	-
6.	Mr. Rajendra Shah	64	Director	August 25, 2005	-	5,960	0.05
7.	Mr. Harish Rangwala	63	Director	August 25, 2005	-	3,000	0.02
8.	Mr. Michael Homawalla	53	Director	September 6, 2005	-	-	-
9.	Mr. Sureshchandra Agarwal	62	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. 21.

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, 2012.

7. Shareholders' Grievance Committee

A. Composition & Attendance

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

Four Shareholder Grievance Committee meeting were held on 22nd April, 2011, 29th July, 2011, 9th November, 2011 & 6th February, 2012.

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

B. Complaints

The Committee is authorized to redress the shareholders' and Investor's complaints. The details of complaints of last year are as under:

Opening	Received	Resolved	Closing
-	7	7	-

There were no complaints remained pending unattended/unresolved as on 31st March, 2012.

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, E-mail : 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., if any, 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 are as under.

Financial Year	Date	Time resolution	No. of Special	Place of Meeting
2010-11	29 th July, 2011	11.00 A.M	-	Survey No. 344-350, Sarkhej-Bavla Highway, Changodar, Sanand, Ahmedabad-382213
2009-10	28 th July, 2010	11.00 A.M	3	Survey No. 344-350, Sarkhej-Bavla Highway, Changodar, Sanand, Ahmedabad-382213
2008-09	15 th July, 2009	11.00 A.M	2	Survey No. 344-350, Sarkhej-Bavla Highway, Changodar, Sanand, Ahmedabad-382213

**B. Special Resolution**

Particulars of Special Resolution passed are as follows :

Financial Year	Date	Particulars
2010-11	29 th July, 2011	No Resolution was passed as Special Resolution.
2009-10	28 th July, 2010	1. Reappoint Mr. Satyen J. Mamtora as a Joint Managing Director of the Company. 2. Reappoint Mrs. Karuna J. Mamtora as an Executive Director of the Company. 3. Revision in terms of Remuneration of Mr. Jitendra Mamtora.
2008-09	15 th July, 2009	1. Revision in terms of Remuneration of Mrs. Karuna J. Mamtora. 2. Revision in terms of Remuneration of Mr. Satyen J. Mamtora.

C. Postal Ballot

The Company has neither passed any resolution through postal ballot during the year 2011-12 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**A. Financial Results for the Quarter ended**

30 th June, 2012	- End of July, 2012
30 th September, 2012	- End of October, 2012
31 st December, 2012	- End of January, 2013
Audited Results for the year ended	- 60 days from end of Financial Year (i.e. on or before 31 st May, 2013) (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.

B. NSE Electronic Application Processing System (NEAPS)

The new electronic system introduced by National Stock Exchange of India Limited (NSE) for submission of Shareholding Pattern & Corporate Governance Report of the Company in E-Mode which is formerly known as NSE Electronic Application Processing System (NEAPS). The NEAPS is a web based application designed by NSE for corporates. The Shareholding Pattern and Corporate Governance Report are filed electronically on NEAPS.

C. SEBI Complaints Redress System (SCORES)

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



11. General Information for Shareholders

A. Annual General Meeting :

Date	: Wednesday, 8 th July, 2012
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, 2011 to 31st March, 2012

C. Book Closure : Register of Members and Share Transfer Books of the Company will remain closed from Friday, 3rd August, 2012 to Wednesday, 8th August, 2012 (both days inclusive) for the purpose of Annual General Meeting.

D. Dividend Payment Date : NA

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 Code at BSE	Scrip ID at NSE	ISIN
Equity Shares	B - 532928	TRIL	INE763I01018

The Company had paid listing fees to Bombay Stock Exchange Ltd. and National Stock Exchange Ltd. for financial year 2012-13.

As on 31st March, 2012, there were 42,078 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 2011-12 are as under :

Months	BSE Share Price (₹)		BSE Sensex		NSE Share Price (₹)		Nifty	
	High	Low	High	Low	High	Low	High	Low
April, 11	292.00	246.35	19811.14	18976.19	299.00	248.00	5944.45	5693.95
May, 11	280.00	237.50	19253.87	17786.13	280.90	238.00	5775.25	5328.70
June, 11	311.80	232.00	18873.39	17314.38	311.30	233.00	5657.90	5195.90
July, 11	268.75	249.00	19131.70	18131.86	266.80	225.65	5740.40	5453.95
August, 11	260.50	213.00	18440.07	15765.53	261.00	210.40	5551.90	4720.00
September, 11	230.95	212.10	17211.80	15801.01	230.00	209.35	5169.25	4758.85
October, 11	234.80	214.50	17908.13	15745.43	227.50	213.60	5399.70	4728.30
November, 11	224.80	156.00	17702.26	15478.69	225.40	162.10	5326.45	4639.10
December, 11	179.00	122.50	17003.71	15135.86	179.80	127.00	5099.25	4531.15
January, 12	174.45	131.00	17258.97	15358.02	174.50	128.50	5217.00	4588.05
February, 12	204.80	164.00	18523.78	17061.55	199.95	165.60	5629.95	5159.00
March, 12	209.00	156.00	18040.69	16920.61	211.65	154.65	5499.40	5135.95

**G. Price Movement Chart : TRIL vis-à-vis Sensex****H. Registrar and Shares Transfer Agents (RTA)**

Members are requested to correspond with the Company's Registrar and Transfer Agents 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, 25946970
Fax No : 022 - 25946969
E-mail : 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, 2012)

No. of Shares of ₹ 10/- each	Shareholders		Share Amount	
	Number	%	₹	%
Upto - 5,000	41,483	98.5860	15,624,600	12.0900
5001 - 10,000	302	0.7177	2,366,120	1.8309
10,001 - 20,000	173	0.4111	2,518,810	1.9490
20,001 - 30,000	48	0.1141	1,185,590	0.9174
30,001 - 40,000	11	0.0261	403,540	0.3123
40,001 - 50,000	16	0.0380	758,810	0.5872
50,001 - 1,00,000	28	0.0665	1,941,040	1.5019
1,00,001 & above	17	0.0404	104,437,600	80.8115
Total	42,078	100.00%	129,236,110	100.0000



K. Details of Unclaimed Shares

As per the new clause 5A of the Listing agreement, as on 1st April, 2011, the Company has 28 cases consists of 420 unclaimed shares, allotted under the Initial Public Offering (IPO) of the Company, completed during December, 2007. The Company has opened separate demat suspense account as per the procedure prescribed under the said clause. During the year Company has not received any request on unclaimed shares. So far as on 31st March, 2012 there were 28 cases consists of 420 unclaimed shares in demat suspense account.

L. Shareholding Pattern (As of 31st March, 2012)

Sr. No.	Categories	No. of shares	% of voting
A	Promoters Holding :		
	Promoters - Indian - Foreign	9,928,415 -	76.8238 -
B	Non Promoter Holding :		
	Institutional - Mutual Fund - Financial Institutions/Banks - FII's	359,812 21,000 8,613	2.7841 0.1625 0.0666
	Non-Institutional : - Bodies Corporate - Individuals Capital upto ₹1 Lacs Capital greater than ₹ 1 Lacs	300,821 2,139,007 71,879	2.3277 16.5512 0.5562
	Any Others - Clearing Member - NRIs - Trusts - Directors/Relatives	34,029 48,166 2,909 8,960	0.2633 0.3727 0.0225 0.0693
	Grand total	12,923,611	100.0000

M. Demat & Liquidity

As on 31st March, 2012 :

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 31st March, 2012, there were 12,084,177 Equity Shares & 839,421 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, 2012.

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 Mill Compound,
L. B. S. Marg, Bhandup (West), Mumbai - 400 078
Tel No. : 022 - 25963838, 25946970
Fax No : 022 - 25946969
E-mail : 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 has adopted code of conduct; followed by all members of the Board and all senior Management personnel of the Company in compliance with the revised 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: 30th April, 2012

Jitendra U. Mamtora
Chairman

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

CIN : L33121GJ1994PLC022460

Nominal Capital : ₹ 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, 2012.

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 : 30th April, 2012

Name of Company Secretary : TAPAN SHAH
Membership No. : FCS 4476
CP. Number : 2839



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC OUTLOOK

Currently India's GDP stands at \$ 1.6 Trillion. As of January 2012, the % share of GDP stood at: Services-57%, Manufacturing-28%, Agriculture-15%. For the last 5 years, services sector has clocked growth rate of 10%, which gives 'floor' GDP growth rate of 6%. If Industrial growth can be sustained at 8%, it can add incremental 2% GDP growth, taking overall 'floor' GDP growth rate to 8%, even if agricultural growth is flat. Unfortunately, cumulative industrial growth for the period April 2011 - February 2012 was 3.5% against 8.1% a year earlier, indicating the economy was far from experiencing an upturn. It was intended to increase the share of industrial pie to create better employment opportunities to a growing mass of young labour force, which should yield demographic dividend to India's economy. According to Central Statistical Institute, GDP is projected to grow 6.9% for the year 2011-12. Whereas, to some extent, the crisis in Europe and not too encouraging demand recovery in the US have adversely impacted the GDP growth, internal factors had far more damaging impact. Due to a virtual policy paralysis attributed to coalition compulsions by the government, uncontrolled inflation, much higher subsidies over the budget estimates, huge rise in the government spending, much lower selloff receipts, lower net tax revenue etc. had pulled down the growth rate. It is believed the non-inflationary growth rate (maximum rate of growth that the Indian economy can achieve without fanning inflationary pressures) for 2012-13 can be sustained at 7%.

UNION BUDGET (FY 2012-13)

It appears to be a status quo budget, which bears an average impact on the economy. It has failed to cheer the power sector. This sector, which has been grossly mismanaged during last six decades, does not appear to have a solution in the budget to attain optimum levels of generation, transmission and distribution. Most surprisingly containment of AT&C losses has been missed out. The budget is disappointing for the domestic power equipment manufacturing companies. The much expected increase on import duty for power generation equipments did not come through to provide level playing field. Hopes were also belied as government did not make it mandatory for upcoming UMPPs with domestic fuel linkages to source equipments locally. Perhaps, the finance minister did not want to burden the power generators by increasing import duties, as they are already in a tight spot due to the rising price of fuel and the uncertainties associated with its availability. The imposition of additional import duty would have been counter productive to the government's agenda to accelerate capacity addition. Whereas, generation has received some attention, the T&D sector has been largely ignored. Moreover, the hike in excise duty & service tax rates are expected to further adversely impact the top and the bottom lines of electrical equipment manufacturers, and consequently their commercial viability.

SCORE SHEET - XIth PLAN (2007-12)

The XIth five year plan perhaps the most influential phase in India's power sector ended on 31st March, 2012. When one reflects on the sector's performance in these five years, one is inspired, though not sufficiently enough, to give due credit. When compared with the Xth five year plan (2002-07), the performance in the XIth plan period has much to cheer about. The Xth plan can best be described as a phase where power sector was groping in the dark with targets in hand, but hardly any means to realise it. In terms of new generation capacity, the Xth plan saw a meager 21,180 mw getting added. This was a far cry even from the repeated downwardly revised target. Also, the plan lacked vision in terms of other aspects, such as, reforms/regulations etc.

In contrast, XIth plan has been a rejuvenating episode. The country could add 54,000 mw with a significant contribution from the private sector. In FY 2012 alone, as much as 19,459 mw was added that is close to the achievement of the entire Xth plan. Power producers both government and private most certainly deserve some kudos.

XIIth PLAN (2012-17) AN OVERVIEW

- 1. Generation Target :** 75,785 mw from conventional power, 18,500 mw from renewable and 13,000 mw from captives.
- 2. Transmission Target :** 109,440 Ckt km of line length and 270,000 MVA of substation capacity. 27,000 Ckt km lines will be at 765 kV voltage level. Hvd capacity is planned to increase to 26,500 mw from 13,500 mw. The interregional transfer capacity addition target is 37,800 mw, which would take the total transfer capacity to 63,450 mw.
- 3. Distribution Target :** 1.73 Million Ckt km of new lines at 33 kV lower voltages; 5900 new substations at 33 kV and 11 kV levels with transformation capacity of 118,000 MVA.
- 4. Energy Efficiency Target :** 60.17 Billion units, which translates into an avoided capacity addition of 12,350 mw.
- 5. Fund Requirements :** ₹ 13,726 billion, 33% higher than the previous plan period's original outlay. Overall shortfall in funds is estimated at ₹ 2,017 billion.

SEEING THROUGH THE PLANS

In the XIIth plan, while the primary focus would still be on new generation capacity-the foundation of the power chain-there are several other areas that are crying for attention. Power T&D will need a serious look. While power transmission is still manageable,



the distribution sector is in complete morass. The sinking financial health of the power distribution utilities is a matter of serious concern. The collective losses are estimated at a colossal ₹ 1 trillion. A complete overhaul of the distribution sector, or at least an inspiring start is more warranted in the XIIth plan. Strong political will is needed to pursue privatization of distribution circles, wherever feasible. Only growing privatization can bring about financial stability to the power sector. Fuel security for thermal power plants will also be critical. The sharp rises in the cost of imported coal puts enough responsibility on the coal ministry/coal India to increase the mining rate, and on the railways to carry the desired volumes to power plants, and thus to ensure sufficient stocks for uninterrupted generation. The recent presidential decree, almost coercing India's national coal company is a poor example of government coordination in such critical issues. To sum up, for the power sector, it is not just about seeing through the five year plans, it is more about seeing the plans through.

ELECTRICAL EQUIPMENT INDUSTRY- KEY ISSUES/CHALLENGES

1. **Poor Capacity Utilization** : During 2011, the estimated utilisation of domestic capacity stood as follows: HT Switchgear - 66%, Power Cables - 47%, Capacitors - 84%, Power Transformers - 75%, Transmission Line Towers - 67%, Conductors - 68% (Source - IEEMA).
2. **Imports & Exports** : Imports - ₹ 21,764 crore, Exports - ₹ 13,840 crore (Source-IEEMA)
3. **Growth in Industry Size** : The Industry has grown from ₹ 38,920 crore in FY 2007 to ₹ 60,105 crore (Source-IEEMA). To sustain not just growth, but healthy growth consistent with operational viability, the industry needs level playing field through policy interventions, abolition/ modification of archaic procurement policies of the state electricity boards, availability of key inputs at internationally competitive prices, timely payments, cut in interest rates. It will also be important for the boards to try and even out their procurements to avoid lean phases to the extent feasible.
4. **Demand** : The encouraging addition of generation capacity during the XIth plan must finally reflect in escalated demands so as to utilise huge capacities that have been created by the industry based on power sector promises made by the government over the Xth and XIth plans. Only increased demands can result in better realisation to sustain viability.

CHALLENGES FOR TRIL - STRATEGIES & WAY FORWARD

There are some common issues, which affect all manufacturers. But there could be specific issues which can impact manufacturers trying to move up the value chain in the highest level of voltage class. We are in such a group of manufacturers. The orders in the 765 kV class transformers, at least in the short and intermediate terms, are most unlikely to be price-remunerative, since domestic players are increasing their share at the cost of unremunerative prices. It will be difficult to ascertain as to how long this situation will prevail, but a rough guess is for another 2 years. Thus there may be very little visible dividends in operating in this voltage class for another two years or so. But it must be borne in mind that in a huge country like India, the transmission voltages has to be very high for various technical and even practical reasons. One of these is the much lower right-of-way (row) requirement to avoid major confrontations on land procurement. In the XIIth five year plan, 27,000 Ckt km of 765 kV line has been planned out of total 109,440 Ckt km this works out to be 25%.

The transmission plan stresses on the expansion of 400 kV and 765 kV lines to evacuate power over long distances and from the UMMP's. The strategy for TRIL should be to ensure full loads for changodar & odhav units, and to ramp up production of 400 and 765 kV transformers at moraiya to improve capacity utilisation progressively. Depending on the market demands and trend of price realisation, a base load of 50% capacity at changodar could be considered at not so attractive prices, ensuring available capacity for more remunerative orders all the time, consistent with 100% capacity utilisation.

Another important issue will be tight inventory controls in work-in-progress, which would mean not only shorter manufacturing cycle, but total execution cycle (this includes inspection-test-dispatch). Another important area of attention is design optimisation/ frugal engineering and exploration of use of low cost materials without affecting quality. This should apply to transformers upto 220 kV class where in TRIL has long experience of design and manufacturing.

In order that we are not exposed to currency volatility, the realisation from exports must balance our imports, preferably our exports realisation should exceed imports if conditions so permit.

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. Your 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 coordination 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

Human Resources Management has come at center stage of our business strategies. Linking with the strategic goal and objectives, HR functions focus on organizational development and Interventions that foster innovation and flexibility. We continue to assess and improve our internal systems and processes to meet our ongoing objectives of attracting, retaining and motivating talented staff, developing and enhancing employees' skill sets, and monitoring costs associated with running programs that contribute to our success.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Comparison of various items between financial statements for fiscal year 2012 and fiscal year 2011:

Particulars	Standalone				Consolidated			
	FY 2012		FY 2011		FY 2012		FY 2011	
	₹	%	₹	%	₹	%	₹	%
Net Sales	50,859.49	98.03%	53,609.96	98.56%	51,359.75	98.06%	54,167.11	98.55%
Service Income	355.57	0.69%	74.14	0.14%	390.19	0.74%	122.57	0.22%
Other Income	666.23	1.28%	709.91	1.30%	628.29	1.20%	676.67	1.23%
Total Income	51,881.29	100.00%	54,394.01	100.00%	52,378.23	100.00%	54,966.35	100.00%
Cost of Material Consumed	42,469.22	81.86%	44,416.58	81.66%	41,679.98	79.58%	43,949.10	79.96%
Manufacturing Expenses	2,327.39	4.49%	1,951.08	3.59%	2,947.65	5.63%	2,507.88	4.56%
Employee Cost	1,654.28	3.19%	1,607.48	2.96%	1,726.68	3.30%	1,678.00	3.05%
Selling, Distribution & Administration Expenses	2,717.46	5.24%	2,800.69	5.15%	2,851.96	5.44%	2,925.96	5.32%
Decrease/(Increase) in Stock	(34.76)	-0.07%	(3,285.17)	-6.04%	139.01	0.27%	(3,411.40)	-6.21%
Total Expenses	49,133.59	94.71%	47,490.66	87.32%	49,345.28	94.22%	47,649.54	86.68%
EBIDTA	2,747.70	5.29%	6,903.35	12.68%	3,032.95	5.78%	7,316.81	13.32%
Finance Costs	818.06	1.58%	440.99	0.81%	898.58	1.72%	493.87	0.90%
Depreciation	611.36	1.18%	579.41	1.07%	655.77	1.25%	619.68	1.13%
PBT	1,318.28	2.53%	5,882.95	10.80%	1,478.60	2.81%	6,203.26	11.29%
Taxation	399.98	0.77%	1,871.91	3.44%	463.78	0.89%	1,997.09	3.63%
Less: Minority Interest	-	-	-	-	24.20	0.05%	68.86	0.13%
Add: Share in Profit of Associate	-	-	-	-	10.39	0.02%	14.47	0.03%
PAT	918.30	1.76%	4,011.04	7.36%	1,001.01	1.89%	4,151.78	7.56%

STANDALONE BASIS

Total income of the Company has stepped down from ₹ 54,394.01 Lacs in FY 2011 to ₹ 51,881.29 in FY 2012, thus there is a decrease of 4.62% in the total income of the Company. Due to increase in Raw Material & other costs, Profit before taxation has decreased from ₹ 5,882.95 Lacs during FY 2011 to ₹ 1,318.28 Lacs during FY 2012. Profit after tax for FY 2012 stood at ₹ 918.30 Lacs compared to ₹ 4,011.04 Lacs during FY 2011.

CONSOLIDATED

Total income of the Company has stepped down from ₹ 54,966.35 Lacs in FY 2011 to ₹ 52,378.23 Lacs in FY 2012, thus there is decrease of 4.70% in the total income of the Company. Due to increase in Raw Material & other costs, Profit before taxation has decreased from ₹ 6,203.26 Lacs during FY 2011 to ₹ 1,478.60 Lacs during FY 2012. Profit after tax for FY 2012 stood at ₹ 1,001.01 Lacs compared to ₹ 4,151.78 Lacs during FY 2011.

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.



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, 2012, the Statement of Profit and Loss 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. Without qualifying our opinion, attention is drawn to note 31 of the financial statements regarding excess remuneration of ₹ 77.23 Lacs paid to chairman cum whole time director for which steps are being taken by the Company to obtain Central Government approval.
4. 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.
5. Further to our comments in the paragraph 3 above and Annexure referred to in paragraph 4 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 Statement of Profit and Loss 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 Statement of Profit and Loss 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:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - (ii) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date and
 - (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
6. On the basis of the written representations received from the Directors as on 31st March, 2012 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No. 117365W)

Place : Ahmedabad
Date : 30th April, 2012

H.P. Shah
Partner
Membership No. 33331



ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 4 of our report of even date)

- (i) Having regard to the nature of the Company's business/activities/result, clauses (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 ₹ 552.42 lacs and the maximum amount involved during the year was ₹ 700.69 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.

In respect of loans, secured or unsecured, taken from companies, firms or other parties covered in the Register under section 301 of the Companies Act, 1956 :

- (a) The Company has taken unsecured loan from a party covered in the Register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year and the year-end balance of such loans aggregates to ₹ 2,098.52 Lacs and ₹ Nil respectively.
 - (b) In our opinion, the rate of interest and other terms and conditions on which such loans have been taken are not, prima facie, prejudicial, to the interest of the Company.
 - (c) The payments of principal amounts and interest in respect of such loans are regular.
- (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 ₹ 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 cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (x) According to the information and explanations given to us in respect of statutory dues:
- 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.
 - 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, 2012 for a period of more than six months from the date they became payable.
 - 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, 2012 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	27.69
Income Tax Act, 1961	Income Tax	Commission of Income Tax (Appeals)	AY 2009-10	49.84
Central Excise Act, 1944	Excise Duty	Commissioner of Central Excise (Appeals)	AY 2009-10 & 2010-11	1.80
Central Excise Act, 1944	Excise Duty	Central Excise Service Tax Appellate Tribunal (CESTAT)	AY 2006-07 to AY 2010-11	72.62
Central Excise Act, 1944	Excise Duty	Commissioner / Assistant Commissioner of Central Excise	AY 2007-08, 2009-10, 2010-11 & 2011-12	153.67

- (xi) The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- (xii) 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.
- (xiii) 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.
- (xiv) 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.
- (xv) 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.
- (xvi) 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.
- (xvii) 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.
- (xviii) No debentures have been issued by the Company and hence the question of creating the securities or charges in respect thereof does not arise.
- (xix) The Company has not raised any monies by way of public issue during the year.
- (xx) 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 Deloitte Haskins & Sells
Chartered Accountants
(Registration No. 117365W)

H.P. Shah
Partner

Place : Ahmedabad
Date : 30th April, 2012

Membership No. 33331



Balance Sheet

As at 31st March, 2012

(₹ in Lacs)

	Note	As at 31 st Mar 2012	As at 31 st Mar 2011
I. EQUITIES AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	1,292.36	1,292.36
(b) Reserves & Surplus	3	31,556.19	30,637.89
		<u>32,848.55</u>	<u>31,930.25</u>
(2) Non Current Liabilities			
(a) Deferred Tax Liabilities	4	736.41	635.30
(b) Long Term Provisions	5	76.56	45.66
		<u>812.97</u>	<u>680.96</u>
(3) Current Liabilities			
(a) Short Term Borrowings	6	4,004.23	6,370.98
(b) Trade Payables	7	7,818.67	10,113.93
(c) Other Current Liabilities	8	6,479.78	2,936.44
(d) Short Term Provisions	9	5.58	747.88
		<u>18,308.26</u>	<u>20,169.23</u>
TOTAL		<u>51,969.78</u>	<u>52,780.44</u>
II. ASSETS			
(1) Non Current Assets			
(a) Fixed Assets	10		
(i) Tangible Assets		9,791.93	8,598.79
(ii) Intangible Assets		141.58	155.49
(iii) Capital Work in Progress		2,722.03	1,633.80
		<u>12,655.54</u>	<u>10,388.08</u>
(b) Non Current Investments	11	211.19	211.19
(c) Long Term Loans & Advances	12	977.02	462.78
(d) Other Non Current Assets	13	687.51	894.39
		<u>14,531.26</u>	<u>11,956.44</u>
(2) Current Assets			
(a) Inventories	14	9,405.03	10,636.36
(b) Trade Receivables	15	17,414.23	22,286.49
(c) Cash & Cash Equivalents	16	7,798.02	5,419.91
(d) Short Term Loans & Advances	17	2,447.63	2,029.92
(e) Other Current Assets	18	373.61	451.32
		<u>37,438.52</u>	<u>40,824.00</u>
TOTAL		<u>51,969.78</u>	<u>52,780.44</u>

Significant Accounting Policies

1

The accompanying notes are an integral part of the Financial Statements

As per our attached report of even date

For and on behalf of the Board

For Deloitte Haskins & Sells
Chartered AccountantsJitendra U. Mamtora
ChairmanSatyen J. Mamtora
Managing DirectorH.P. Shah
PartnerTushar Shah
Company SecretaryPlace : Ahmedabad
Date : 30th April, 2012Place : Ahmedabad
Date : 30th April, 2012



Profit and Loss Statement

For the Year ended on 31st March, 2012

(₹ in Lacs)

	Note	Year Ended on 31 st Mar 2012	Year Ended on 31 st Mar 2011
CONTINUING OPERATIONS			
I. Revenue from Operations (Gross)	19	55,604.81	58,074.59
Less : Cenvat Duty recovered on Sales & Service Income		4,389.75	4,390.49
Revenue from Operations		51,215.06	53,684.10
II. Other Income	20	666.23	709.91
III. Total Revenue (I + II)		51,881.29	54,394.01
IV. Expenses			
(a) Cost of Raw Materials Consumed	21	42,469.22	44,416.58
(b) (Increase)/Decrease in Stock of Finished Goods and Process Stock	22	(34.76)	(3,285.17)
(c) Manufacturing Expenses	23	2,327.39	1,951.08
(d) Employee Benefits Expense	24	1,654.28	1,607.48
(e) Finance Costs	25	818.06	440.99
(f) Depreciation & Amortisation Expense		611.36	579.41
(g) Other Expenses	26	2,717.46	2,800.69
Total Expenses		50,563.01	48,511.06
V. Profit Before Tax (III-IV)		1,318.28	5,882.95
VI. Tax Expenses			
(a) Current Tax		320.00	1,775.00
(b) Deferred Tax		101.11	164.99
(c) Short/(Excess) Provision for taxation of earlier years		(21.13)	(68.08)
VII. Profit for the Year (V-VI)		918.30	4,011.04
VIII. Earnings Per Equity Share			
Basic & Diluted (₹)	37	7.11	31.04
Nominal Value per Share (₹)		10.00	10.00
Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements			

As per our attached report of even date

For and on behalf of the Board

For Deloitte Haskins & Sells
Chartered AccountantsJitendra U. Mamtora
ChairmanSatyen J. Mamtora
Managing DirectorH.P. Shah
PartnerTushar Shah
Company SecretaryPlace : Ahmedabad
Date : 30th April, 2012Place : Ahmedabad
Date : 30th April, 2012



Cash Flow Statement

For the Year ended on 31st March, 2012

(₹ in Lacs)

	Year Ended on 31 st Mar 2012	Year Ended on 31 st Mar 2011
(A) Cash Flow from Operating Activities		
1. Profit before Tax	1,318.28	5,882.95
2. Adjustments for:		
a) Depreciation & amortisation expense	611.36	579.41
b) Finance costs	818.06	440.99
c) Interest income	(433.61)	(453.59)
d) Unrealised foreign exchange loss/(gain)	101.88	(41.67)
e) Gain on sales of current investments	(7.70)	-
f) Dividend income	(45.39)	(39.76)
g) Loss on sale of fixed assets	11.58	6.31
	<u>1,056.18</u>	<u>491.69</u>
Operating Profit before Working Capital Changes (1 + 2)	2,374.46	6,374.64
3. Adjustments for working capital changes:		
(i) (Increase)/Decrease in operating assets		
a) Trade receivables	4,770.39	(5,588.13)
b) Long term loans & advances	(28.63)	(2,250.38)
c) Short term loans & advances	(417.71)	(535.90)
d) Other current assets	95.94	1,274.92
e) Other non current assets	206.88	(894.38)
(ii) (Increase)/Decrease in operating liabilities		
a) Trade payables	(2,295.26)	4,307.53
b) Long term provisions	30.90	(0.85)
c) Short term provisions	2.26	(75.39)
d) Other current liabilities	3,543.34	897.40
(iii) (Increase)/Decrease in inventories	1,231.33	(5,485.77)
Cash generated from operations	<u>9,513.90</u>	<u>(1,976.31)</u>
Less: Direct Taxes paid	784.48	1,883.61
Net Cash from Operating Activities (A)	<u>8,729.42</u>	<u>(3,859.92)</u>
(B) Cash flow from Investing Activities		
a) Purchase of fixed assets	(2,893.71)	(1,237.32)
b) Sale of fixed assets	3.30	6.77
c) Interest received	433.61	453.59
d) Sale of current investments	7.70	-
e) Dividend received	45.39	39.76
Net Cash from Investing Activities (B)	<u>(2,403.71)</u>	<u>(737.20)</u>
(C) Cash flow from Financing Activities		
a) Repayment of borrowings	(2,366.75)	(380.06)
b) Finance costs	(818.06)	(440.99)
c) Dividend & tax on dividend paid	(744.56)	(748.56)
Net Cash from Financing Activities (C)	<u>(3,929.37)</u>	<u>(1,569.61)</u>
(D) Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	2,396.34	(6,166.73)
(E) Cash & Cash Equivalents - Opening Balance	2,072.90	8,239.63
(F) Cash & Cash Equivalents - Closing Balance (D+E)	<u>4,469.24</u>	<u>2,072.90</u>

(₹ in Lacs)

Note :	As at 31 st Mar 2012	As at 31 st Mar 2011
1 A) Components of Cash & Cash Equivalents		
Cash on Hand	6.44	5.09
Balances with Banks		
In current accounts	612.80	1,566.81
In fixed deposit accounts maturing within three months	<u>3,850.00</u>	<u>501.00</u>
	4,469.24	2,072.90
B) Cash & Cash Equivalents not available for immediate use		
In margin money and fixed deposit accounts	3,319.00	3,339.34
Unclaimed dividend & share application money in escrow account	9.78	7.67
	<u>3,328.78</u>	<u>3,347.01</u>
Cash & Cash Equivalents as per Note 16 (A+B)	<u>7,798.02</u>	<u>5,419.91</u>

- 2 The above cash flow statement has been prepared under the "Indirect Method" as set out in the AS - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- 3 The previous year's figures have been regrouped wherever necessary.

As per our attached report of even date

For Deloitte Haskins & Sells
Chartered Accountants

H.P. Shah
Partner

Place : Ahmedabad
Date : 30th April, 2012

For and on behalf of the Board

Jitendra U. Mamtora
Chairman

Tushar Shah
Company Secretary

Satyen J. Mamtora
Managing Director

Place : Ahmedabad
Date : 30th April, 2012



Notes on Financial Statements

For the Year ended on 31st March, 2012

1. 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 recognized 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) 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 Expense

- 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 statement.

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. 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.

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 statement.

11) Prior Period Expenses/Income

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

12) Employees Benefits Expense

- a) **Defined Contribution Plan**
The Company's contributions paid/payable for the year to Provident Fund are recognised in the profit and loss statement.
- 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 statement.

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 statement 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 recognized 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 recognized nor disclosed in the financial statements.



		(₹ in Lacs)	
		As at 31 st Mar 2012	As at 31 st Mar 2011
2. SHARE CAPITAL			
Authorised Share			
15,000,000 Equity Shares of ₹ 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 (Previous year 12,923,611) Equity Shares of ₹ 10/- each fully paid up		1,292.36	1,292.36
TOTAL		<u>1,292.36</u>	<u>1,292.36</u>
(i) Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting period			
At the Beginning of the period		12,923,611	12,923,611
Issued during the period		-	-
Outstanding at the end of the period		12,923,611	12,923,611
(ii) Details of shareholders holding more than 5% of equity shares			
Jitendra U. Mamtora		Nos. 8,858,992	8,858,992
		% Holding 68.55%	68.55%
Jitendra U. Mamtora (HUF)		Nos. 682,931	682,931
		% Holding 5.28%	5.28%
(iii) Details of Equity Shares allotted as fully paid up by way of bonus shares, shares issued for consideration other than cash (During last 5 years immediately preceding reporting date)			
Equity shares allotted as fully paid bonus shares		2,836,746	2,836,746
Equity share allotted as fully paid up pursuant to a contract without payment being received in cash.		-	117,085
(iv) Rights of Equity Shares			
The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.			
		As at 31 st Mar 2012	As at 31 st Mar 2011
3. RESERVES & SURPLUS			
Securities Premium Reserve		13,508.13	13,508.13
General Reserve			
Opening Balance		2,188.93	1,688.93
Add : Amount transferred from profit and loss statement		-	500.00
		<u>2,188.93</u>	<u>2,188.93</u>
Surplus in Profit and Loss Statement			
Opening Balance		14,940.83	12,174.35
Add : Profit for the period		918.30	4,011.04
Less : Appropriations			
Proposed final equity dividend		-	646.18
Tax on proposed equity dividend		-	98.38
Transfer to general reserve		-	500.00
Net surplus in profit and loss statement		<u>15,859.13</u>	<u>14,940.83</u>
TOTAL		<u>31,556.19</u>	<u>30,637.89</u>



(₹ in Lacs)

4. DEFERRED TAX LIABILITIES (NET)	As at 31 st Mar 2012	As at 31 st Mar 2011
Deferred Tax Liabilities		
In respect of difference between book & tax depreciation	824.25	779.86
Total (A)	<u>824.25</u>	<u>779.86</u>
Deferred Tax Assets		
In respect of disallowance under the Income Tax Act, 1961	27.35	53.83
In respect of tax benefit on share issue expenses set off against securities premium	60.49	90.73
Total (B)	<u>87.84</u>	<u>144.56</u>
TOTAL (A-B)	<u>736.41</u>	<u>635.30</u>

5. LONG TERM PROVISIONS	As at 31 st Mar 2012	As at 31 st Mar 2011
Provision for Employee Benefits		
Gratuity	29.65	13.60
Leave encashment	46.91	32.06
TOTAL	<u>76.56</u>	<u>45.66</u>

6. SHORT TERM BORROWINGS	As at 31 st Mar 2012	As at 31 st Mar 2011
Secured Loans		
Cash credit & short term loan from banks	4,004.23	5,701.33
Foreign currency demand loan from banks	-	669.65
TOTAL	<u>4,004.23</u>	<u>6,370.98</u>

Nature of Security:

The above cash credit & short term loan from banks are secured by hypothecation of current assets of the Company on pari passu 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 pari passu 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 promoter and personal guarantees of some of the directors.

7. TRADE PAYABLES	As at 31 st Mar 2012	As at 31 st Mar 2011
Sundry Creditors		
a) Micro & Small Enterprises	40.46	41.83
b) Others	7,778.21	10,072.10
TOTAL	<u>7,818.67</u>	<u>10,113.93</u>

i) The principal amount and the interest due thereon remaining unpaid to any supplier

Principal Amount	40.46	41.83
Interest	2.89	0.54

ii) The amount of the interest paid by the along with the amounts of the payment made to the supplier beyond the appointed day

Principal Amount	1,074.42	359.45
Interest	-	-

iii) The amount of interest due and payable for the period of delay in making payment (Beyond the appointed day during the year)

	6.69	3.80
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iv) The amount of interest accrued and remaining unpaid

	6.69	3.80
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v) The amount of further interest remaining due and payable for the earlier years.

	3.80	3.26
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Note: The information has been given in respect of only those suppliers who have intimated the Company that they are registered as Micro & Small Enterprises.



			(₹ in Lacs)	
8. OTHER CURRENT LIABILITIES	As at 31 st Mar 2012	As at 31 st Mar 2011		
Interest accrued & due	43.03	42.57		
Unclaimed share application money	3.56	3.56		
Unclaimed dividend	6.22	4.11		
Advance from customers	5,943.98	2,008.58		
Other liabilities	482.99	877.62		
TOTAL	6,479.78	2,936.44		

			(₹ in Lacs)	
9. SHORT TERM PROVISIONS	As at 31 st Mar 2012	As at 31 st Mar 2011		
Provision for leave encashment	5.58	3.32		
Proposed dividend	-	646.18		
Tax on proposed dividend	-	98.38		
TOTAL	5.58	747.88		

10. FIXED ASSETS

											(₹ in Lacs)	
Assets	Gross Block				Depreciation & Amortisation				Net Block			
	As at 1 st Apr 11	Additions	Deductions/ Adjustments	As at 31 st Mar 12	As at 1 st Apr 11	Additions	Deductions/ Adjustments	As at 31 st Mar 12	As at 31 st Mar 12	As at 31 st Mar 11		
Tangible Assets												
Land	179.00	-	-	179.00	-	-	-	-	179.00	179.00		
Building	3,760.63	625.83	-	4,386.46	340.50	129.09	-	469.59	3,916.87	3,420.13		
Plant & Equipment	4,811.53	837.75	-	5,649.28	994.28	289.79	-	1,284.07	4,365.21	3,817.25		
Electrifications	437.01	5.12	-	442.13	90.39	24.68	-	115.07	327.06	346.62		
Furniture & Fixtures	180.06	6.18	-	186.24	51.36	11.38	-	62.74	123.50	128.70		
Office Equipments	282.76	66.64	-	349.40	56.08	14.53	-	70.61	278.79	226.68		
Computer & Accessories	163.33	9.28	1.54	171.07	111.04	16.17	1.23	125.98	45.09	52.29		
Vehicles	561.94	207.26	20.89	748.31	133.82	64.39	6.31	191.90	556.41	428.12		
Total (A)	10,376.26	1,758.06	22.43	12,111.89	1,777.47	550.03	7.54	2,319.96	9,791.93	8,598.79		
Intangible Assets												
Computer Software	261.86	47.42	-	309.28	106.37	61.33	-	167.70	141.58	155.49		
Goodwill	119.07	-	119.07	-	119.07	-	119.07	-	-	-		
Total (B)	380.93	47.42	119.07	309.28	225.44	61.33	119.07	167.70	141.58	155.49		
Total (A+B)	10,757.19	1,805.48	141.50	12,421.17	2,002.91	611.36	126.61	2,487.66	9,933.51	8,754.28		
Previous Year	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									2,722.03	1,633.80		



(₹ in Lacs)

11. NON CURRENT INVESTMENTS	As at 31 st Mar 2012	As at 31 st Mar 2011
Trade Investments		
<i>Investment in Subsidiary Companies (Unquoted)</i>		
Face value ₹ 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 (Unquoted)</i>		
Face value ₹ 10 each, fully paid up :		
6,350 (6,350) Equity shares of Savas Engineering Company Pvt. Ltd.	41.50	41.50
TOTAL	<u>211.19</u>	<u>211.19</u>
<i>Unquoted Investments</i>		
In Subsidiary Companies	Cost Price 169.69	169.69
In Associate Company	Cost Price 41.50	41.50
12. LONG TERM LOANS & ADVANCES		
	As at 31 st Mar 2012	As at 31 st Mar 2011
Unsecured , Considered Good		
Advances given for capital assets	270.23	174.67
Electricity & other deposits	42.79	85.87
Advance Income Tax (net of provision)	664.00	202.24
TOTAL	<u>977.02</u>	<u>462.78</u>
13. OTHER NON CURRENT ASSETS		
	As at 31 st Mar 2012	As at 31 st Mar 2011
Deposits maturing after twelve months from reporting date	-	31.78
Trade receivable retention money	687.51	862.61
TOTAL	<u>687.51</u>	<u>894.39</u>
14. INVENTORIES		
	As at 31 st Mar 2012	As at 31 st Mar 2011
Raw materials	2,565.29	3,902.28
Raw materials goods in transit	400.40	329.50
Finished goods	499.88	567.56
Process stock	5,939.46	5,837.02
TOTAL	<u>9,405.03</u>	<u>10,636.36</u>
Inventory under Broad Heads:		
Raw materials & goods in transit		
Copper	521.48	690.12
Lamination	390.82	403.94
Transformer oil	303.27	375.82
Radiators	129.21	86.92
Others	1,620.91	2,674.98
	<u>2,965.69</u>	<u>4,231.78</u>
Finished Goods & Process Stock of Transformers	6,439.34	6,404.58
TOTAL	<u>9,405.03</u>	<u>10,636.36</u>



	(₹ in Lacs)	
	As at 31 st Mar 2012	As at 31 st Mar 2011
15. TRADE RECEIVABLES		
Trade Receivables outstanding for a period more than six months from the date they became due		
Unsecured, considered good	1,159.70	943.70
Unsecured, considered doubtful	116.95	116.95
	<u>1,276.65</u>	<u>1,060.65</u>
Less : Provision for doubtful debts	116.95	116.95
	<u>1,159.70</u>	<u>943.70</u>
Others		
Unsecured, considered good	16,254.53	21,342.79
TOTAL	<u>17,414.23</u>	<u>22,286.49</u>
16. CASH AND CASH EQUIVALENTS		
Balances with Banks		
In current accounts	612.80	1,566.81
Deposits with maturity less than three months	3,850.00	501.00
Unclaimed share application money in escrow account	3.56	3.56
Unclaimed dividend money in escrow account	6.22	4.11
Other Bank Balances		
Deposits with maturity more than three Months	2,095.00	2,449.00
Margin money deposits	1,224.00	890.34
Cash on Hand	6.44	5.09
TOTAL	<u>7,798.02</u>	<u>5,419.91</u>
Balances with banks include deposits which have an original maturity period of more than twelve months included in bank balances above	2,819.00	1,918.12
17. SHORT TERM LOANS & ADVANCES		
Loans and Advances to Related Parties		
Unsecured, considered good		
Savas Engineering Company Pvt. Ltd. (Associate Company)	552.42	296.51
Loans and Advances to Others		
Unsecured, considered good		
Advances to suppliers	250.75	219.91
Prepaid expenses	121.93	57.11
Employee advances	94.29	80.54
Deposits & balances with government & other authorities	1,073.00	1,096.75
Other deposits	355.24	279.10
TOTAL	<u>2,447.63</u>	<u>2,029.92</u>
18. OTHER CURRENT ASSETS		
Export benefit receivable	243.62	308.36
Interest receivable	85.23	103.20
Dividend receivable	44.76	39.76
TOTAL	<u>373.61</u>	<u>451.32</u>



(₹ in Lacs)

19. REVENUE FROM OPERATIONS	Year ended on 31 st Mar 2012	Year ended on 31 st Mar 2011
Sale of Goods (Gross)*	54,168.27	57,673.19
Service Income [#]	355.57	74.14
Other Operating Income	1,080.97	327.26
TOTAL	<u>55,604.81</u>	<u>58,074.59</u>

* Sales of Goods is mainly of Electric Transformers

[#] Service Income is mainly from Erection & Commissioning of Transformers

20. OTHER INCOME	Year ended on 31 st Mar 2012	Year ended on 31 st Mar 2011
Interest received from Banks	299.58	406.68
Interest received from Others	134.03	46.91
Dividend Income		
On Trade investments - from Subsidiary Companies	44.76	39.76
On Trade investments - from Associate Company	0.63	-
Gain on sale of current investment	7.70	-
Other non operating income	3.79	88.75
Foreign exchange gain (net)	175.74	127.81
TOTAL	<u>666.23</u>	<u>709.91</u>

21. COST OF MATERIALS CONSUMED	Year ended on 31 st Mar 2012	Year ended on 31 st Mar 2011
Raw Materials Consumed	42,469.22	44,416.58
a. Raw Materials Consumed in broad heads :		
Copper	12,490.95	16,192.15
Lamination	8,859.50	10,745.49
Transformer Oil	4,876.78	3,947.61
Radiators	1,419.02	1,340.67
Others	14,822.97	12,190.66
TOTAL	<u>42,469.22</u>	<u>44,416.58</u>
b. Value of Indigenous and Imported Raw Materials Consumed during the year :		
Imported	Value 2,823.92	3,659.01
	Percentage 7%	8%
Indigenous	Value 39,645.30	40,757.57
	Percentage 93%	92%

22. (INCREASE)/DECREASE IN STOCK OF FINISHED GOODS AND PROCESS STOCK	Year ended on 31 st Mar 2012	Year ended on 31 st Mar 2011
Closing Stock		
Finished Goods	499.88	567.56
Process Stock	5,939.46	5,837.02
	<u>6,439.34</u>	<u>6,404.58</u>
Less : Opening 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>
TOTAL	<u>(34.76)</u>	<u>(3,285.17)</u>



	(₹ in Lacs)	
	Year ended on 31 st Mar 2012	Year ended on 31 st Mar 2011
23. MANUFACTURING EXPENSES		
Power & Fuel	535.36	359.97
Repairs		
Plant and Machinery	98.11	86.63
Factory Building	22.83	44.11
Stores & spares consumed	23.56	49.41
Wages & labour charges	1,305.83	1,068.77
Testing & other manufacturing cost	374.10	362.27
Cenvat duty provided on stock	(32.40)	(20.08)
TOTAL	<u>2,327.39</u>	<u>1,951.08</u>
Value of Indigenous and Imported Stores, Tools and Spares Consumed during the year :		
Imported		
Value	-	-
Percentage	-	-
Indigenous		
Value	23.56	49.41
Percentage	100%	100%
24. EMPLOYEE BENEFITS EXPENSE	Year ended on 31st Mar 2012	Year ended on 31st Mar 2011
Salaries, Bonus, Gratuity, etc.	1,504.69	1,459.98
Contribution to Provident and other funds	93.78	94.68
Employee welfare expenses	55.81	52.82
TOTAL	<u>1,654.28</u>	<u>1,607.48</u>
25. FINANCE COSTS	Year ended on 31st Mar 2012	Year ended on 31st Mar 2011
Interest expenses	774.61	411.91
Other borrowing cost	34.02	28.76
Premium on forward contract amortised	9.43	0.32
TOTAL	<u>818.06</u>	<u>440.99</u>
26. OTHER EXPENSES	Year ended on 31st Mar 2012	Year ended on 31st Mar 2011
Selling expenses	437.06	419.76
Freight & forwarding charges	1,027.83	606.36
Advertisement expenses	90.68	65.44
Stationary, Printing, Postage & Telephone expenses	94.03	94.14
Repairs office & others	50.14	22.39
Insurance	71.43	66.99
Rent	23.42	16.42
Rates and taxes	0.66	1.25
Bank charges	152.42	242.65
Travelling & conveyance expense	415.38	376.95
Directors sitting fees	2.65	2.45
Legal & professional charges (refer note 1 below)	76.12	70.25
Audit fees (refer note 1 below)	10.00	10.00
Late delivery charges	143.38	560.76
General expenses	103.63	174.52
Cenvat duty expense	7.05	32.60
Loss on sale of fixed assets	11.58	6.31
After sales/replacement expenses	-	31.45
TOTAL	<u>2,717.46</u>	<u>2,800.69</u>
Note 1:		
Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditor - statutory audit	10.00	10.00
For taxation matters	1.50	1.50
For other services	3.81	5.34
TOTAL	<u>15.31</u>	<u>16.84</u>



27. Contingent liabilities in respect of

(₹ in Lacs)

	As at 31 st Mar 2012	As at 31 st Mar 2011
Disputed demand of Central Excise/Income Tax Department	305.61	417.08

28. Commitments

(₹ in Lacs)

	As at 31 st Mar 2012	As at 31 st Mar 2011
a) Guarantee given by bankers on behalf of Company	27,297.43	21,078.42
b) Corporate Guarantees of ₹ 3,239.00 Lacs given by Company for loans taken by a Subsidiary/Associate Company		
Balance of such loans outstanding	1,224.70	1,156.20
c) Performance Guarantees given by Company	31.47	33.47
d) Bills Discounted with Banks	2,264.39	3,296.35
e) Import duty benefit towards duty free import of raw materials made in respect of which export obligations are yet to be discharged.	3.49	16.12
f) Claims against Company not acknowledged as debts	Amount not ascertained	Amount not ascertained

29. Estimated amount of contracts remaining to be executed on capital account (net of capital advances) for tangible assets and not provided for ₹ 845.10 Lacs [Previous year ₹ 28.90 Lacs].

30. Tax assessment of the Company under Income Tax Act, 1961 has been completed upto financial year 2008-09 and the VAT assessment upto financial year 2008-09.

31. Consequent to inadequacy of profits for the year, under section 349 of the Companies Act, 1956, the remuneration paid to Chairman cum Wholetime Director has resulted in an excess by ₹ 77.23 Lacs, for the which steps being taken by Company to obtain Central Government approval.

32. 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, 2012 is as follows:

Exposure hedged by Derivative Instruments:

(Amount in Lacs)

	No. of Contracts		Foreign Currency Amount		Reporting Currency Amount (INR)	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Forward cover for Import Payable - USD	-	2	-	10.00	-	446.70

Unhedged Exposures:

(Amount in Lacs)

	Foreign Currency Amount		Reporting Currency Amount (INR)	
Loan Outstanding				
USD	-	9.50	-	423.61
Accounts Receivable				
USD	4.91	5.33	249.63	237.80
EURO	0.20	0.12	13.78	7.74
AUD	-	0.25	-	11.53
Account Payable				
USD	30.47	32.57	1,550.20	1,452.14
EURO	1.56	0.14	105.93	8.65

Expenditure on account of premium on forward exchange contracts to be recognized in profit & loss statement of subsequent accounting period aggregates to ₹ Nil (Previous year ₹ 9.43 Lacs).

**33. Employee Benefits****Defined Benefit Plans :**

(₹ in Lacs)

	Gratuity		Leave Encashment	
	2011-12	2010-11	2011-12	2010-11
i Expenses recognized in Profit & Loss Statement for the year				
Current service cost	21.35	18.35	13.19	9.15
Interest Cost	9.30	6.11	2.92	3.83
Expected return on plan assets	(8.45)	(7.79)	-	-
Adjustment	-	0.30	-	-
Net actuarial losses (gains)	(3.15)	15.13	3.99	(22.61)
Total Expenses	19.05	32.10	20.10	(9.63)
ii Reconciliation of opening and closing balances of changes in present value of the defined benefit obligation				
Opening defined benefit obligation	112.80	74.08	35.38	46.51
Service cost	21.35	18.35	13.19	9.15
Interest cost	9.30	6.11	2.92	3.83
Actuarial losses (gains)	(5.22)	15.71	3.99	(22.61)
Losses (gains) on curtailments	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-
Benefits paid	(2.54)	(1.45)	(2.99)	(1.50)
Closing defined benefit obligation	135.69	112.80	52.49	35.38
iii Reconciliation of opening and closing balances of changes in fair value of plan assets				
Opening fair value of plan assets	99.20	92.58	-	-
Adjustment	-	(0.30)	-	-
Expected return on plan assets	8.45	7.79	-	-
Actuarial gains and (losses)	(2.07)	0.58	-	-
Assets distributed on settlements	-	-	-	-
Contributions by employer	3.00	-	-	-
Benefits paid	(2.54)	(1.45)	-	-
Closing balance of fair value of plan assets	106.04	99.20	-	-
iv Net Liability recognized in the Balance Sheet				
Defined Benefit Obligation	135.69	112.80	52.49	35.38
Fair Value of plan assets	106.04	99.20	-	-
Present Value of unfunded obligation recognised as liability	29.65	13.60	52.49	35.38
v Past four years data for define benefit obligation and fair value of plan assets are as under:				
	2010-11	2009-10	2008-09	2007-08
Gratuity				
Defined Benefit Obligation	112.80	74.08	61.01	41.04
Fair value of plan assets	99.20	92.58	28.25	4.20
Present Value of unfunded obligation recognised as liability	13.60	(18.50)	32.76	36.84
Leave Encashment				
Defined Benefit Obligation	35.38	46.51	17.90	14.72
Fair value of plan assets	-	-	-	-
Present Value of unfunded obligation recognised as liability	35.38	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%	-	-
viii Actuarial Assumptions	As at 31st March, 2012			
Discount rate	8.50 %			
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			

**Defined Contribution Plans:**

During the year, ₹ 74.72 Lacs (Previous year ₹ 62.57 Lacs) recognised as an expense and included in the note 24 of profit & loss statement under the head “Contribution to Provident and other funds”.

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

In accordance with the requirements of AS - 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, 2012.

(B) Secondary Segment (Geographical Segment):

(₹ in Lacs)

	India		Outside India		Total	
	Year Ended on 31 st Mar 2012	Year Ended on 31 st Mar 2011	Year Ended on 31 st Mar 2012	Year Ended on 31 st Mar 2011	Year Ended on 31 st Mar 2012	Year Ended on 31 st Mar 2011
Revenue	46,479.38	47,291.43	4,735.68	6,392.67	51,215.06	53,684.10
Carrying Amounts of Segment Assets	51,706.37	52,523.37	263.41	257.07	51,969.78	52,780.44
Capital Expenditure	2,752.21	1,126.55	-	-	2,752.21	1,126.55

35. Related Party Transactions

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

Sr.	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 U. Mamtora Mr. Satyen J. Mamtora Mrs. Karuna J. Mamtora
4	Relatives of Key Management Personnel	Ms. Janki Mamtora Ms. Aakanksha Mamtora Mr. Dilip Mamtora Mr. Bipin Mamtora
5	Enterprises over which key Managerial Personnel is able to exercise significant Influence	Benchmark HR Solutions (India) Pvt. Ltd. Jitendra U. Mamtora (HUF) Transpower Skytrek Tours & Travels

(b) Details of transactions with related parties:

(₹ in Lacs)

A	Volume of Transactions	2011-12	2010-11
1)	Service Received		
	Subsidiaries		
	Transweld Mechanical Engineering Works Ltd.	34.26	31.64
	Transpares Ltd.	1.37	0.36
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	186.13	60.47
	Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
	Benchmark HR Solutions (India) Pvt. Ltd.	5.32	1.20
	Skytrek Tours & Travels	54.29	-



		(₹ in Lacs)	
		2011-12	2010-11
2)	Service Rendered		
	Subsidiaries		
	Transweld Mechanical Engineering Works Ltd.	2.82	9.98
3)	Bank Charges Recovered		
	Subsidiaries		
	Transpares Ltd.	2.48	2.57
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	17.49	17.49
4)	Purchase of Goods		
	Subsidiaries		
	Transweld Mechanical Engineering Works Ltd.	1,600.12	1,326.64
	Transpares Ltd.	1,591.53	1,374.69
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	201.96	2.38
5)	Sale of Goods		
	Subsidiaries		
	Transweld Mechanical Engineering Works Ltd.	27.32	4.82
	Transpares Ltd.	0.07	2.12
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	8.37	5.40
6)	Capital Goods Purchased		
	Subsidiaries		
	Transweld Mechanical Engineering Works Ltd.	-	0.41
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	-	21.77
7)	Loan Given/Repaid and Interest thereon to Associate Company		
	Savas Engineering Company Pvt. Ltd.		
	Loan given	630.02	1,028.00
	Loan repaid	419.90	747.36
	Interest	45.79	15.87
	Balance as at 31 st March	552.42	296.51
	Balance as at 1 st April	296.51	-
	Loan taken/repaid and Interest thereon to Key Managerial Personnel		
	Mr. Jitendra U. Mamtora		
	Loan taken	2,078.35	-
	Loan repaid	2,098.52	-
	Interest	20.17	-
	Balance as at 31 st March	-	-
	Balance as at 1 st April	-	-
8)	Managerial Remuneration		
	Mr. Jitendra U. Mamtora (Refer Note 31)	130.09	232.71
	Mr. Satyen J. Mamtora	77.78	110.77
	Mrs. Karuna J. Mamtora	22.09	21.97
9)	Dividend Paid		
	Key Managerial Personnel		
	Mr. Jitendra U. Mamtora	442.95	442.95
	Mr. Satyen J. Mamtora	4.85	4.85
	Mrs. Karuna J. Mamtora	13.39	13.39



Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
Mr. Jitendra U. Mamtora (HUF)	34.15	34.15
Relatives of Key Managerial Personnel		
Ms. Janki Mamtora	1.07	1.07
Mr. Bipin Mamtora	0.01	0.01
Mr. Dilip Mamtora	0.01	0.01
10) Dividend Received from Subsidiaries		
Transweld Mechanical Engineering Works Ltd.	25.00	20.00
Transpares Ltd.	19.76	19.76
B Balance at the end of the Period	As at	As at
	31st Mar 12	31st Mar 11
1) Due To		
Subsidiaries		
Transweld Mechanical Engineering Works Ltd.	223.09	-
Transpares Ltd.	574.23	469.14
Associate Company		
Savas Engineering Company Pvt. Ltd.	45.42	54.80
Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
Benchmark HR Solutions (India) Pvt. Ltd.	2.63	-
Skytrek Tours & Travels	21.34	-
2) Due from		
Subsidiaries		
Transweld Mechanical Engineering Works Ltd.	-	21.71
Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
Benchmark HR Solutions (India) Pvt. Ltd.	-	0.23
C Corporate Guarantee given to Bankers for loan taken by Subsidiary/Associate Company	As at	As at
	31st Mar 12	31st Mar 11
Subsidiaries		
Transpares Ltd.	1,490.00	1,194.00
Associate Company		
Savas Engineering Company Pvt. Ltd.	1,749.00	1,695.00

36. Leases**Operating Lease**

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

(₹ in Lacs)

	Year ended on	Year ended on
	31st Mar 2012	31st Mar 2011
Office premises	8.15	7.09
Godown	3.34	2.76

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.

37. Earning Per Share

		Year ended on	Year ended on
		31st Mar 2012	31st Mar 2011
Net Profit for the period (₹ in Lacs)	(a)	918.30	4,011.04
Weighted Average number of equity shares	(b)	12,923,611	12,923,611
EPS (Basic & Diluted) (₹)	(a) / (b)	7.11	31.04
Nominal value of Equity Shares (₹)		10.00	10.00

**38. C.I.F. Value of Imports**

(₹ in Lacs)

	Year ended on 31 st Mar 2012	Year ended on 31 st Mar 2011
1) Raw Materials	2,823.92	3,659.01
2) Capital Goods	303.50	148.58

39. Expenditure in Foreign Currency

(₹ in Lacs)

	Year ended on 31 st Mar 2012	Year ended on 31 st Mar 2011
1) Travelling	62.66	57.90
2) Commission	88.85	53.05
3) Freight Charges	143.00	-
4) Clearing & Forwarding	45.11	-
5) Others	67.81	163.24

40. Earnings in Foreign Currency

(₹ in Lacs)

	Year ended on 31 st Mar 2012	Year ended on 31 st Mar 2011
FOB Value of Export	4,735.68	6,392.67

41. The Revised Schedule VI has become effective from 1st April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board

H.P. Shah
Partner

Tushar Shah
Company Secretary

Jitendra U. Mamtora
Chairman

Satyen J. Mamtora
Managing Director

Place : Ahmedabad
Date : 30th April, 2012

Place : Ahmedabad
Date : 30th April, 2012





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	403.74	622.12
Total Assets	632.13	1,676.36
Total Liabilities	632.13	1,676.36
Investments	-	11.25
Turnover	1,544.75	1,760.11
Profit before Taxation	85.42	131.86
Provision for Taxation	26.36	37.45
Profit after Taxation	59.06	94.41
Proposed Dividend	25.00	38.74

For and on Behalf of the Board

Place : Ahmedabad
Date : 30th April, 2012

Jitendra U. Mamtora
Chairman

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

Sr. No.	Name of the Subsidiary Companies	Transweld Mechanical Engineering Works Ltd.	Transpares Limited
1.	Financial Year of the Subsidiary Company ended on	31 st March, 2012	31 st March, 2012
2.	Share of the Subsidiary held on the above date		
	a) Number of Equity Shares	2,50,000	9,87,768
	b) Face Value	₹ 10/-	₹ 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, 2012	-	46.26
	b) not dealt with in the accounts of the Company for the period ended 31 st March, 2012	59.06	48.15
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	-	71.94
	b) not dealt with in the accounts of the Company for the period ended 31 st March, 2011	83.48	74.88
5.	Material changes between the end of the subsidiary's financial year and 31 st March, 2012	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 the Board

Place : Ahmedabad
Date : 30th April, 2012

Jitendra U. Mamtora
Chairman

Satyen J. Mamtora
Managing Director

Tushar Shah
Company Secretary



AUDITOR'S REPORT

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

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, 2012, the Consolidated Profit and Loss Statement 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 associate 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 ₹ 632.13 Lacs, as at 31st March, 2012, total revenues of ₹ 1,545.75 Lacs and net cash outflow amounting to ₹ 20.78 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 Pvt. Ltd. The Company's share of profit in the said associate company aggregates to ₹ 10.39 lacs for the year ended 31st March 2012 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, 2012;
 - (ii) in the case of the Consolidated Profit and Loss Statement, 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 Deloitte Haskins & Sells
Chartered Accountants
(Registration No. 117365W)

Place : Ahmedabad
Date : 30th April, 2012

H.P. Shah
Partner
Membership No. 33331



Consolidated Balance Sheet

As at 31st March, 2012

(₹ in Lacs)

	Note	As at 31 st Mar 2012	As at 31 st Mar 2011
I. EQUITIES AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	1,292.36	1,292.36
(b) Reserves and Surplus	3	32,306.79	31,335.10
		<u>33,599.15</u>	<u>32,627.46</u>
(2) Minority Interest		399.74	375.54
(3) Non Current Liabilities			
(a) Long Term Borrowings	4	16.04	60.79
(b) Deferred Tax Liabilities	5	798.05	694.38
(c) Long Term Provisions	6	80.96	49.17
		<u>895.05</u>	<u>804.34</u>
(4) Current Liabilities			
(a) Short Term Borrowings	7	4,343.17	6,705.11
(b) Trade Payables	8	7,497.11	10,250.14
(c) Other Current Liabilities	9	6,572.08	3,067.08
(d) Short Term Provisions	10	35.67	783.95
		<u>18,448.03</u>	<u>20,806.28</u>
TOTAL		<u>53,341.97</u>	<u>54,613.62</u>
II. ASSETS			
(1) Non Current Assets			
(a) Fixed Assets	11		
(i) Tangible Assets		10,460.57	9,287.30
(ii) Intangible Assets		141.63	155.57
(iii) Capital Work in Progress		2,958.48	1,834.51
		<u>13,560.68</u>	<u>11,277.38</u>
(b) Non Current Investments	12	157.03	146.64
(c) Long Term Loans & Advances	13	1,078.36	558.29
(d) Other Non Current Assets	14	692.77	896.73
		<u>15,488.84</u>	<u>12,879.04</u>
(2) Current Assets			
(a) Inventories	15	9,620.19	11,249.31
(b) Trade Receivables	16	17,608.58	22,529.81
(c) Cash & Cash Equivalents	17	7,838.71	5,501.21
(d) Short Term Loans & Advances	18	2,456.17	2,041.71
(e) Other Current Assets	19	329.48	412.54
		<u>37,853.13</u>	<u>41,734.58</u>
TOTAL		<u>53,341.97</u>	<u>54,613.62</u>

Significant Accounting Policies

1

The accompanying notes are an integral part of the Consolidated Financial Statements

As per our attached report of even date

For and on behalf of the Board

For Deloitte Haskins & Sells
Chartered Accountants

Jitendra U. Mamtora
Chairman

Satyen J. Mamtora
Managing Director

H.P. Shah
Partner

Tushar Shah
Company Secretary

Place : Ahmedabad
Date : 30th April, 2012

Place : Ahmedabad
Date : 30th April, 2012

**Consolidated Profit and Loss Statement**For the Year ended on 31st March, 2012

(₹ in Lacs)

	Note	Year Ended on 31 st Mar 2012	Year Ended on 31 st Mar 2011
CONTINUING OPERATIONS			
I. Revenue from Operations (Gross)	20	52,091.82	58,992.30
Less : Cenvat Duty recovered on Sales & Service Income		341.88	4,702.62
Revenue from Operations		51,749.94	54,289.68
II. Other Income	21	628.29	676.67
III. Total Revenue (I + II)		52,378.23	54,966.35
IV. Expenses			
(a) Cost of Raw Materials Consumed		41,679.98	43,949.10
(b) (Increase)/Decrease in Stock of Finished Goods and Process Stock	22	139.01	(3,411.40)
(c) Manufacturing Expenses	23	2,947.65	2,507.88
(d) Employee Benefits Expense	24	1,726.68	1,678.00
(e) Finance Costs	25	898.58	493.87
(f) Depreciation & Amortization Expense		655.77	619.68
(g) Other Expenses	26	2,851.96	2,925.96
Total Expenses		50,899.63	48,763.09
V. Profit Before Tax (III-IV)		1,478.60	6,203.26
VI. Tax Expenses			
(a) Current Tax		382.86	1,887.75
(b) Deferred Tax		102.27	172.90
(c) Short/(Excess) Provision for taxation of earlier years		(21.35)	(63.56)
VII. Profit for the Year Before Minority Interest (V-VI)		1,014.82	4,206.17
Less: - Minority Interest		24.20	68.86
Add: - Share in Profit of Associate		10.39	14.47
VIII. Profit After Minority Interest		1,001.01	4,151.78
IX. Earnings Per Equity Share			
Basic & Diluted (₹)	37	7.75	32.13
Nominal Value per Share (₹)		10.00	10.00
Significant Accounting Policies	1		
The accompanying notes are an integral part of the Consolidated Financial Statements			

As per our attached report of even date

For and on behalf of the Board

For Deloitte Haskins & Sells
Chartered AccountantsJitendra U. Mamtora
ChairmanSatyen J. Mamtora
Managing DirectorH.P. Shah
PartnerTushar Shah
Company SecretaryPlace : Ahmedabad
Date : 30th April, 2012Place : Ahmedabad
Date : 30th April, 2012



Consolidated Cash Flow Statement

For the Year ended on 31st March, 2012

(₹ in Lacs)

	Year Ended on 31 st Mar 2012	Year Ended on 31 st Mar 2011
(A) Cash Flow from Operating Activities		
1. Profit before Tax	1,478.60	6,203.26
2. Adjustments for:		
a) Depreciation & amortisation expense	655.77	619.68
b) Finance costs	898.58	493.87
c) Interest income	(440.39)	(456.37)
d) Unrealised foreign exchange loss/(gain)	101.88	(41.67)
e) Gain on sales of current investments	(7.70)	-
f) Dividend income	(0.80)	(1.66)
g) Loss on sale of fixed assets	11.61	8.60
	<u>1,218.95</u>	<u>622.45</u>
Operating Profit before Working Capital Changes (1 + 2)	2,697.55	6,825.71
3. Adjustments for working capital changes:		
(i) (Increase)/Decrease in operating assets		
a) Trade receivables	4,491.88	(5,737.02)
b) Long term loans & advances	(28.79)	(2,250.41)
c) Short term loans & advances	(392.76)	(532.88)
d) Other current assets	96.30	1,276.62
e) Other non current assets	203.95	(892.96)
(ii) (Increase)/Decrease in operating liabilities		
a) Trade payables	(2,424.84)	4,540.04
b) Long term provisions	31.79	(0.85)
c) Short term provisions	(28.28)	(69.38)
d) Other current liabilities	3,506.97	919.53
(iii) (Increase)/Decrease in inventories	1,629.13	(5,728.58)
Cash generated from operations	<u>9,782.90</u>	<u>(1,650.18)</u>
Less: Direct Taxes paid	852.01	2,004.76
Net Cash from Operating Activities (A)	<u>8,930.89</u>	<u>(3,654.94)</u>
(B) Cash flow from Investing Activities		
a) Purchase of fixed assets	(2,954.02)	(1,347.25)
b) Sale of fixed assets	3.32	8.51
c) Interest received	440.39	456.37
d) Sale of current investments	7.70	-
e) Dividend received	0.80	1.66
Net Cash from Investing Activities (B)	<u>(2,501.81)</u>	<u>(880.71)</u>
(C) Cash flow from Financing Activities		
a) Repayment of borrowings	(2,406.70)	(369.48)
b) Finance costs	(898.58)	(495.04)
c) Dividend & tax on dividend paid	(768.07)	(765.78)
d) Government grant received	-	15.00
Net Cash from Financing Activities (C)	<u>(4,073.35)</u>	<u>(1,615.30)</u>
(D) Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	2,355.73	(6,150.95)
(E) Cash & Cash Equivalents - Opening Balance	2,154.20	8,305.15
(F) Cash & Cash Equivalents - Closing Balance (D+E)	<u>4,509.93</u>	<u>2,154.20</u>

(₹ in Lacs)

	As at 31 st Mar 2012	As at 31 st Mar 2011
Note :		
1 A) Components of Cash & Cash Equivalents		
Cash on Hand	7.63	5.58
Balances with Banks		
In current accounts	620.72	1,596.01
In fixed deposit accounts maturing within three months	3,881.58	552.61
	<u>4,509.93</u>	<u>2,154.20</u>
B) Cash & Cash Equivalents not available for immediate use		
In margin money and fixed deposit accounts	3,319.00	3,339.34
Unclaimed dividend & share application money in escrow account	9.78	7.67
	<u>3,328.78</u>	<u>3,347.01</u>
Cash & Cash Equivalents as per Note 16 (A+B)	<u>7,838.71</u>	<u>5,501.21</u>

- 2 The above cash flow statement has been prepared under the "Indirect Method" as set out in the AS 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- 3 The previous year's figures have been regrouped wherever necessary.

As per our attached report of even date

For Deloitte Haskins & Sells
Chartered AccountantsH.P. Shah
PartnerPlace : Ahmedabad
Date : 30th April, 2012

For and on behalf of the Board

Jitendra U. Mamtora
ChairmanTushar Shah
Company SecretaryPlace : Ahmedabad
Date : 30th April, 2012



Notes on Consolidated Financial Statements

For the Year ended on 31st March, 2012

1. 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) 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 Expense

- 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 statement.

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 recognized when risk and rewards of ownership of the products are passed on to the customers, which is generally on dispatch 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**
- 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.
 - 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.
 - Gain or loss arising out of translation/conversion is taken credit for or charged to the profit and loss statement.
- 12) **Prior Period Expenses/Income**
Material items of prior period expenses/income are disclosed separately.
- 13) **Employees Benefits Expense**
- Defined Contribution Plan**
The Company's contributions paid/payable for the year to Provident Fund are recognised in the profit and loss statement.
 - 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 recognized 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 statement 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 statement.
- 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:
- 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.
 - 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 statement 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 recognized 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.



		(₹ in Lacs)	
		As at 31 st Mar 2012	As at 31 st Mar 2011
2. SHARE CAPITAL			
Authorised Share			
15,000,000 Equity Shares of ₹ 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 (Previous year 12,923,611) Equity Shares of ₹ 10/- each fully paid up		1,292.36	1,292.36
TOTAL		<u>1,292.36</u>	<u>1,292.36</u>
(i) Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting period			
At the beginning of the period		12,923,611	12,923,611
Issued during the period		-	-
Outstanding at the end of period		12,923,611	12,923,611
(ii) Details of Shareholders holding more than 5% of Equity Shares			
Jitendra U. Mamtora		Nos. 8,858,992	8,858,992
		% Holding 68.55%	68.55%
Jitendra U. Mamtora (HUF)		Nos. 682,931	682,931
		% Holding 5.28%	5.28%
(iii) Details of Equity Shares allotted as fully paid up by way of bonus shares, shares issued for consideration other than cash (During last 5 years immediately preceding reporting date)			
Equity shares allotted as fully paid bonus shares		2,836,746	2,836,746
Equity share allotted as fully paid up pursuant to a contract without payment being received in cash.		-	117,085
(iv) Rights of Equity Shares			
The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity share holders are eligible to receive the remaining asset of the Company after distribution of all preferential amounts, in proportion to their shareholding.			
		As at 31 st Mar 2012	As at 31 st Mar 2011
3. RESERVES & SURPLUS			
Securities Premium Reserve		13,508.13	13,508.13
Capital Reserve on Consolidation		46.29	46.29
General Reserve			
Opening Balance		2,255.37	1,734.12
Add : Amount transferred from profit and loss statement		18.75	521.25
		<u>2,274.12</u>	<u>2,255.37</u>
Surplus in Profit and Loss Statement			
Opening Balance		15,525.31	12,667.92
Add : Profit for the period		1,001.01	4,151.78
Less : Appropriations			
Proposed final equity dividend		18.98	665.16
Tax on proposed equity dividend		10.34	107.98
Transfer to general reserve		18.75	521.25
Net Surplus in Profit and Loss Statement		<u>16,478.25</u>	<u>15,525.31</u>
TOTAL		<u>32,306.79</u>	<u>31,335.10</u>



(₹ in Lacs)

4. LONG TERM BORROWINGS	As at 31 st Mar 2012	As at 31 st Mar 2011
Secured		
Term Loans from Banks	16.04	60.79
TOTAL	<u>16.04</u>	<u>60.79</u>

Nature of Security:

Secured by the hypothecation of fixed assets acquired out of the term loan, collaterally secured by equitable mortgage over factory land and building of the Company and hypothecation of all plant & machinery (other than those acquired out of the term loan). Further secured by personal guarantee of some directors.

5. DEFERRED TAX LIABILITIES (NET)	As at 31 st Mar 2012	As at 31 st Mar 2011
Deferred Tax Liabilities		
In respect of difference between book & tax depreciation	858.27	853.04
Total (A)	<u>858.27</u>	<u>853.04</u>
Deferred Tax Assets		
In respect of disallowance under the Income Tax Act, 1961	29.98	67.93
In respect of Tax benefit on share issue expenses set off against Securities premium	30.24	90.73
Total (B)	<u>60.22</u>	<u>158.66</u>
TOTAL (A-B)	<u>798.05</u>	<u>694.38</u>

6. LONG TERM PROVISIONS	As at 31 st Mar 2012	As at 31 st Mar 2011
Provision for Employee Benefits		
Gratuity	31.80	13.60
Leave encashment	49.16	35.57
TOTAL	<u>80.96</u>	<u>49.17</u>

7. SHORT TERM BORROWINGS	As at 31 st Mar 2012	As at 31 st Mar 2011
Secured Loans		
Cash credit & short term loan from banks	4,343.17	6,035.46
Foreign currency demand loan from banks	-	669.65
TOTAL	<u>4,343.17</u>	<u>6,705.11</u>

Nature of Security:

The above cash credit & short term loan from banks are 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 promoter and personal guarantees of some of the directors.

8. TRADE PAYABLES	As at 31 st Mar 2012	As at 31 st Mar 2011
Sundry Creditors		
a) Micro & Small Enterprises	40.46	41.83
b) Others	7,456.65	10,208.31
TOTAL	<u>7,497.11</u>	<u>10,250.14</u>



i)	The principal amount and the interest due thereon remaining unpaid to any supplier			
		Principal Amount	40.46	41.83
		Interest	2.89	0.54
ii)	The amount of the interest paid by the along with the amounts of the payment made to the supplier beyond the appointed day			
		Principal Amount	1,074.42	359.45
		Interest	-	-
iii)	The amount of interest due and payable for the period of delay in making payment (Beyond the appointed day during the year)		6.69	3.80
iv)	The amount of interest accrued and remaining unpaid		6.69	3.80
v)	The amount of further interest remaining due and payable for the earlier years.		3.80	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

9. OTHER CURRENT LIABILITIES	As at 31 st Mar 2012	As at 31 st Mar 2011
Current maturity of long term borrowing	52.40	78.05
Interest accrued & due	43.03	44.15
Unclaimed share application money	3.56	3.56
Unclaimed dividend	6.22	4.11
Advance from customers	5,943.98	2,012.99
Other liabilities	522.89	924.22
TOTAL	<u>6,572.08</u>	<u>3,067.08</u>

10. SHORT TERM PROVISIONS	As at 31 st Mar 2012	As at 31 st Mar 2011
Provision for gratuity	0.26	0.01
Provision for leave encashment	5.71	3.48
Provision for taxation (net of advance tax)	0.38	7.32
Proposed dividend	18.98	665.16
Tax on proposed dividend	10.34	107.98
TOTAL	<u>35.67</u>	<u>783.95</u>

11. FIXED ASSETS

(₹ in Lacs)

Assets	Gross Block				Depreciation & Amortisation				Net Block	
	As at 1 st Apr 11	Additions	Deductions/ Adjustments	As at 31 st Mar 12	As at 1 st Apr 11	Additions	Deductions/ Adjustments	As at 31 st Mar 12	As at 31 st Mar 12	As at 31 st Mar 11
Tangible Assets										
Land	188.40	-	-	188.40	-	-	-	-	188.40	188.40
Building	4,156.84	625.83	-	4,782.67	383.93	141.96	-	525.89	4,256.78	3,772.91
Plant & Equipment	5,121.70	854.12	-	5,975.82	1,081.09	310.68	-	1,391.77	4,584.05	4,040.61
Electrifications	516.62	5.12	-	521.74	111.53	29.53	-	141.06	380.68	405.09
Furniture & Fixtures	200.34	6.18	-	206.52	57.03	12.66	-	69.69	136.83	143.31
Office Equipments	287.57	66.64	-	354.21	57.04	14.74	-	71.78	282.43	230.53
Computer & Accessories	170.19	9.28	1.54	177.93	115.60	17.07	1.22	131.45	46.48	54.59
Vehicles	592.25	215.46	21.31	786.40	140.39	67.77	6.68	201.48	584.92	451.86
Total (A)	11,233.91	1,782.63	22.85	12,993.69	1,946.61	594.41	7.90	2,533.12	10,460.57	9,287.30
Intangible Assets										
Computer Software	262.25	47.42	-	309.67	106.68	61.36	-	168.04	141.63	155.57
Goodwill	119.07	-	119.07	-	119.07	-	119.07	-	-	-
Total (B)	381.32	47.42	119.07	309.67	225.75	61.36	119.07	168.04	141.63	155.57
Total (A+B)	11,615.23	1,830.05	141.92	13,303.36	2,172.36	655.77	126.97	2,701.16	10,602.20	9,442.87
Previous Year	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									2,958.48	1,834.51



(₹ in Lacs)

	As at 31 st Mar 2012	As at 31 st Mar 2011
12. NON CURRENT INVESTMENTS		
Trade Investments		
<i>Investment in Associate Company (Unquoted)</i>		
Face value ₹ 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	104.28	93.89
Net Value of Investment	<u>145.78</u>	<u>135.39</u>
Non Trade Investments		
<i>Investment in Equity instruments (Unquoted)</i>		
Face value ₹ 100 each, fully paid up :		
1,250 (1,250) Equity shares of The Bhagyodaya Co-operative Bank Ltd.	1.25	1.25
<i>Investment in Mutual Funds (Quoted)</i>		
Face value ₹ 10 each, fully paid up :		
100,000 units of SBI Blue Chip Fund	10.00	10.00
TOTAL	<u>157.03</u>	<u>146.64</u>
<i>Unquoted Investments</i>		
In Associate Company	Cost Price 41.50	41.50
In Equity Shares	Cost Price 1.25	1.25
<i>Quoted Investments</i>		
In Mutual Fund	Cost Price 10.00	10.00
	Repurchase Price 11.10	11.37
13. LONG TERM LOANS & ADVANCES	As at 31st Mar 2012	As at 31st Mar 2011
Unsecured , Considered Good		
Advances given for capital assets	351.08	249.34
Electricity & other deposits	55.92	98.52
Advance Income Tax (net of provision)	671.36	210.43
TOTAL	<u>1,078.36</u>	<u>558.29</u>
14. OTHER NON CURRENT ASSETS	As at 31st Mar 2012	As at 31st Mar 2011
Deposits maturing after twelve months from reporting date	2.73	34.12
Trade receivable retention money	687.51	862.61
Others	2.53	-
TOTAL	<u>692.77</u>	<u>896.73</u>
15. INVENTORIES	As at 31st Mar 2012	As at 31st Mar 2011
Raw materials	2,704.04	4,258.91
Raw materials goods in transit	400.40	335.64
Finished goods	532.07	630.00
Process stock	5,983.68	6,024.76
TOTAL	<u>9,620.19</u>	<u>11,249.31</u>



	(₹ in Lacs)	
	As at 31 st Mar 2012	As at 31 st Mar 2011
16. TRADE RECEIVABLES		
Trade Receivables outstanding for a period more than six months from the date they became due		
Unsecured, considered good	1,169.91	974.80
Unsecured, considered doubtful	169.22	156.71
	<u>1,339.13</u>	<u>1,131.51</u>
Less : Provision for doubtful debts	169.22	156.71
	<u>1,169.91</u>	<u>974.80</u>
Others		
Unsecured, considered good	16,438.67	21,555.01
TOTAL	<u>17,608.58</u>	<u>22,529.81</u>
17. CASH AND CASH EQUIVALENTS		
Balances with Banks		
In Current accounts	620.72	1,596.01
Deposits with maturity less than three months	3,881.58	552.61
Unclaimed share application money in escrow account	3.56	3.56
Unclaimed dividend money in escrow account	6.22	4.11
Other Bank Balances		
Deposits with maturity more than three months	2,095.00	2,449.00
Margin money deposits	1,224.00	890.34
Cash on Hand	7.63	5.58
TOTAL	<u>7,838.71</u>	<u>5,501.21</u>
Balances with banks include deposits which have an original maturity period of more than twelve months included in bank balances above	2,819.00	1,918.12
18. SHORT TERM LOANS & ADVANCES		
Loans and Advances to Related Parties		
Unsecured, considered good		
Savas Engineering Company Pvt. Ltd. (Associate Company)	552.42	296.51
Loans and Advances to Others		
Unsecured, considered good		
Advances to suppliers	250.87	198.63
Prepaid expenses	123.79	60.16
Employee advances	95.82	82.36
Deposits and balances with government and other authorities	1,078.03	1,124.95
Other deposits	355.24	279.10
TOTAL	<u>2,456.17</u>	<u>2,041.71</u>
19. OTHER CURRENT ASSETS		
Export benefit receivable	243.62	308.36
Interest receivable	85.86	104.18
TOTAL	<u>329.48</u>	<u>412.54</u>



(₹ in Lacs)

	Year Ended on 31 st Mar 2012	Year Ended on 31 st Mar 2011
20. REVENUE FROM OPERATIONS		
Sale of Goods (Gross)	50,487.32	58,472.21
Service Income	390.19	122.57
Other Operating Income	1,214.31	397.52
TOTAL	<u>52,091.82</u>	<u>58,992.30</u>
21. OTHER INCOME		
Interest received from Banks	301.37	408.95
Interest received from Others	139.02	47.42
Dividend income		
On Trade investments - from Associate Company	0.63	-
On Non trade investments - Investment in Mutual Funds	0.17	1.66
Gain on sale of current investment	7.70	-
Other non operating income	4.39	90.83
Foreign exchange gain (net)	175.01	127.81
TOTAL	<u>628.29</u>	<u>676.67</u>
22. (INCREASE)/DECREASE IN STOCK OF FINISHED GOODS AND PROCESS STOCK		
Closing Stock		
Finished Goods	532.07	630.00
Process Stock	<u>5,983.68</u>	<u>6,024.76</u>
	6,515.75	6,654.76
Less : Opening Stock		
Finished Goods	630.00	998.50
Process Stock	<u>6,024.76</u>	<u>2,244.86</u>
	6,654.76	3,243.36
TOTAL	<u>139.01</u>	<u>(3,411.40)</u>
23. MANUFACTURING EXPENSES		
Power & Fuel	612.58	441.40
Repairs		
Plant and Machinery	119.81	109.71
Factory Building	23.13	44.70
Electric	4.94	2.21
Stores & spares consumed	42.95	70.72
Wages & labour charges	1,609.87	1,327.54
Testing & other manufacturing cost	570.23	529.48
Cenvat duty provided on stock	(35.86)	(17.88)
TOTAL	<u>2,947.65</u>	<u>2,507.88</u>
24. EMPLOYEE BENEFITS EXPENSE		
Salaries, Bonus, Gratuity, etc.	1,572.42	1,526.37
Contribution to Provident and other funds	98.31	98.39
Employee welfare expenses	55.95	53.24
TOTAL	<u>1,726.68</u>	<u>1,678.00</u>



	(₹ in Lacs)	
	Year Ended on 31 st Mar 2012	Year Ended on 31 st Mar 2011
25. FINANCE COSTS		
Interest expenses	831.20	446.42
Other borrowing cost	57.95	47.13
Premium on forward contract amortised	9.43	0.32
TOTAL	<u>898.58</u>	<u>493.87</u>
26. OTHER EXPENSES		
Selling expenses	442.93	437.76
Freight & forwarding charges	1,058.69	653.94
Advertisement expenses	90.92	65.50
Stationary, Printing, Postage and Telephone expenses	96.22	97.05
Repairs to office & others	58.65	23.11
Insurance	75.34	71.41
Rent	28.01	20.63
Rates and taxes	1.30	4.21
Bank charges	162.04	243.71
Travelling & conveyance expense	419.00	383.04
Director sitting fees	2.65	2.45
Legal & professional charges	86.53	79.44
Audit fees	12.25	12.00
Late delivery charges	144.68	561.21
General expenses	137.21	195.94
Provision for doubtful debts	16.93	-
Cenvat duty expense	6.57	33.66
Loss on sale of fixed assets	11.61	8.60
After sales/replacement expenses	0.43	32.30
TOTAL	<u>2,851.96</u>	<u>2,925.96</u>



27. Details of Subsidiaries/Associate

The consolidated financial statements (CFS) comprise the financial statements of the parent company, Transformers and Rectifiers (India) Ltd. and the following subsidiaries and associate:

Name of the Company	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

28. Contingent liabilities in respect of

	(₹ in Lacs)	
	As at 31 st Mar 2012	As at 31 st Mar 2011
Disputed demand of Central Excise/Income Tax Department	305.61	417.08

29. Commitments

	(₹ in Lacs)	
	As at 31 st Mar 2012	As at 31 st Mar 2011
a) Guarantee given by bankers on behalf of Company	27,297.43	21,078.42
b) Corporate Guarantees of ₹ 3,239.00 Lacs given by Company for loans taken by a subsidiary/Associate Company		
Balance of such loans outstanding	1,224.00	1,156.20
c) Performance Guarantees given by Company	31.47	33.47
d) Bills Discounted with Banks	2,292.69	3,296.35
e) Import duty benefit towards duty free import of raw materials made in respect of which export obligations are yet to be discharged.	3.49	16.12
f) Claims against Company not acknowledged as debts	Amount not ascertained	Amount not ascertained

30. Estimated amount of contracts remaining to be executed on capital account (net of capital advances) for tangible assets and not provided for ₹ 888.79 Lacs [Previous year ₹ 143.90 Lacs].

31. Consequent to inadequacy of profits for the year, under Section 349 of the Companies Act, 1956, the remuneration paid to Chairman cum Wholetime Director has resulted in an excess by ₹ 77.23 Lacs, for which steps being taken by Company to obtain Central Government approval.

32. 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, 2012 is as follows:

Exposure hedged by Derivative Instruments

	(Amount in Lacs)					
	No. of Contracts		Foreign Currency Amount		Reporting Currency Amount (INR)	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Forward cover for Import Payable - USD	-	2	-	10.00	-	446.70

**Unhedged Exposures**

(Amount in Lacs)

Particulars	Foreign Currency Amount		Reporting Currency Amount (INR)	
	2011-12	2010-11	2011-12	2010-11
Loan Outstanding				
USD	-	9.50	-	423.61
Accounts Receivable				
USD	4.91	5.33	249.63	237.80
EURO	0.20	0.12	13.78	7.74
AUD	-	0.25	-	11.53
Account Payable				
USD	30.47	32.57	1,550.20	1,452.14
EURO	1.56	0.14	105.93	8.65

Expenditure on account of premium on forward exchange contracts to be recognised in profit & loss statement of subsequent accounting period aggregates to ₹ Nil (Previous year ₹ 9.43 Lacs).

33. Employee Benefits**Defined Benefit Plans :**

(₹ in Lacs)

	Gratuity		Leave Encashment	
	2011-12	2010-11	2011-12	2010-11
i Expenses recognized in profit & loss statement for the year				
Current service cost	22.38	19.30	13.62	9.70
Interest Cost	9.66	6.38	3.23	4.07
Expected return on plan assets	(8.85)	(8.14)	-	-
Adjustment	-	0.30	-	-
Net actuarial losses (gains)	(3.03)	15.77	2.12	(21.35)
Past Service Cost	2.27	-	-	-
Total Expenses	22.43	33.61	18.97	(7.58)
ii Reconciliation of opening and closing balances of changes in present value of the defined benefit obligation				
Opening defined benefit obligation	117.02	77.39	39.05	49.30
Service cost	22.38	19.30	13.62	9.70
Interest cost	9.66	6.38	3.23	4.07
Actuarial losses (gains)	(5.10)	16.31	2.12	(21.35)
Past Service Cost	2.27	-	-	-
Losses (gains) on curtailments	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-
Benefits paid	(3.04)	(2.36)	(3.15)	(2.67)
Closing defined benefit obligation	143.19	117.02	54.87	39.05
iii Reconciliation of opening and closing balances of changes in fair value of plan assets				
Opening fair value of plan assets	103.41	96.88	-	-
Adjustment	-	(0.30)	-	-
Expected return on plan assets	8.85	8.14	-	-
Actuarial gains and (losses)	(2.07)	0.54	-	-
Assets distributed on settlements	-	-	-	-
Contributions by employer	3.98	-	-	-
Benefits paid	(3.04)	(1.85)	-	-
Closing balance of fair value of plan assets	111.13	103.41	-	-
iv Net Liability recognized in the Balance Sheet				
Defined Benefit Obligation	143.19	117.02	54.87	39.05
Fair Value of plan assets	111.13	103.41	-	-
Present Value of unfunded obligation recognized as liability	32.06	13.61	54.87	39.05



v	Past four years data for define benefit obligation and fair value of plan assets are as under:	2010-11	2009-10	2008-09	2007-08
	Gratuity				
	Defined Benefit Obligation	117.02	77.39	64.58	44.05
	Fair value of plan assets	103.41	96.88	30.21	4.20
	Present Value of unfunded obligation recognized as liability	13.61	(19.49)	34.37	39.85
	Leave Encashment				
	Defined Benefit Obligation	39.05	49.30	21.27	17.35
	Fair value of plan assets	-	-	-	-
	Present Value of unfunded obligation recognized as liability	39.05	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 31 st March, 2012			
	Discount rate	8.50 %			
	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			

Defined Contribution Plans :

During the year, ₹ 76.97 Lacs (Previous year ₹ 66.29 Lacs) recognised as an expense and included in the note 24 of profit & loss statement under the head "Contribution to Provident and other funds".

34. 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 Year ended 31st March, 2012.

(B) Secondary Segment (Geographical Segment) :

(₹ in Lacs)

	India		Outside India		Total	
	Year Ended on 31 st Mar 2012	Year Ended on 31 st Mar 2011	Year Ended on 31 st Mar 2012	Year Ended on 31 st Mar 2011	Year Ended on 31 st Mar 2012	Year Ended on 31 st Mar 2011
Revenue	47,014.26	47,897.01	4,735.68	6,392.67	51,749.94	54,289.68
Carrying Amounts of Segment Assets	53,078.56	54,356.55	263.41	257.07	53,341.97	54,613.62
Capital Expenditure	2,812.10	1,137.19	-	-	2,812.10	1,137.19

35. Related party transactions

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

Sr.	Nature of Relationship	Name of Related Parties
1	Associate Company	Savas Engineering Company Pvt. Ltd.
2	Key Management Personnel	Mr. Jitendra U. Mamtora Mr. Satyen J. Mamtora Mrs. Karuna J. Mamtora Mr. Hitendra M. Doshi



3	Relatives of Key Management Personnel	Ms. Janki Mamtora Ms. Aakanksha Mamtora Mr. Dilip Mamtora Mr. Bipin Mamtora
4	Enterprises over which Key Managerial Personnel is able to exercise significant Influence	Benchmark HR Solutions (India) Pvt. Ltd. Jitendra U. Mamtora (HUF) Transpower Skytrek Tours & Travels

(b) Details of transactions with related parties : (₹ in Lacs)

A	Volume of Transactions	2011-12	2010-11
1)	Service Received		
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	288.34	87.11
	Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
	Benchmark HR Solutions (India) Pvt. Ltd.	5.32	1.20
	Skytrek Tours & Travels	54.29	
2)	Service Rendered		
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	0.09	-
3)	Bank Charges Recovered from Associate Company		
	Savas Engineering Company Pvt. Ltd.	17.49	17.49
4)	Purchase of Goods		
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	202.23	2.38
5)	Sale of Goods		
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	14.44	9.61
6)	Capital Goods Purchased		
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	-	21.77
7)	Rent Paid		
	Key Managerial Personnel		
	Mrs. Karuna J. Mamtora	2.40	2.40
8)	Loan Given / Repaid and Interest thereon to Associate Company		
	Savas Engineering Company Pvt. Ltd.		
	Loan Given	630.02	1,028.00
	Loan repaid	419.90	747.36
	Interest	45.79	15.87
	Balance as at 31 st March	552.42	296.51
	Balance as at 1 st April	296.51	-
	Key Managerial Personnel		
	Mr. Jitendra U. Mamtora		
	Loan Taken	2,078.35	-
	Loan repaid	2,098.52	-
	Interest	20.17	-
	Balance as at 31 st March	-	-
	Balance as at 1 st April	-	-



9) Managerial Remuneration		
Mr. Jitendra U. Mamtora (Refer Note 31)	130.09	232.71
Mr. Satyen J. Mamtora	77.78	110.77
Mrs. Karuna J. Mamtora	22.09	21.97
Mr. Hitendra M. Doshi	23.00	23.00
10) Dividend Paid		
Key Managerial Personnel		
Mr. Jitendra U. Mamtora	442.95	442.95
Mr. Satyen J. Mamtora	4.85	4.85
Mrs. Karuna J. Mamtora	13.39	13.39
Mr. Hitendra M. Doshi	18.96	18.96
Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
Mr. Jitendra U. Mamtora (HUF)	34.15	34.15
Relatives of Key Managerial Personnel		
Ms. Janki Mamtora	1.07	1.07
Mr. Bipin Mamtora	0.01	0.01
Mr. Dilip Mamtora	0.01	0.01
B Balance at the end of the Period	As at	As at
	31st Mar 12	31st Mar 11
1) Due To		
Associate Company		
Savas Engineering Company Pvt. Ltd.	45.42	43.37
Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
Benchmark HR Solutions (India) Pvt.Ltd.	2.63	-
Skytrek Tours & Travels	21.34	-
2) Due from		
Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
Benchmark HR Solutions (India) Pvt. Ltd. (Maximum outstanding during the year ₹ 0.79 Lacs, [Previous Year ₹ 12.46 Lacs])	-	0.23
C Corporate Guarantee given to Bankers for loan taken by Associate Company	As at	As at
	31st Mar 12	31st Mar 11
1) Associate Company		
Savas Engineering Company Pvt. Ltd.	1,749.00	1,695.00

36. Leases**Operating Lease**

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

(₹ in Lacs)

	Year ended on 31 st Mar 2012	Year ended on 31 st Mar 2011
Office Premises	8.15	7.09
Godown	3.34	2.76

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.

**37. Earnings Per Share**

		Year ended on 31 st Mar 2012	Year ended on 31 st Mar 2011
Net Profit for the period (₹ in Lacs)	(a)	1,001.01	4,151.78
Weighted Average number of equity shares	(b)	12,923,611	12,923,611
EPS (Basic & Diluted) (₹)	(a)/(b)	7.75	32.13
Nominal value of Equity Shares (₹)		10.00	10.00

38. The Revised Schedule VI has become effective from 1st April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

For Deloitte Haskins & Sells
Chartered Accountants

H.P. Shah
Partner

Place : Ahmedabad
Date : 30th April, 2012

For and on behalf of the Board

Tushar Shah
Company Secretary

Jitendra U. Mamtora
Chairman

Satyen J. Mamtora
Managing Director

Place : Ahmedabad
Date : 30th April, 2012





ATTENDANCE SLIP & PROXY FORM



Regd. Office: Survey No. 344-350, Sarkhej Bavla Highway,
Village: Changodar, Taluka: Sanand, Dist.: Ahmedabad-382213, Gujarat.

PROXY FORM

Regd. Folio No./ DP Client ID

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No. of Shares held

--	--	--	--	--

I / We of
in the district of being a Member/Members of the Company, hereby appoint
..... of
in the district of or failing him / her
of In the district of as my / our proxy to vote
for me / us on my / our behalf at the **18th ANNUAL GENERAL MEETING** of the Company to be held at the Registered
Office at Survey No. 344-350 Sarkhej Bavla Highway, Changodar, Ahmedabad 382213, at 11.00 a.m. on Wednesday,
8th August, 2012 or at any adjournment(s) thereof.

Signed this Day of 2012.

Affix ₹ 1/-
Revenue
Stamp

Signature of Member _____

Notes :

This form, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

----- Please tear here -----



Regd. Office: Survey No. 344-350, Sarkhej Bavla Highway,
Village: Changodar, Taluka: Sanand, Dist.: Ahmedabad-382213, Gujarat.

ATTENDANCE SLIP

Regd. Folio No./ DP Client ID

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of Shares held

--	--	--	--

I certify that I am a member / proxy for a member of the Company.

I hereby record my presence at the **18th ANNUAL GENERAL MEETING** of the Company at the Registered Office at Survey No. 344-350 Sarkhej Bavla Highway, Village :Changodar, Taluka Sanand, Ahmedabad 382213, at 11.00 a.m. on Wednesday, 8th August, 2012.

Name of the Member / Proxy
(in BLOCK letters)

Signature of Member / Proxy

(Please fill up this attendance slip and hand over at the entrance of the meeting hall. Members are requested to bring their copy of the Annual Report to the meeting)



NECS MANDATE FORM

PLEASE FILL UP THIS FORM AND ARRANGE TO SEND IT TO:

The following address if shares are held in physical form OR To your DP if shares are held in demat form

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

1. Name of 1st Registered holder (in Block Letters) :
 2. Folio No./DPID & Client ID No. :
 3. Name of the Bank :
 4. Name of the Branch :
 5. Account Number (As appearing on your Cheque Book) :
 6. Account Type (Saving Bank A/c. Current A/c. or Cash Credit) with code :

S.B.	Current	Cash Credit
 7. 9-Digit MICR Code Number of the Bank & Branch appearing on the MICR Cheque issued by the Bank. :

--	--	--	--	--	--	--	--	--	--
- (Please attach a photocopy of a cheque or cancelled cheque for verifying the accuracy of the MICR code Number)
8. *11-Digit IFSC Code (Optional-Can be obtained from your banker) :

--	--	--	--	--	--	--	--	--	--	--

Signature of the First Registered Shareholder
(As per the specimen signature with the Company/DP)

Name : _____

Address : _____

Phone No. : _____

Date : _____ Email Id : _____

* The Company, its Registrar and Bankers will make best endeavors to remit dividend through NECS. However, for non CBS branches of the banks, the IFSC code will be utilized to remit the dividend either by National Electronic Fund Transfer (NEFT) or Real Time Gross Settlement (RTGS). The branch where you operate your bank account will assist you to provide the IFSC, a 11-digit code to enable the remittance through NEFT or RTGS.



AWARDS



Winner of the
**BEST EQUIPMENT
SUPPLIER AWARD**
SINCE LAST 4 YEARS
from GETCO
(Gujarat Energy Transmission Corp. Ltd.)
one of the leading utilities of India.

AWARDED



SEPTEMBER 2010



**VALUED
CUSTOMER
AWARD**

from CPRI



Registered Office

Survey No. 344-350, Sarkhej Bavla Highway,
Village : Changodar, Taluka : Sanand, Ahmedabad 382213, Gujarat, India.
Tel.: 02717- 661661 Fax: 02717 - 661716
E-mail: info@transformerindia.com

www.transformerindia.com