



INDO TECH TRANSFORMERS LIMITED

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PART I : STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2015

(Rs. in lakhs)

S. No.	Particulars	Quarter ended			Year ended	9 months ended
		31-Mar-15	31-Dec-14	31-Mar-14	31-Mar-15	31-Mar-14
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
		Balancing figures *		Balancing figures *		Refer Note 5
1	Income from operations					
	(a) Net sales / income from operations (net of excise duty)	3,563	3,975	3,371	15,506	9,161
	(b) Other operating income	61	35	4	185	225
	Total income from operations (net)	3,624	4,010	3,375	15,691	9,386
2	Expenses					
	(a) Cost of materials consumed	3,327	3,305	3,559	12,901	7,756
	(b) Changes in inventories of finished goods, work-in-progress	(290)	41	(794)	(48)	264
	(c) Employee benefits expense	357	335	349	1,358	1,056
	(d) Depreciation and amortisation expense	127	128	96	518	299
	(e) Other expenses	580	732	690	2,521	1,938
	Total expenses	4,101	4,541	3,900	17,250	11,313
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(477)	(531)	(525)	(1,559)	(1,927)
4	Other income (Refer note 6 and 7)	612	65	915	1,673	1,099
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	135	(466)	390	114	(828)
6	Finance costs	-	-	393	488	1,053
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	135	(466)	(3)	(374)	(1,881)
8	Exceptional Items	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before tax (7+8)	135	(466)	(3)	(374)	(1,881)
10	Tax expense	-	-	-	-	-
11	Net Profit / (Loss) from ordinary activities after tax (9-10)	135	(466)	(3)	(374)	(1,881)
12	Extraordinary Item (net of tax expense)	-	-	-	-	-
13	Net Profit / (Loss) for the period (11-12)	135	(466)	(3)	(374)	(1,881)
14	Paid-up equity share capital (Face value per share - Rs.10)	1,062	1,062	1,062	1,062	1,062
15	Reserves excluding revaluation reserves				14,023	(450)
16.i	Earnings per share (EPS) (before extraordinary items) (of Rs. 10 each)					
	Basic and diluted EPS	1.27	(4.39)	(0.03)	(3.52)	(17.71)
		(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)	(Not annualised)
16.ii	Earnings per share (EPS) (after extraordinary items) (of Rs. 10 each)					
	Basic and diluted EPS	1.27	(4.39)	(0.03)	(3.52)	(17.71)
		(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)	(Not annualised)

PART II : SELECT INFORMATION FOR THE QUARTER AND YEAR ENDED 31 MARCH 2015

A		PARTICULARS OF SHAREHOLDING				
1	Public shareholding					
	- Number of shares	2,724,375	2,724,375	2,724,375	2,724,375	2,724,375
	- Percentage of shareholding	25.65	25.65	25.65	25.65	25.65
2	Promoter and promoter group shareholding					
	a) Pledged / Encumbered					
	- Number of shares	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
	b) Non - encumbered					
	- Number of shares	7,895,625	7,895,625	7,895,625	7,895,625	7,895,625
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	74.35	74.35	74.35	74.35	74.35
	Particulars	3 months ended 31-Mar-15				
B	INVESTOR COMPLAINTS					
	Pending at the beginning of the quarter	1				
	Received during the quarter	0				
	Disposed during the quarter	1				
	Remaining unsolved at the end of the quarter	0				

* Figures of the 3 months ended 31 March 2015 and 31 March 2014 are the balancing figures between audited figures in respect of the full financial year / period and the published period to date figures up to the end of the third quarter of the relevant financial year / period. Also the figures upto the end of the third quarter had only been reviewed and not subjected to audit.

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Notes:

- 1 The above results of the Company were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 27 May 2015 and have been subjected to an audit by the statutory auditors. An unqualified report has been issued by them thereon.
- 2 The Company has determined its business segment as transformer. Since 100% of the Company's business is from transformer, there are no other primary reportable segments.
- 3 During the past few years, the Company's performance has been significantly impacted due to various adverse market conditions. As a result, the accumulated losses have significantly eroded the net worth of the Company. During the previous period, the Company has intimated to the Board for Industrial and Financial Reconstruction ('BIFR') about erosion of more than 50% of the Company's peak net worth pursuant to section 23 of Sick Industrial Companies (Special Provision) Act, 1985 (SICA). During the year, the Company has initiated various measures to improve operational performance and liquidity and has witnessed rise in demand from its customers and improved market conditions. Prolec GE Internacional S. De R. L. De C. V. (Prolec GE), the holding company, has continued to support the Company in the current year by giving a voluntary, non-repayable financial grant (subvention) of US\$ 25 million (INR 1,491 million). The net results have improved primarily owing to lower interest cost, which has been achieved on account of repayment of all short term borrowings. However, the accumulated losses as at 31 March 2015 have further eroded the net worth of the Company.
Further, based on the approved business plans, commitment by the holding company to provide financial and other assistance as is necessary to enable the Company to continue in operational existence for the foreseeable future and at least for a period of 12 months from the balance sheet date and availability of banking limits, the Company believes that it would be able to meet its financial requirements and no adjustments would be required in respect of the carrying values of assets/liabilities. The ability of the Company to continue as a going concern is significantly dependent on the consistent and continued improvement in its operational performance in the future. Accordingly, the financial statements have been prepared on a going concern basis.
- 4 During the year ended March 31, 2015, the management has reassessed the remaining useful life of the assets with effect from 1 April 2014 as required under Schedule II to the Companies Act, 2013. In respect of assets whose life had already exhausted as on 1 April, 2014, depreciation of Rs. 65.23 lakhs (net of deferred tax impact of Rs. Nil) has been adjusted in Reserves and Surplus in accordance with the requirements of Schedule II to the Companies Act, 2013.
- 5 The Board of Directors vide their meeting held on 21 March 2013 had extended the previous financial year by three months from 31 March 2013 (12 months) to 30 June 2013 (15 months). Accordingly, year ended 31 March, 2014 was for a period of 9 months.
- 6 During the year, Prolec GE had agreed to re-imburse the salaries and other expenses for earlier years amounting to Rs. 437.27 lakhs (31 March, 2014: Rs. 533.18 lakhs) relating to expatriates seconded to the Company. In addition, certain advances amounting to Rs. 457.29 lakhs (31 March 2014: Rs. 337.34 lakhs) received in earlier years have been written back, based on arrangements with the customers. Such re-imburement and advance written back has been accounted as 'Other Income'.
- 7 During the year, the Company has entered into an agreement with Prolec GE, whereby Prolec GE has assured the Company that they would make good the loss to the benefit of the Company in case certain identified customers do not pay or default in the payment of outstanding dues. In the earlier years, the Company had recorded provision on a portion of the total balance receivable from these identified customers. Based on the agreement, the provision (amounting to Rs. 519.30 lakhs), pertaining to these receivables has been reversed during the year (in quarter ended 31 March 2015) and included in 'Other Income'.
- 8 **Statement of Assets and Liabilities**

Particulars	(Rs. in lakhs)	
	As at 31-Mar-15 (Audited)	As at 31-Mar-14 (Audited)
A. EQUITY AND LIABILITIES		
1. Shareholders' funds		
(a) Share capital	1,062	1,062
(b) Reserves and surplus	14,023	(450)
Sub-total - Shareholders' funds	15,085	612
2. Non-current liabilities		
Long-term provisions	122	72
Sub-total - Non-current liabilities	122	72
3. Current liabilities		
(a) Short-term borrowings	-	12,542
(b) Trade payables	3,427	3,248
(c) Other current liabilities	1,961	1,739
(d) Short-term provisions	64	57
Sub-total - Current liabilities	5,452	17,586
TOTAL - EQUITY AND LIABILITIES	20,659	18,270
B. ASSETS		
1. Non-current assets		
(a) Fixed assets	6,665	7,196
(b) Long-term loans and advances	589	461
(c) Other non-current assets	50	50
Sub-total - Non-current assets	7,304	7,707
2. Current assets		
(a) Inventories	4,037	3,202
(b) Trade receivables	5,190	4,431
(c) Cash and bank balances	1,547	959
(d) Short-term loans and advances	2,164	1,800
(e) Other current assets	417	171
Sub-total - Current assets	13,355	10,563
TOTAL - ASSETS	20,659	18,270

- 9 Previous periods figures have been regrouped or rearranged wherever necessary to conform to the current year presentation.

Chennai
27 May 2015



Ricardo Suarez Garza
Chairman

B S R & Co. LLP

Chartered Accountants

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Independent Auditors' report on annual results

To
The Board of Directors of
Indo Tech Transformers Limited

We have audited the accompanying annual financial results ('the statement') of Indo Tech Transformers Limited ('the Company') for the year ended March 31, 2015, attached herewith, being submitted by the Company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. Attention is drawn to the fact that the figures for the quarter ended March 31, 2015 and the corresponding quarter ended in the previous period as reported in these financial results, are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of third quarter of the relevant financial year / period. Also the figures upto the end of the third quarter had only been reviewed and not subjected to audit.

Management's responsibility for the financial results

These financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results upto the end of the third quarter. Management is responsible for the preparation of these financial results that give a true and fair view of the net loss and other financial information in accordance with the recognition and measurement principles specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India and in compliance with Clause 41 of the Listing Agreement.

This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial results based on our audit of the annual financial results. 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 results are free of material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

Independent Auditors' report on annual results (continued)

Page 2 of 2

Opinion

In our opinion and to the best of our information and according to the explanations given to us these financial results:

- i. are presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and
- ii. give a true and fair view of the net loss and other financial information for the year ended March 31, 2015.

Emphasis of matter

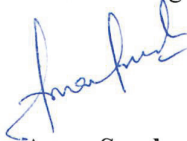
We draw attention to note 3 to the statement which more fully discusses the going concern related matters. Based on the current business plans, commitment by the holding company to provide financial and other assistance as is necessary to enable the Company to continue in operational existence for the foreseeable future and at least for a period of 12 months from the balance sheet date and availability of banking limits, the Company believes that it would be able to meet its financial requirements and no adjustments would be required in respect of the carrying value of assets/liabilities. Accordingly, the financial statements have been prepared on a going concern basis. Our opinion is not modified in respect of this matter.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of clause 35 of the Listing Agreement and found the same to be correct.

for B S R & Co. LLP

Chartered Accountants

ICAI Firm registration no: 101248W / W-100022



Amar Sunder

Partner

Membership No: 078305

Place: Chennai

Date: May 27, 2015