

27th Annual Report

2008 - 2009



Committed to Growth



ALFA TRANSFORMERS LIMITED
BHUBANESWAR, ORISSA, INDIA



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27th Annual General Meeting

*on Thursday, the 30th day of July, 2009 at 4.00 P.M.
at Hotel "The New Marrison", 6, Janpath, Bhubaneswar - 751007.*



BOARD OF DIRECTORS :

Mr. Dillip Kumar Das	Chairman & Managing Director
Mr. Deepak Kumar Das	Whole-time Director (Finance)
Mr. Santosh Kumar Patnaik	Whole-time Director (Tech.Service)
Mr. Debasis Das	Whole-time Director (Marketing)
Mr. S. K. Nanda	Independent Director
Dr. N. C. Pal	Independent Director
Mr. Sambit Mohanty	Independent Director
Mr. Sushil Kumar Nayak	Independent Director
Mr. Sandeep Daga	Independent Director
Mr. Supratim Basu	Director
Mr. L.V.N Muralidhar	Independent Director
Mr. Subhasish Das	Director

COMPANY SECRETARY : Mr. M. Chandrasekhar

AUDITORS : A. K. Sabat & Co,
Chartered Accountants
A/348, Sahid Nagar, Bhubaneswar -751007

INTERNAL AUDITOR : B. Panda & Co.
Chartered Accountants
2, Kalpana Square, Bhubaneswar

SECRETARIAL AUDITOR : M/s. Saroj Ray & Associates,
Company Secretaries
Plot No. 737/10, Jeyadev Vihar, Bhubaneswar - 751 013

BANKERS

- State Bank of India,
Commercial Branch, IDCOL House (Ground Floor),
Unit -II, Ashok Nagar, Bhubaneswar -751001
- Axis Bank Limited,
Satyangar, Bhubaneswar.

**REGISTERED OFFICE
AND FACTORY** Plot No. 3337,
Mancheswar Industrial Estate, Bhubaneswar – 751010

**REGISTRAR & SHARE
TRANSFER AGENT** MCS Limited,
77/2A, Hazra Road, 5th Floor, Kolkota - 700029

NOTICE

NOTICE is hereby given that the **27th Annual General Meeting** of the Company will be held at Hotel "The New Marriot", 6, Janpath, Bhubaneswar-751001 on Thursday the 30th day of July, 2009 at 4.00 P. M. to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31st March 2009, the profit and Loss account for the year ended on that date and the reports of the auditors and directors thereon.
2. To declare dividend for the Financial Year 2008-09.
3. To appoint a Director in the place of Mr. Sushil Kumar Nayak, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in the place of Mr. Supratim Basu, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors who shall hold office from conclusion of the Annual General Meeting till the conclusion of the Next Annual General Meeting and fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of section 198, 269, 309, and other applicable provisions if any, of the Companies Act, 1956, read with Schedule XIII to the said Act as amended and subject to such permissions, consents & approval from various authorities as may be required, the Company hereby accords its consent and approval for fixing the remuneration, perquisites & commissions payable to Mr. Dillip Kumar Das, the Managing Director of the Company for a period of two years with effect from 1st April, 2009 on the terms and conditions set out below:-

6.1 REMUNERATION:

a. SALARY:

Rs.92,000/- per month.

b. PERQUISITES:

i) MEDICAL REIMBURSEMENT:

Reimbursement of actual medical expenses incurred in India or abroad including hospitalization, nursing home and surgical charges for himself and family to a maximum amount of Rs.46,000/- per annum.

ii) LEAVE /HOLIDAY TRAVEL EXPENSES:

Reimbursement of all expenses (like Travel fare, lodging, Boarding, Conveyance & other expenses) incurred for self and family during the leave/holiday period for self and family whenever undertaken

whether in India or abroad once in a year to a maximum amount of Rs.46,000/- per annum.

iii) CLUB MEMBERSHIP: Annual subscription fees for One Club in India.

iv) PERSONAL ACCIDENT INSURANCE:

Personal accident insurance for an amount, the annual premium of which shall not exceed Rs.6,000/- per annum.

v) Contribution to Provident Fund, Superannuation & Annuity Fund:

The Company's contribution to provident fund is to a maximum of 12% of the salary and to Superannuation or Annuity fund will be maximum 15% of the salary.

vi) Gratuity:

Gratuity at the rate of half month's salary for each completed year of service.

vii) Leave:

Entitled for leave with full pay or encashment thereof as per the rules of the Company.

c) AMENITIES:

i) Conveyance facilities:

The Company shall provide suitable vehicle. All the repair, maintenance & running expenses including driver's salary shall be reimbursed by the Company.

ii) Telephone/Mobile and/or other communication facilities :

The Company shall be provided telephone at his residence & mobile phone to him. All expenses incurred shall be reimbursed by the Company.

OVERALL ANNUAL SALARY & PERQUISITES:

The aggregate value of salary, & perquisites excluding commission in any financial year shall not exceed Rs.15.00 Lakhs (Rupees Fifteen Lakhs) only.

Perquisites shall be evaluated as per Income Tax Rules whenever applicable and in absence of any such rules, perquisites shall be evaluated as per actual cost.

d) COMMISSION/PERFORMANCE BONUS:

i) Performance Bonus/ Commission @ 3% of Net Profit for each Financial Year or part thereof, computed in the manner as prescribed under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Act as may for the time being in force.

6.2. MINIMUM REMUNERATION:

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Managing Director, the payment of salary, commission & perquisites shall be governed by the limits prescribed under Part-II of Section-II of Schedule



ALFA TRANSFORMERS LIMITED

XIII of the Companies Act, 1956 as may for the time being in force.

No Director of the Company, other than Mr. Dillip Kumar Das, Mr. Deepak Kumar Das, Mr. Debasis Das & Mr. Subhasis Das are concerned or interested in the aforesaid contract.

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

"RESOLVED THAT in accordance with the provisions of section 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approvals of the shareholders in the Annual General Meeting, Mr. Deepak Kumar Das, be and is hereby re-appointed as Whole-time Director (Finance) of the Company with effect from 02.01.2009 for a period of five years."

"RESOLVED FURTHER THAT, the remuneration payable to Mr. Deepak Kumar Das, Whole-time Director (Finance) be and is hereby revised with the following terms and conditions, as recommended by the Board of Directors meeting held on 27.05.2009 for a period of two years w.e.f. 01.04.2009".

7.1 REMUNERATION:

a. SALARY:

Rs.50,000/- per month.

b. PERQUISITES:

i) MEDICAL REIMBURSEMENT:

Reimbursement of actual medical expenses incurred in India or abroad including hospitalization, nursing home and surgical charges for himself and family to a maximum amount of Rs.25,000/- per annum.

ii) LEAVE/HOLIDAY TRAVEL EXPENSES:

Reimbursement of all expenses (like Travel fare, lodging, Boarding, Conveyance & other expenses) incurred for self and family during the leave/holiday period for self and family whenever undertaken whether in India or abroad once in a year to a maximum amount of Rs.25,000/- per annum.

iii) **CLUB MEMBERSHIP:** Annual subscription fees for One Club in India.

iv) PERSONAL ACCIDENT INSURANCE:

Personal accident insurance for an amount, the annual premium of which shall not exceed Rs.4,000/- per annum

v) Contribution to Provident Fund, Superannuation & Annuity Fund:

The Company's contribution to provident fund is to a maximum of 12% of the salary and to Superannuation or Annuity fund will be maximum 15% of the salary.

vi) Gratuity:

Gratuity at the rate of half month's salary for each completed year of service.

vii) Leave:

Entitled for leave with full pay or encashment thereof as per the rules of the Company.

c) AMENITIES:

i) Conveyance facilities:

The Company shall provide suitable vehicle. All the repair, maintenance & running expenses including driver's salary shall be reimbursed by the Company.

ii) Telephone/Mobile and/or other communication facilities:

The Company shall be provided telephone at his residence & mobile phone to him: All expenses incurred shall be reimbursed by the Company.

OVERALL ANNUAL SALARY & PERQUISITES:

The aggregate value of salary, & perquisites excluding commission in any financial year shall not exceed Rs.8.00 Lakhs (Rupees Eight Lakhs) only.

Perquisites shall be evaluated as per Income Tax Rules whenever applicable and in absence of any such rules, perquisites shall be evaluated as per actual cost.

d) COMMISSION/PERFORMANCE BONUS:

i) Performance Bonus/ Commission @ 1.5% of Net Profit for each Financial Year or part thereof, computed in the manner as prescribed under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Act as may for the time being in force.

7.2. MINIMUM REMUNERATION:

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Whole-time Director, the payment of salary, commission & perquisites shall be governed by the limits prescribed under Part-II of Section-II of Schedule XIII of the Companies Act, 1956 as may for the time being in force.

No Director of the Company, other than Mr. Deepak Kumar Das, Mr. Dillip Kumar Das, Mr. Debasis Das & Mr. Subhasis Das are concerned or interested in the aforesaid contract.

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

"RESOLVED THAT pursuant to the provisions of section 198, 269, 309, and other applicable provisions if any, of the Companies Act, 1956, read with Schedule XIII to the said Act as amended and subject to such permissions, consents & approval from various authorities as may be required, the Company hereby accords its consent and approval for fixing the remuneration, perquisites & commissions payable to Mr. Debasis Das, the Whole-time Director of the Company for a period of two years with effect from

1st April, 2009 on the terms and conditions set out below:-

8.1. REMUNERATION:

a. SALARY:

Rs. 50,000/- per month

b. PERQUISITES:

i) MEDICAL REIMBURSEMENT:

Reimbursement of actual medical expenses incurred in India or abroad including hospitalization, nursing home and surgical charges for himself and family to a maximum amount of Rs.25,000/- p.a.

ii) LEAVE /HOLIDAY TRAVEL EXPENSES :

Reimbursement of all expenses (like Travel fare, lodging, Boarding, Conveyance & other expenses) incurred for self and family during the leave/holiday period for self and family whenever undertaken whether in India or abroad once in a year to a maximum amount of Rs.25,000/- p.a.

iii) CLUB MEMBERSHIP: Annual subscription fees for One Club in India.

iv) PERSONAL ACCIDENT INSURANCE:

Personal accident insurance for an amount, the annual premium of which shall not exceed Rs.4,000/- per annum.

v) Contribution to Provident Fund, Superannuation & Annuity Fund:

The Company's contribution to provident fund is to a maximum of 12% of the salary and to Superannuation or Annuity fund will be maximum 15% of the salary.

vi) Gratuity :

Gratuity at the rate of half month's salary for each completed year of service.

vii) Leave:

Entitled for leave with full pay or encashment thereof as per the rules of the Company.

c) AMENITIES:

i) Conveyance facilities:

The Company shall provide suitable vehicle. All the repair, maintenance & running expenses including driver's salary shall be reimbursed by the Company.

ii) Telephone/Mobile and/or other communication facilities:

The Company shall be provided telephone at his residence & mobile phone to him. All expenses incurred shall be reimbursed by the Company.

OVERALL ANNUAL SALARY & PERQUISITIES :

The aggregate value of salary, & perquisites excluding commission in any financial year shall not exceed Rs.8.00 Lakhs (Rupees Eight Lakhs) only.

Perquisites shall be evaluated as per Income Tax Rules whenever applicable and in absence of any such rules, perquisites shall be evaluated as per actual cost.

d) COMMISSION/PERFORMANCE BONUS :

i) Performance Bonus/ Commission @ 1.5% of Net Profit for each Financial Year or part there-of, computed in the manner as prescribed under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Act as may for the time being in force.

8.2. MINIMUM REMUNERATION:

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Whole-time Director, the payment of salary, commission & perquisites shall be governed by the limits prescribed under Part-II of Section-II of Schedule XIII of the Companies Act, 1956 as may for the time being in force.

No Director of the Company, other than Mr. Debasis Das Mr. Dillip Kumar Das, Mr. Deepak Kumar Das, & Mr. Subhasis Das are concerned or interested in the aforesaid contract.

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

"RESOLVED THAT pursuant to the provisions of section 198, 269, 309, and other applicable provisions' if any, of the Companies Act, 1956, read with Schedule XIII to the said Act as amended and subject to such permissions, consents & approval from various authorities as may be required, the Company hereby accords its consent and approval for fixing the remuneration, perquisites & commissions payable to Mr. Santosh Kumar Patnaik, the Whole-time Director of the Company for a period of two years with effect from 1st April, 2009 on the terms and conditions set out below - :

9.1 REMUNERATION:

a. SALARY :

Rs. 50,000/- per month.

b. PERQUISITES :

i) MEDICAL REIMBURSEMENT:

Reimbursement of actual medical expenses incurred in India or abroad including hospitalization, nursing home and surgical charges for himself and family to a maximum amount of Rs.25,000/- p.a.

ii) LEAVE /HOLIDAY TRAVEL EXPENSES :

Reimbursement of all expenses (like Travel fare, lodging, Boarding, Conveyance & other expenses) incurred for self and family during the leave/holiday period for self and family whenever undertaken whether in India or abroad once in a year to a maximum amount of Rs.25,000/- p.a .

iii) CLUB MEMBERSHIP:

Annual subscription fees for One Club in India.



iv) PERSONAL ACCIDENT INSURANCE:

Personal accident insurance for an amount, the annual premium of which shall not exceed Rs.4,000/- per annum.

v) Contribution to Provident Fund, Superannuation & Annuity Fund:

The Company's contribution to provident fund is to a maximum of 12% of the salary and to Superannuation or Annuity fund will be maximum 15% of the salary.

vi) Gratuity:

Gratuity at the rate of half month's salary for each completed year of service.

vii) Leave:

Entitled for leave with full pay or encashment thereof as per the rules of the Company.

c) AMENITIES:

i) Conveyance facilities:

The Company shall provide suitable vehicle. All the repair, maintenance & running expenses including driver's salary shall be reimbursed by the Company.

ii) Telephone/Mobile and/or other communication facilities:

The Company shall be provided telephone at his residence & mobile phone to him. All expenses incurred shall be reimbursed by the Company.

OVERALL ANNUAL SALARY & PERQUISITIES:

The aggregate value of salary, & perquisites excluding commission in any financial year shall not exceed Rs.8.00 Lakhs (Rupees Eight Lakhs) only.

Perquisites shall be evaluated as per Income Tax Rules whenever applicable and in absence of any such rules, perquisites shall be evaluated as per actual cost.

d) COMMISSION/PERFORMANCE BONUS:

i) Performance Bonus/ Commission @ 1.5% of Net Profit for each Financial Year or part there-of, computed in the manner as prescribed under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Act as may for the time being in force.

9.2. MINIMUM REMUNERATION :

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Whole-time Director, the payment of salary, commission & perquisites shall be governed by the limits prescribed under Part-II of Section-II of Schedule

XIII of the Companies Act, 1956 as may for the time being in force.

No Director of the Company, other than Mr.Santosh Kumar Patnaik is concerned or interested in the aforesaid contract.

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

"RESOLVED THAT, the consent of the Company be and is hereby accorded in terms of Section 94 and other applicable provisions, if any, of the Companies Act, 1956 to create additional 60,00,000 (Sixty lakhs) equity shares of Rs.10/- each and there by increasing the Authorised Share Capital of the Company from 60,00,000 (Sixty lakhs) equity shares of Rs.10/- each to 1,20,00,000 (One Crore Twenty Lakhs) equity shares of Rs.10/- each ranking pari passu with the existing equity shares of the Company".

"RESOLVED FURTHER THAT, the **Clause V** of the Memorandum of Association of the Company be altered as follows"

V. The Authorised Share Capital of the Company is Rs.12,00,00,000/- (Rupees Twelve Crores)only divided into 1,20,00,000(One Crore Twenty Lakhs only) equity shares of Rs.10/-(Rupees Ten)only. Any shares of the original or increased Capital may from time to time be issued with guarantees or any rights or preference whether in respect of dividend or repayment of capital or both or any other special privileges or advantage over any shares previously-issued subject to any provision or conditions and with any special rights or without any right of voting or generally on such terms as the Company may from time to time determine.

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

"RESOLVED THAT, the **Article 3** of the Articles of Association of the Company be altered as follows"

3. The Authorised Share Capital of the Company is Rs.12,00,00,000/- (Rupees Twelve Crores)only divided into 1,20,00,000(One Crore Twenty Lakhs only) equity shares of Rs.10/-(Rupees Ten)each. The Company shall have power to increase consolidate, sub-divide, reduce or otherwise alter its share capital subject to the provisions of the Act..

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

Sd/-

**M. CHANDRASEKHAR
COMPANY SECRETARY**

**PLACE : BHUBANESWAR
Date: 27th May, 2009**

NOTES FOR MEMBER'S ATTENTION:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. An Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956 in respect of the businesses under item No.6 to 11 of the Notice as set out above, are annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, the 24th July, 2009 to Thursday, 30th July, 2009 (both days inclusive)** in terms of provisions of section 154 of the Companies Act, 1956.
4. The dividend, if declared, will be paid within 30 days from the Annual General Meeting to the members so entitled, whose names appear in the register of members as on 30th July, 2009 being the date of Annual General Meeting of the Company. In respect of shares held in electronic form, the dividend will be paid to those beneficial owners whose name appears in the statement furnished by the depositories for the purpose.
5. Non-Resident Indian Shareholders are requested to inform Share Transfer Agent immediately:
 - (a) the change in the residential status on return to India for Permanent Settlement.
 - (b) the particulars of NRE Account with Bank in India, if not furnished earlier.
6. (a) Members are requested to notify immediately any change of address:
 - (i) to their Depository participants (DPs) in respect of their electronic share accounts; and (ii) to the Company/Share Transfer Agent in respect of their physical share folio, if any.
 - (b) In case the mailing address on this Annual Report is without the PINCODE, Members are requested to kindly inform their PINCODE immediately.
7. A member desirous of getting any information on the accounts or operations of the company is required to forward his/her queries to the company at least seven days prior to the meeting so that the required information can be made available at the meeting.
8. Members/Proxies are requested to bring their copies of Annual Report to the meeting and the attendance slip duly filled in for attending the meeting.
9. Trading in the equity shares of the company is compulsorily in dematerialized form for all investors. The ISIN (International Securities

Identification Number) allotted to the company's equity share is INE 209C01015.

10. The members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
11. Members are requested to send all communications relating to shares to the company's Share Transfer Agent. (Physical and Electronic) to MCS Limited, 77/2A, Harza Road, 5th Floor, Kolkata-700029.
12. The names and address of the stock exchanges where at the company's Share are listed, are given below:
 - a) Bombay Stock Exchange Limited, Phiroze JeeJeebhoi Tower, Dalal Street, Mumbai-400001.
 - b) The Bhubaneswar Stock Exchange Limited, (Applied for De-listing) Stock Exchange Bhavan, P-2, Jayadev Vihar, Chandrasekhar, Bhubaneswar-751023.
 - c) The Calcutta Stock Exchange Association Limited, (Applied for De-listing) 7, Lyons Range, Kolkata-700001.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 :

ITEM No.6:

Mr. Dillip Kumar Das was re-appointed as Managing Director of the Company with effect from 7th August, 2007 for a period of five years by the Board of Directors ("the Board") at its meeting held on 29th May, 2007 upon the terms and conditions set out in the agreement entered in to by the Company with Mr. Dillip Kumar Das and the said appointment and remuneration of Mr. Dillip Kumar Das was approved by the members of the Company at annual general meeting held on 28th July, 2007. The period of remuneration of Mr. Dillip Kumar Das has expired on 31st March, 09. However, the Remuneration Committee in its meeting on 16-05-2009 had recommended revised salary & perquisites to Whole-time Directors and Managing Director to the Board and the same was accepted in its meeting held on 27-05-2009 & are to be placed before the shareholders for adoption:

According to section 269,309 and schedule XIII of the Companies Act, 1956, the fixation of remuneration of Managing Director is subject to the approval of the shareholders at the Annual General Meeting. The resolution is proposed for this purpose.

Your Directors recommend that the resolution be passed. None of the Directors except Mr. Dillip Kumar Das, Mr. Deepak Kumar Das, Mr. Debasis Das and Mr. Subhasis Das, are interested in the proposed resolution.

ITEM No.7:

Member may recall that Mr. Deepak Kumar Das has been re-appointed as Executive Director of the Company for a period five years w.e.f. 2nd January, 2004 Accordingly, the tenure of office of Mr. Deepak Kumar Das has expired on



1st January, 2009. The Board at its Meeting held on 20th October, 2008, re-appointed Mr. Deepak Kumar Das as Executive Director for a further period of five years with effect from 2nd January, 2009 and approved the remuneration of Sri Das for a period of two years. However, the Remuneration Committee in its meeting on 16-05-2009 had recommended revised salary & perquisites to Whole-time Directors and Managing Director to the Board and the same was accepted in its meeting held on 27-05-2009 & are to be placed before the shareholders for adoption.

According to section 269,309 and schedule XIII of the Companies Act, 1956, the re-appointment and remuneration of Whole-time Director is subject to the approval of the shareholders at the Annual General Meeting. The resolution is proposed for this purpose. Your Directors recommend that the resolution be passed. None of the Directors except Mr. Deepak Kumar Das, Mr. Dillip Kumar Das, Mr. Debasis Das and Mr. Subhasis Das, are interested in the proposed resolution.

ITEM No.8:

Mr. Debasis Das was appointed as Executive Director of the Company with effect from 1st April, 2005 for a period of five years by the Board of Directors ("the Board") at its meeting held on 2nd May, 2005 upon the terms and conditions set out in the agreement entered in to by the Company with Mr. Debasis Das and the said appointment and remuneration of Mr. Debasis Das was approved by the members of the Company at annual general meeting held on 14th September, 2005. Further, in the A.G.M. held on 28th July, 2007 the tenure of remuneration of Sri Das was approved for a period of two years w.e.f. 1st April, 2007, which has expired on 31st March, 2009. However, the Remuneration Committee in its meeting on 16-05-2009 had recommended revised salary & perquisites to Whole-time Directors and Managing Director to the Board and the same was accepted in its meeting held on 27-05-2009 & are to be placed before the shareholders for adoption.

According to section 269,309 and schedule XIII of the Companies Act, 1956, the fixation of remuneration of Whole-time Director is subject to the approval of the shareholders at the Annual General Meeting. The resolution is proposed for this purpose. Your Directors recommend that the resolution be passed.

None of the Directors except Mr. Debasis Das, Mr. Deepak Kumar Das, Mr. Dillip Kumar Das and Mr. Subhasis Das, are interested in the proposed resolution.

ITEM NO.9:

Members may recall that, Mr. Santosh Kumar Patnaik, has been appointed as a Whole-time Director (Technical Service) of the Company for a period of two years w.e.f. 1st July, 2008 in the last Annual General Meeting held on 25th July, 2008. His tenure of appointment and remuneration will be expired on 30.06.2010. However, the Remuneration Committee in its meeting on 16-05-2009 had

recommended revised salary & perquisites to Whole-time Directors and Managing Director to the Board and the same was accepted in its meeting held on 27-05-2009 & are to be placed before the shareholders for adoption.

According to section 269,309 and schedule XIII of the Companies Act, 1956, the fixation of remuneration of Whole-time Director is subject to the approval of the shareholders at the Annual General Meeting. The resolution is proposed for this purpose. Your Directors recommend that the resolution be passed.

None of the Directors except Mr. Santosh Kumar Patnaik is interested in the proposed resolution.

ITEM NO.10 :

INCREASE OF AUTHORISED SHARE CAPITAL OF THE COMPANY FROM 6 CRORES TO 12 CRORES :

The Authorised Share Capital of the Company presently stands at Rs.6,00,00,000/- (Rupees Six Crores) only divided into 60,00,000 (Sixty Lakhs) Equity shares of Rs.10/- (Rupees Ten) only. To cope with the demand of working capital requirement, capital expenditure and to enhanced productivity, it is proposed to increase the authorized share capital of the Company. It is therefore, considered advisable to increase the Authorised Share Capital of the Company from Rs.6,00,00,000/- (Rupees Six Crores) only to Rs.12,00,00,000/- (Rupees Twelve Crores) only by creation of additional 60,00,000 (Sixty Lakhs) Equity shares of Rs.10/- (Ten) each which shall rank pari passu with the existing equity shares of the Company.

Consequent upon the increase in Authorised Capital of the Company, its Memorandum of Association would require alteration so as to reflect the increase in share capital.

Your Directors recommended that the resolution be passed.

None of the Directors of the Company are concerned or interested in the above resolution except to the extent of their holding of equity shares in the Company.

ITEM NO.11

ALTER CLAUSE 3 OF ARTICLES OF ASSOCIATION OF THE COMPANY:

Consequent upon the increase in Authorised Capital of the Company, its Articles of Association would require alteration so as to reflect the increase in share capital. Your Directors recommended that the resolution be passed. None of the Directors of the Company are concerned or interested in the above resolution.

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

(Pursuant to Clause 49 of the Listing Agreement)

Item No.3 of Notice of AGM

Brief Profile of Mr. Sushil Kumar Nayak

Mr. Sushil Kumar Nayak aged 47 years has done P.G.D.M. from Xavier Institute of Management, Bhubaneswar and I.C.W.A.(I) from I.C.W.I. Kolkatta. He is having 17 years

of working experience in different organization in managerial capacities. He also worked as Principal in Rajdhani college of Engineering & Management, Bhubaneswar for 3 years. He has also worked in Ortel Communication Limited, Bhubaneswar from 2005 to 2007. Presently he is working in Imfa Group w.e.f. 2008. He is not a Director in any other Company. He is the Chairman of Share Transfer and Investor Grievance Committee of your Company.

Item No.4 of Notice of AGM

Brief Profile of Mr. Supratim Basu

Mr. Supratim Basu, aged 39, is a Non-Executive Director of the Company. He joined Alfa Transformers Limited on 29-01-2007. He is also a director on the boards of Nimbus Communications Limited, Park Controls and Communications Limited and Frontline Venture Services Private Limited. He has over 17 years of total experience in equities, with over 14 years spent in equity research with leading institutional brokerage houses such as Deutsche Equities India Private Limited, ICICI Securities Private Limited and ABN Amro Asia Equities (India) Private Limited. He has strong financial planning and modeling skills, besides having deep expertise in structuring sophisticated investment instruments. He has helped companies to implement and improve their corporate governance and MIS. He has also helped companies with their strategic planning exercises, including capacity expansion, marketing and internal controls planning. He holds a Masters of Management Studies (Finance) from the Jamnalal Bajaj Institute of Management Studies, Bombay University and a Bachelor of Sciences (Statistics and Operations Research) degree from R. Ruia College, Bombay University. He did not receive any remuneration from the Company in the year ended March 31, 2009

Item No.6 of Notice of AGM

Brief Profile of Mr. Dillip Kumar Das

Mr. Dillip Kumar Das, 61 years of age, is B.Sc., Graduate in Electrical Engineering from University College of Engineering, Burla, Sambalpur. He is a member of IEEE, USA; Institute of Standard Engineers and Fellow of Institute of Engineers India and also life member of Indian Council of Management Executives, Mumbai. He started his carrier as Asst. Engineer in Orissa State Electricity Board from 1969 to 1971 and then in Hirakud Power House, Burla from 1971 to 1973. After quitting the Government Service, he started his proprietorship business for manufacture and repair of Electrical Transformers. He is the promoter & managing Director of your company since 1982. He has 37 years of rich experience over manufacturing and repairing of transformers. He is responsible for overall technical & commercial activities including designing, production planning, marketing, import & export etc. He is also the recipient of various prestigious awards for his excellency i.e. "SAMAJASHREE AWARD"-1992- from Indian Council of Management Executives, Mumbai; "UDYOG RATNA AWARD"-1992- from Institute of Economics Studies, Kathmandu, Nepal; "CERTIFICATE

OF MERIT"-1993- from National Council Small Scale Industries, Madras and "BEST ENTERPRISE AWARD"-2003- from Utkal Chamber of Commerce & Industries Ltd., Orissa.

Item No.7 of Notice of AGM

Brief Profile of Mr. Deepak Kumar Das

Mr. Deepak Kumar Das, aged about 59 years of age, is Post Graduate in Chemistry from Utkal University. He started his carrier as Lecturer in Chemistry in Government College and resigned there from to join in his brother in promoting M/s Alfa Transformers Limited. He has over 27 years of experience in business including Finance and Management functions. Presently, he is Director (Finance) of your Company.

He is the Managing Director of Industrial Designs & Services Limited, a sister Company of Alfa Transformers Limited and nominee Director of Phoenix Surgicare Private Limited, (A 100% Subsidiary Company of Alfa Transformers Limited). He is also a member of Share Transfer and Investor Grievance Committee of your Company.

Item No.8 of Notice of AGM

Brief Profile of Mr. Debasis Das

Mr. Debasis Das, aged about 36 years of age, is a graduate from Utkal University and also hold the professional qualification of M.B.A. from X.I.M.B. He is a young, dynamic, energetic and positive esteemed person. He has been associated with the Company since 1997. He has started his carrier as a Assistant Manager (Marketing) in your Company. Due to his sincere and dedicated efforts, the Company could able to increase its sales in domestic market. He was appointed as Additional Director in the Board in their meeting held on 28.06.2004.

He is also Director of Galaxy Medicare Limited, Oricon Industries Limited & Industrial Designs & Services Limited, the sister Companies of Alfa Transformers Limited and nominee Director of Phoenix Surgicare Private Limited, (A 100% Subsidiary Company of Alfa Transformers Limited). He is also member of Remuneration Committee & Share Transfer and Investor Grievance Committee of your Company.

Item No.9 of Notice of AGM

Brief Profile of Mr.Santosh Kumar Patnaik

Mr. Santosh Kumar Patnaik, aged 61 years, holds a Graduate Degree in Mechanical Engineering from Sambalpur University. He served with Larsen & Tubro Limited, Orient Paper Mills Limited and Fertilizer Corporation of India for 10 years. He resigned thereto start a small-scale unit named as Oriental Insulated Conductors private Limited, which has already been amalgamated with Oricon Industries Limited. He has rich experience in the fields of Engineering, Technology, Project Consultancy, Administration and Management etc. He is a Director of Oricon Industries Limited. He is not a member of any committee of your Company.

**DIRECTORS' REPORT****TO THE MEMBERS :**

The Directors have pleasure in presenting the Twenty-seventh Annual Report and the Audited Accounts of your Company for the financial year ended 31.03.2009, together with the Auditors' Report thereon.

FINANCIAL RESULTS :

Your Company's results for the year in comparison with previous year are given below in a summarized format:

Particulars	2008-09	2007-08	(Rs.in lakhs) Increase/ (Decrease) in %
Net.Sales/Income from operations (a+b+c)	3304.00	3630.43	(9)
(a) Export Sales	1823.00	2989.73	(39)
(b) Domestic Sales	1189.53	348.70	241
(c) Income from operations	291.47	292.00	(0.18)
(d) Other Income	57.04	31.23	83
Total Income (a+b+c+d)	3361.04	3661.66	(8.20)
Less: Total Expenditure	2569.42	3027.96	(15.14)
Profit before interest & Depreciation	791.62	633.70	25
Interest & Finance charges	210.43	180.04	17
Depreciation	56.31	41.33	36
Profit Before Tax	524.88	412.33	27
Income Tax/Fringe Benefit Tax	(149.27)	(112.97)	32
Deferred Tax	(23.55)	(30.48)	(23)
Net Profit after Tax	352.06	268.88	31

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

FINANCIAL PERFORMANCE:

During the year under review, your Company and the industry as-a-whole faced the difficulties of global economic meltdown and recession. The impacts of the same have also been reflected in the growth of your Company. The pending export orders were completed by September-October, 2008 and no sizable export orders were received thereafter. Besides, the orders procured from PGCIL through M/s Maytas Infra Limited could not be executed during the last part of the year. In spite of above; the Company has achieved higher profit during the year. Some of the financial parameters are given hereunder-

Particulars	2008-09	2007-08	Variance +/-(-)
Net Sales			
- Export Sales	1823.00	2989.73	(39%)
- Domestic Sales	1189.53	348.70	241%
Profit Before Tax	524.88	412.33	27%
Profit after Tax	352.06	268.88	31%
EPS	6.57	5.41	

VALUATION :

The Profit before tax & Profit after tax have been increased by 27.00% and 31.00% respectively from last year. The EPS has also increased for the accounting year to Rs.6.57 from Rs.5.41 of 2007-08.

FUTURE PROSPECTS:

The Union Government's emphasis on providing Power to all citizen by 2012 and reform initiatives including Accelerated Power Development & Reforms Programme (APDRP) will benefit all electrical equipment Companies

as there will be a thrust on Quality Project. About 100000 MW of power generation capacity is likely to be added by 2012 and for each 1MV of new capacity that comes up; 7MVA Transformers will be required for generation, distribution & transmission segment.

However, due to global economic meltdown & recession, compelled with deflation of input cost and entry of new transformers Companies & expansion of existing units, the transformer industries as a whole are facing a difficult period. Moreover, the rupee devaluation in comparison to US Dollars results in decrease in profits in Exports & increase in Input cost of materials (like CRGO) although the international prices have comedown.

In the above contexts, your Company is focusing on domestic orders from Utilities & Private customers and also taking all possible steps for procuring orders from overseas. The Company has absorbed the Hitachi Technology and able to manufacture prototype of different ratings & got them type tested at external laboratories. As a result, the Company is now ready for participating in Tender floated by different agencies.

Our Unit-IV at Vadodara is ready and the commercial production of CRGO Distribution Transformers was commenced w.e.f. 24.02.2009. The Company has also registered with Electrical Utility Companies of Gujarat & Rajasthan and is also participated in tenders. The Company had procured a small order & execution has already started during the current year. We are also hopeful to get another order from Utilities in Gujarat shortly. The imported wound core machines have already been installed & trial

production of wound cores was also started in the year. Similarly, the Unit-II factory at Bhubaneswar has already started its commercial production. It has started its manufacturing of Amorphous Core & single phase amorphous Transformers in full swing with the help of Hitachi Metal (India) limited during the year. The factories at Unit-I, Unit-II and Unit-III which are situated in Orissa would fulfill the demand of Eastern India and Unit-IV will cater to Western India. The Company is also planning to complete the construction of Nasik Unit during 2009-10. The Company is also in search for a suitable land in or around Bhubaneswar to overcome the space inadequacy.

The activities of our different Units are given hereunder:

Unit	Location	Manufacturing Activities
Unit-I	Bhubaneswar	Manufacturing of Power & Distribution Transformers.
Unit-II	Bhubaneswar	Manufacturing of CRGO lamination, Amorphous metal core lamination, AMDT/CRGO Single Phase Transformer.
Unit-III	Cuttack	Manufacturing of Transformers Tanks
Unit-IV	Vadodara	Manufacturing of Power & Distribution Transformers, Wound Core Lamination & Transformer.

SUBSIDIARY COMPANY :

During the financial year under review, your Company has acquired M/s Phoenix Surgicare Private Limited (previously M/s Jashoda Trades Private Limited) having its registered office at 403, Nupur Building, Holly Cross Rd., IC Colony, Borivali, West Mumbai-400103 by acquiring 100% equity shares of the Company on 02.06.2008. The main object of the said Company is to carry on the business of buying and selling of real estate, manufacturing, dealing, import, export of plaster of paris, bandage, surgical and other medicines. The Company has not started any activities till the end of this financial year. The authorized share capital of the Company is Rs.1.00 crore and paid-up share capital is Rs.11.50 lakhs. There are four directors in the Board of the Company, among which two directors are nominated by your Company and two are independent directors.

ACHIEVEMENTS:

The Company continues to enjoy "Star Export House" status from the Government of India and ISO 9001-2000 certification for quality. During the year under review, your Company received the 'National Productivity Council of India Micro, Small & Medium Enterprises Awards' from NPC on 16th February, 2009. The status of your Company has also changed from SSI Unit to Medium Scale (EM-II) from DIC, Bhubaneswar on 18.03.2009.

CHANGE IN AUTHORISED SHARE CAPITAL :

To cope with the demand of working capital requirement, capital expenditure and to enhanced productivity, your

Company has proposed to increase the Authorized Share Capital of the Company from Rs.6,00,00,000 (Six Crores) to Rs.12,00,00,000 (Twelve Crores) which has already been approved by the Board of Directors in its meeting held on 30th January, 2009 and now the same is included in the Notice to this 27th Annual General Meeting for approval of shareholders.

DEPOSITS:

The Company has not accepted any deposits so far.

DIRECTORS:

Pursuant to provisions of Section 256 of the Companies Act, 1956, Mr. Sushil Kumar Nayak and Mr. Supratim Basu retire by rotation at the ensuing Annual General meeting and, being eligible, offer themselves for reappointment. Your Directors recommend his reappointment.

AUDITORS' OBSERVATION :

During the financial year 2008-2009 there is no audit qualification in the Company's financial statements. The company will continue to adopt best practices to ensure the regime of unqualified financial Statements.

AUDITORS

M/s A.K. Sabat & Co, Chartered Accountants, Bhubaneswar retires at the ensuing Annual General Meeting and has given their consent for re-appointment. The Company has received a certificate from them to the effect that appointment if made, would be within the, prescribed limits under Section 224(1B) of the Companies Act, 1956.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- In the preparation of annual accounts, the applicable accounting standards had been followed;
- The accounting policies adopted are consistent and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts have been on a going concern basis.

DIVIDEND

Your Directors are pleased to recommend Dividend of 10% (@Re.1/-per share) which is subject to approval of shareholders in the ensuing 27th Annual General Meeting, which is stated in the notice to the Annual General Meeting.

TRANSFER TO GENERAL RESERVE :

During the financial year ending on 31st March, 2009, an amount of Rs.3,00,00,000/- has been transferred to General Reserve in accordance with the provisions of Companies(Transfer of profits to Reserves) Rules, 1975.



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

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 are given in Annexure "A".

PERSONNEL :

None of the employees of the Company has been in receipt of remuneration exceeding the amounts envisaged by section 217(2A) of the Companies, Act, 1956.

DISCLOSURE AS PER LISTING AGREEMENT:

Cash Flow:

The cash flow statement in accordance with accounting standard and cash flow statement (AS-3) issued by ICAI is appended to this Annual Report.

Related Party Transactions:

As a matter of policy, your company carries out transactions with related parties on an arm-length basis. Statement of these transactions is given in the Notes to Account (Note-N) attached in compliance of Account Standard No.AS-18.

Listing:

The Company's shares are listed on the 'The Bombay Stock Exchange Limited'. The Annual listing fees to the 'The Bombay Stock Exchange Limited' for the year 2009-10 have been paid.

Voluntary Delisting from Bhubaneswar and Calcutta Stock Exchanges:

Permission is still awaited from Bhubaneswar and the Calcutta Stock Exchange with respect to the delisting application made by Company.

CORPORATE GOVERNANCE :

The Company has complied with all mandatory provisions of Corporate Governance as prescribed under clause 49 of the Listing Agreement. A report on Corporate Governance is annexed in "Annexure B" to the report, along with the certificate on its compliance from the Auditors forms part of this report.

QUALITY SYSTEM:

The company has been ISO 9001 accredited by NQAQSR, New Delhi from September, 1997. The company successfully established the quality systems. The quality management systems is applicable to "Design, Manufacture and sale of Distribution & Power Transformers ranging from small pole Mounted Distribution Transformers of 10KVA, 12KV Class to Power Transformers of 10MVA, 36KV class".

INDUSTRIAL RELATIONS :

Your Company has had harmonious industrial relations throughout the year under review at all levels of the organization, and would endeavor to maintain this cordial relationship. Regular meetings were held with the recognized Union to discuss and resolve the various employees' related issues.

ACKNOWLEDGEMENTS :

Your Directors wish to express their grateful appreciation for the assistance and co-operation received from State Bank of India and Axis Bank Limited, Bhubaneswar.

Cordial relations prevailed during the year with the employees. Your Directors wish to place on record their deep sense of appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to maintain in the industry in spite of increased competition.

Your Directors also wish to express their gratitude to investors for the continued faith reposed by them in the Company.

FOR AND ON BEHALF OF THE BOARD

Sd/-

PLACE: BHUBANESWAR

DILLIP KUMAR DAS

DATE: 27th May, 2009

CHAIRMAN

ANNEXURE "A" TO THE DIRECTORS' REPORT

Disclosure of particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required under Companies (Disclosure of particulars in the Report of directors) Rules, 1988 and forming part of the Report of the Board of Directors for the period ended 31st March, 2009 :

A. CONSERVATION OF ENERGY :

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

B. TECHNOLOGY ABSORPTION :

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

C. FOREIGN EXCHANGE EARNINGS & OUTGO :

Year	(Rs in Lakhs)	
	2008-2009	2007-08
Expenditure	943.46	1246.82
Earning	1988.35	2274.17

FOR AND ON BEHALF OF THE BOARD

Sd/-

PLACE: BHUBANESWAR

DILLIP KUMAR DAS

DATE: 27th May, 2009

CHAIRMAN

**ANNEXURE "B" TO THE DIRECTORS' REPORT
REPORT ON CORPORATE GOVERNANCE**

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

Corporate Governance is the mechanism to ensure, adopt and practice transparency, accountability, developing an internal system encompassing policies, process and people which serves best interest of the stakeholders by directing and controlling the management activities with good business law, objectivity and integrity. Sound corporate governance is reliant on external market place commitment and legislation including a healthy board culture which safeguard policies and process and enhances the value system of the Organisation. In the present global economic melt-down, in order to retain the confidence of shareholders (both existing and prospective) as-well-as other stakeholders, it is necessary to implement a good Corporate Governance practice in any organization. Hence, your Company believes in implementing the system of good corporate governance, as it is the key driver for sustainable growth and long-term value addition to the investments made by all shareholders. Your Company therefore is committed to the highest standards of corporate governance and follows the basic tenets of integrity, transparency, accountability and responsibility in all its activities and put in place a system of good Corporate Governance.

2) BOARD OF DIRECTORS:

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

2.1) Composition:

The Board has an optimum combination of Executive and non-Executive Directors and is in conformity with Clause 49 of the listing agreement entered into with the stock exchanges, in which the Company's Shares are listed. The composition of the Board as on 31st March, 2009 consists of twelve Directors, among which four are Executive Directors and eight are non-Executive Directors. The Chairman being Executive Director, at-least half of the Board should comprise of Independent Directors as per the Listing Agreement. The Board is classified broadly as follows:

Sl. No	Name of the Director	Status	Category	Shareholding in the Company
1.	Mr. Dillip Kumar Das	Chairman & Managing Director	Promoter and Executive Director	763352
2.	Mr. Deepak Kumar Das	Whole-time Director (Finance)	Promoter and Executive Director	55676
3	Mr. Debasis Das	Whole -time Director	Executive and Non-independent Director. (Relative of Promoters)	121440
4.	Mr.Santosh Kumar Patnaik	Whole-time Director	Executive and Non independent Director.	200 =
5.	Mr.Subhasis Das	Director	Non-executive and Non-independent Director. (Relative of Promoters)	40639
6.	Mr.Supratim Basu	Director	Non-Executive and Non-independent Director	-
7.	Mr. S. K.Nanda	Director	Non-Executive and Independent Director	-
8.	Dr. N.C. Pal	Director	Non-Executive and Independent Director	-
9.	Mr. Sambit Mohanty	Director	Non-Executive and Independent Director	-
10.	Mr.Sushil Kumar Nayak	Director	Non-Executive and Independent Director	-
11.	Mr.Sandeep Daga	Director	Non-Executive and Independent Director	-
12.	Mr.L.V.N Muralidhar	Director	Non-Executive and Independent Director	-



Board's Definition of Independent Director:

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

- apart from receiving director's remuneration, does not have any material pecuniary relationships or transactions with the Company, its promoters, its senior management or its holding Company, its subsidiaries and associated Companies;
- is not related to Promoters, Chairman, Managing Director, whole-time Director, Secretary, Chief Executive Officer or Chief Finance Officer and of any person in the management at one level below the Board;
- has not been an executive of the Company in the immediately preceding three financial years;
- is not a partner or an executive of the Statutory Audit firm or the Internal Audit firm that is associated with the Company and has not been a partner or an executive of any such firm for the last three years. This will also apply to legal firm(s) and consulting firm(s) that have a material association with the entity;
- is not a supplier, service provider or customer of the Company. This should include lessor-lessee type relationships also; and
- is not a substantial shareholder of the Company i.e. owning two percent or more of the block of voting shares.

2.2) Code of Conduct:

The Company has adopted the Alfa Code of Conduct for all Directors, Senior Management and employees of the Company. This Code is derived from three interlinked fundamental principles, viz good corporate governance, good corporate citizenship and exemplary personal conduct. Further, all the Board members and senior management personnel (as per Clause 49 of the Listing agreement) have affirmed compliance with the respective Code of Conduct. A declaration to this effect signed by the Managing Director forms part of this report.

2.3) Board Meetings & Procedures:

The Board meets in executive session at least four times in a year at quarterly intervals and more frequently if deemed necessary, to transact its business. The Company Secretary, in consultation with the Chairman and Managing Director, prepares the agenda for the meeting. Information and data that are important to the Board's understanding of the business in general and relating to matters tabled for discussion. The Agenda and relevant enclosures are distributed to the members of the Board sufficiently in advance of the meeting. Sensitive material, however, is presented for discussion at the meeting only. The meetings of the Board of Directors are generally held at Company's Registered office at Bhubaneswar, and are generally scheduled well in advance.

Numbers & Dates of Board Meetings held during the year:

- (i) During 2008-09, the Board of Directors met 4 times on the following dates:

Sl.No	Date of Board Meeting	Total Members	Attendance by number of members
1.	21 st May,2008	12	10
2.	24 th July,2008	12	11
3.	20 th October,2008	12	9
4.	30 th January,2009	12	8

- (ii) The details of attendance of each Director at the Board Meetings, last Annual General Meeting and number of other Directorships and Chairman/Memberships of Committee are as follows.

Name of the Director	Attendance Particulars			Directorship in other Companies
	No of Board Meetings held	No of Board Meetings attended	Last AGM	
Mr. Dillip Kumar Das	4	4	Present	2
Mr. Deepak Kumar Das	4	4	Present	2
Mr.Santosh Kumar Patnaik	4	3	Present	1
Mr. S. K.Nanda	4	4	Present	2
Dr. N.C.Pal	4	4	Absent	None
Mr. Sambit Mohanty	4	3	Present	1
Mr.Debasis Das	4	3	Present	4
Mr.Sushil Kumar Nayak	4	3	Present	None
Mr. Sandeep Daga	4	2	Absent	7
Mr. L.V.N Muralidhar	4	3	Present	9
Mr.Subhasis Das	4	3	Present	3
Mr. Supratim Basu	4	2	Present	4

No Director holds membership of more than 10 Committees of Board nor is a Chairman of more than 5 Committees of Boards of all the companies in which he is a Director.

3) COMMITTEES OF BOARD:

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

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

3.1) AUDIT COMMITTEE:

The Primary objective of the Audit Committee of the Company is to monitor and provide effective supervisions of the management's financial reporting process with a view to ensuring accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

The Audit Committee met four times during the year 2008 - 09.

The composition and attendance of the committee are given below :

Composition:

Name of Director	Designation	Status
Mr. S.K.Nanda	Chairman	Independent and Non- executive Director
Mr.Sambit Mohanty	Member	Independent and Non- executive Director
Dr.N.C.Pal	Member	Independent and Non- executive Director

Attendance:

Sl. No.	Date of Meeting	Total Members	Attendance by Members
1.	21 st May, 2008	3	3
2.	24 th July, 2008	3	3
3.	20 th October, 2008	3	3
4.	30 th January, 2009	3	2

Audit Committee Charter :

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending to the Board, the appointment, re-appointment and removal of external auditor, fixation of audit fee and also approval for payment of any other services.
- c) Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
 - Any change in the Accounting policies and practices.
 - Major accounting entries based on exercise of judgment by the management.
 - Qualification on draft Audit Report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Compliance with Stock Exchange and legal requirements concerning financial statements.
 - Any related party transactions i.e. transaction of the company of material nature, with promoters or the management, their subsidiaries or relatives etc that may have potential conflict with the interest of the company at large.
- d) Reviewing with management, external and internal auditor, adequacy of internal controls systems.
- e) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.



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- f) Discussion with internal auditors any significant findings and follow up thereon.
 - g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - h) Discussion with external auditors before the audit commences on the nature and scope of audit as well as have post audit discussion to ascertain any area of concern.
 - i) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
 - j) To approve unaudited Quarterly Financial Results and publish the same as required in the Listing Agreement.
- The meetings of the Audit Committee were also attended by Internal Auditor, Accounts Executive of the company and representatives of the Statutory Auditors as invitees for the relevant meetings. The recommendations of audit committee are usually accepted and implemented by the Board.

3.2) REMUNERATION COMMITTEE:

The purpose of the Remuneration committee of the company shall be to discharge the Board's responsibilities relating to remuneration of the Company's Executive Directors. The committee has overall responsibility for approving and evaluating and recommending plan, policies and programs relating to remuneration of Executive Directors of the Company. The Committee consists of majority of Independent Directors and non-Executive Director and has met two times on 21st May, 2008 and 20th October, 2008 during the year ended 31st March 2009 and the composition of the Committee is given below:

Name of Director	Designation	Status
Mr. S.K.Nanda	Chairman	Independent and Non- executive Director
Mr.Sambit Mohanty	Member	Independent and Non- executive Director
Dr. N.C.Pal	Member	Independent and Non- executive Director
Mr. Debasis Das	Member	Executive and Non-independence Director

Terms of Reference:

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

REMUNERATION TO DIRECTORS :

The Company does not remunerate the non-Executive Directors of the Company except for the payment of sitting fees for attending each meeting of the Board or Committee thereof. Remuneration to Executive Directors is recommended by the Remuneration Committee and approved by the Board of Directors subject to the approval of the shareholders in the General Meeting and such authorities, as the case may be. Particulars of their remuneration for the year ended 31st March, 2009 are given below.

Name of Director	Remuneration				
	Sitting Fees Rs	Salary Rs	Perquisites Rs	Commission Rs	Total Rs
Executive Directors:					
Mr. Dillip Kumar Das	Nil	613500	369871	1065000	2048371
Mr. Deepak Kumar Das	Nil	306754	202262	532500	1041516
Mr. Debasis Das	Nil	306754	87630	532500	926884
Mr. Santosh Kumar Patnaik	Nil	230065	113480	401000	744545
Non-Executive Directors					
Mr. S.K.Nanda	5500	Nil	Nil	Nil	5500
Dr. N.C.Pal	5500	Nil	Nil	Nil	5500
Mr. Sambit Mohanty	3000	Nil	Nil	Nil	3000
Mr. Sushil Kumar Nayak	3000	Nil	Nil	Nil	3000

3.3) SHARE TRANSFER AND INVESTOR GRIEVANCE COMMITTEE :

The "Share Transfer and Investor Grievance Committee" comprising Two Executive Directors and one Independent non-Executive Director headed the committee of the company. The functioning and terms of reference of the Committee, inter-alia, approves issue of duplicate certificates and overseas and reviews all matters connected with securities transfers.

The Committee also looks into redressing of investor's grievance pertaining to transfer/transmission of shares, dividends, dematerialization/rematerialization, replacement of lost/stolen/mutilated share certificates, splitting, conversion and other related issues and to strengthen investor relation. In addition to the above, the Committee also addresses to complaints like non-transfer of shares, non-receipt of declared dividends, etc.

During the year, the Committee has met 24 times for consideration of share transfers, issue of duplicate shares, rematerialization of shares and other investors' grievances. The constitution of the Committee and the attendance of each member of the Committee are given below :

Name of the Director	Designation	Status	Committee Meetings Attended
Mr.Sushil Kumar Nayak	Chairman	Independent and Non-Executive Director.	24
Mr. Deepak Kumar Das	Member	Promoter and Executive Director.	24
Mr. Debasis Das	Member	Relative of Promoter and Executive Director.	24

The Company Secretary being the Compliance Officer of the Company is entrusted with responsibility to specifically look into the redressal of Shareholders and Investors complaints and report the same to the Share Transfer and Investor Grievance Committee.

During the year under review, the following two complaints received from investors were replied/ resolved to the satisfaction of the investors as follows :

Sl.No	Nature of Complaint	Total No. of Complaints	Resolved	Not Resolved	Reason for pending
1	Non-receipt of Annual Report	1	1	Nil	-
2	SEBI	1	1	Nil	-

4. GENERAL BODY MEETINGS :

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

Annual General Meeting :

Financial Year	Venue	Date	Day	Time	Special Resolution passed
2005-2006	Hotel " The New Marrion", 6, Janpath, Bhubaneswar-751001.	12.09.2006	Tuesday	11.30 A.M	None
2006-2007	Hotel "The Triumph Residency", Plot No.-5B, Sahid Nagar, Bhubaneswar-751007.	28.07.2007	Saturday	10.30 A.M	None
2007-2008	Hotel " The New Marrion", 6, Janpath, Bhubaneswar-751001.	25.07.2008	Friday	11.30 A.M.	One

Extra-Ordinary General Meeting:

Financial Year	Venue	Date	Day	Time	Special Resolution passed
2006-2007	Hotel " The New Marrion", 6, Janpath, Bhubaneswar-751001.	10.04.2006	Monday	12.30 P.M	Yes
2006-2007	Hotel " The New Marrion", 6, Janpath, Bhubaneswar-751001.	29.04.2006	Saturday	12.30 P.M	Yes

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

5. DISCLOSURES :

5.1) Disclosure regarding materially significant related party transactions:

- There are no materially significant related party transactions made by the Company with its promoters, Directors or the management, their relatives conflicting with company's interests. Other related party transactions have been reported at item No. "N" of Notes on Accounts. The Register of Contracts containing transactions, in which Directors are interested, is placed before the Board regularly.

5.2) Disclosure of non-compliance by the company:

- No penalty or strictures have been imposed on the company by Stock Exchanges or SEBI on any matter related to capital markets during the last three years.



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

- Pursuant to the Articles of Association of the company, all the Directors for the time being except Mr. Dillip Kumar Das (Managing Director), Mr. Deepak Kumar Das (Executive Director), Mr. Debasis Das (Executive Director), Mr. Santosh Kumar Patnaik (Executive Director) of the company, shall retire and, if eligible, offer themselves for re-election at the ensuing Annual General Meeting. Accordingly, Mr. Sushil Kumar Nayak and Mr. Supratim Basu retire at the ensuing Annual General Meeting. The Board has recommended the appointment of above two directors.

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

6) NON-MANDATORY REQUIREMENT :

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement relating to corporate Governance.

- The company has setup a remuneration Committee pursuant to Clause 49 of the listing Agreement.
- During the financial year 2008-2009 there is no audit qualification in the Company's financial statements. The company will continue to adopt best practices to ensure the regime of unqualified financial Statements.

7) MEANS OF COMMUNICATION :

The quarterly, half yearly and annual results of the Company in the prescribed proforma are published in the following Newspapers.

- | | |
|---------------------------------|-----------------------------------|
| a. The Indian Express (English) | b. The Samaya (Regional language) |
| c. The Economic Times (English) | d. The Statesman (English) |

There is no practice of sending half yearly results to the household of shareholders.

8) MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report form part of the Annual Report as annexed in **Annexure "C"** to the Director's Report.

9) GENERAL SHAREHOLDERS INFORMATION :

9.1) Annual General Meeting:

The Twenty-seventh Annual General Meeting ("the AGM") of the company will be held on Thursday, the 30th day of July of 2009 at 4.00 P.M. at Hotel "The New Marrion", 6, Janpath, Bhubaneswar-751001.

9.2) Financial Calendar for the year 2009-10 :

The Company follows April to March as its financial year. The financial Calendar for the year 2009-10 (Provisional) as follows:

Sl.No.	Financial Calendar	Tentative Schedule
a)	Results for the first quarter ending 30 th June'09.	By end of July,2009
b)	Results for the second quarter ending 30 th September'09.	By end of October, 2009.
c)	Results for the third quarter ending 31 st December,2009	By end of January ,2010
d)	Results (Audited) for the financial year ending 31 st March, 2010.	By end of June, 2010.
e)	Annual General Meeting for the year ending 31 st March,2010	By the end of September, 2010.

9.3) Dates of Book Closure:

The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, the 24th July, 2009 to Thursday the 30th July, 2009 (both days inclusive)** for purpose of Annual General Meeting and for declaration of Dividend.

9.4) Dividend Payment Date:

Dividend is to be paid within 30 days of declaration of dividend as per the provisions of the Companies Act, 1956. The dividend for the Financial Year 2008-09 shall be paid within 30 days after approval in the ensuing Annual General Meeting to be held on 30th July 2009.

Details of dividend paid in the last Five Years: **NIL**

9.5) Listing on Stock Exchanges:

The Company's shares are presently listed with The Bombay Stock Exchange Limited (BSE), Phiroze Jee Jeebhoy Towers, Dalal Street, Mumbai-400001, which has nationwide trading terminals. The Annual Listing fees for the year 2009-10 have been paid to The Bombay Stock Exchange Limited (BSE).

Confirmation of de-listing of the Company's shares from The Bhubaneswar Stock Exchange Limited, P-2, Jayadev Vihar, Chandrasekharpur, Bhubaneswar-751023 and The Calcutta Stock Exchange Association Limited, 7, Lyons Range, Kolkata-700001 is still awaited. However, Company is not paying listing fees to these two Stock Exchanges.

9.6) Company Stock code:

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

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

9.7) Stock Market Data:

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

Month	High(Rs.)	Low(Rs.)	Volume(Nos)
April, 2008	78.15	56.05	204842
May, 2008	73.00	56.00	145570
June, 2008	63.60	43.30	85282
July, 2008	56.00	37.00	239244
August, 2008	53.90	46.00	88372
September, 2008	50.15	31.30	120188
October, 2008	36.40	22.10	70432
November, 2008	33.50	21.30	60554
December, 2008	37.80	20.00	81735
January, 2009	35.00	26.10	28286
February, 2009	29.00	24.00	36977
March, 2009	28.00	20.65	149897

9.8) CIN Number:

The Corporate identity Number ("CIN") of the company, as allotted by Ministry of Company Affairs is U31102OR1982PLC001151.

9.9) Registrar and Share Transfer Agents:

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

M/s MCS Limited.

77/2A, Hazra Road, 5th Floor, Calcutta-700029.

Phone: (033) 2476 -7350, 2454-1892/93

Fax: (033) 2454-1961/2474-7674.

9.10) Share transfer systems:

Transfer of Securities in physical form are registered and duly transferred share certificates are dispatched within 30 days of receipt, provided the documents are in order. With regard to Shares in demat mode, the procedure is adopted as per the provisions of Depositories Act, 1996. The Shareholders are advised to contact the Registrar and Share Transfer Agents at their address for effecting transfer of shares both in physical and electronic form.

9.11) Shares held in physical and dematerialized form:

As on 31st March 2009, 88.94 % percent of shares of the company were held in dematerialized form and the rest in physical form. Out of this dematerialized, promoter and their associates own 33.42% and non-promoters held 66.58 % of these Shares. The details of shares held in Physical and dematerialized form is given below:

Details of Shares	Position as on 31.03.2009	% of holding
NSDL ACCOUNT	4002976	74.68
CDSL ACCOUNT	764252	14.26
TOTAL DEMAT A/C	4767228	88.94
PHYSICAL HOLDING	592772	11.06
TOTAL SHARES	5360000	100.00

9.12) Distribution of Shareholdings as on 31st March 2009:

As of 31st March, 2009 the distribution of company share holding were as follows:

No of Equity Shares held	No of shareholders	% of shareholders	No. of shares	% of shareholding
1-500	3157	83.1008	525114	9.7969
501-1000	327	8.6075	270856	5.0533
1001-2000	160	4.2116	248728	4.6404
2001-3000	39	1.0266	100810	1.8808
3001-4000	17	0.4475	61894	1.1547
4001-5000	27	0.7107	123673	2.3073
5001-10000	29	0.7634	204776	3.8204
10001-50000	30	0.7897	771840	14.4000
50001-100000	6	0.1579	485802	9.0635
100001 & ABOVE	7	0.1843	2566507	47.8826
TOTAL	3799	100	5360000	100



ALFA TRANSFORMERS LIMITED

9.13) Shareholding Pattern as on 31st March, 2009:

Category	No of Shares	% of Shares Capital
Indian Promoters	2059920	38.43
Private Corporate Bodies	593329	11.07
Indian Public	1772907	33.08
NRI/OCBs	933844	17.42
Total	5360000	100

9.14) GDRs/ADRs/Warrants:

The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments.

9.15) Details of Shares held more than 1% as on 31st March, 2009 :

Name of Shareholders	No of Shares held	% of Shareholding
Strategic Ventures Fund (Mauritius) Ltd.	800000	14.9254
Dillip Kumar Das	763352	14.2416
Galaxy Medicare limited	374835	6.9931
Industrial Designs & Services (P) Limited	338980	6.3243
Oriental Insulated Conductors Private Limited	167900	3.1325
Debasis Das	121440	2.2657
Vegunta Pradeep	99054	1.8480
Swarnaratna Securities Private Limited	97145	1.8124
T J Stock Broking Services (P) Ltd.	94569	1.7643
Fortune Equity Brokers(India)Ltd.	81379	1.5183
Religare Securities Limited	57979	1.0817
Deepak Kumar Das	55676	1.0387

9.16) Factory Locations of the Company:

Unit-I: 3337, Mancheswar Industrial Estate, Bhubaneswar-751010.

Unit-II: Plot No.-2, Zone-D, Phase-A, Mancheswar Industrial Estate, Bhubaneswar-751010.

Unit-III: C-12, Industrial Estate, Madhupatna, Cuttack-753010.

Unit-IV: Plot No.1046, 1047 & 1048, GIDC Estate, Waghodia, Vadodara, Gujrat-391760.

9.17) Address for Correspondence :

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

Mr. M.Chandrasekhar

Company Secretary,
Alfa Transformers Limited,
Plot No. 3337, Mancheswar Industrial Estate,
Bhubaneswar-751010.
Phone No.0674-2580484/2581036
Fax No.0674-2580495

DECLARATION

I, Dillip Kumar Das, Managing Director of Alfa Transformers Limited, hereby declare that all the members of the board of Directors and the Senior Management personnel have affirmed compliance with the code of conduct, for the year ended 31st March, 2009.

FOR AND ON BEHALF OF THE BOARD

PLACE: BHUBANESWAR
DATE: 27th MAY, 2009

Sd/-
DILLIP KUMAR DAS
CHAIRMAN

CEO AND CFO CERTIFICATION

We, Dillip Kumar Das, Managing Director and Deepak Kumar Das, Director Finance, responsible for the finance function certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2009 and to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2009 are fraudulent, illegal or violative of the company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the designs or operation of such internal controls, if any of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
 - i) There has not been any significant change in internal control over financial reporting during the year under reference;
 - ii) There has not been any significant change in accounting policies during the year requiring disclosures in the notes to the financial statements; and
 - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

PLACE : BHUBANESWAR
DATE : 27TH MAY, 2009

Sd/-
MANAGING DIRECTOR

Sd/-
DIRECTOR (FINANCE)



ANNEXURE "C" TO DIRECTORS' REPORT MANAGEMENT DISCUSSION AND ANALYSIS

Forward-Looking Statements

Statements in this "Management's Discussion and Analysis" describing the Company's objective, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand supply conditions, changes in the government regulations, tax regimes, economic developments within India and the countries within which the company conducts business and other factors such as litigation and labour relations.

Forward-looking statements are based on certain assumptions and expectations of future events. The company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

Industry Structure and Developments

Power is a significant input to the economy and plays a critical role for a sustained economy growth. The transformer is major and indispensable machinery/equipment for generation, transmission and distribution of electricity in the country. We have a strong base over 500 transformer industries in India with an overall manufacturing capacity of 800,000 MVA per annum. The contribution towards domestic utilities is over 500,000 MVA, the rest are being exported to more than 50 countries.

Today our industries are fully geared-up with proven technology and with enough capacity to undertake manufacturing wide range of power and distribution transformers and other special transformers in the field of welding, instrumentation, traction, mining, furnaces etc. About 95% of the transformers installed in the Indian Power Network are of indigenous origin. Energy efficient transformers with low loss and low-noise level are also made to meet international requirement. Besides, the Transformer industry in India is well versed and matured enough into reliable suppliers of all types of transformers and can meet the country's demand for transformers for all voltage levels including 800 KV.

The growth of Transformer Industry mainly depends on progress of power generation Industry.

The power sector is growing at a reasonable pace and the reforms in the sector have started yielding results. In the international market transformers manufacturers are reportedly closing shop and relying more and more on

imports from countries like India, which have the technological base, technical capability and economic advantage.

The power sector appears poised for a strong growth in the near future in the domestic market. The restructuring of State Electricity Boards, passage of Electricity Bill and a thrust on development of the Transmission and Distribution segment have created a strong platform for development of Indian Transformer Industry. Also the transformer Industry is uniquely positioned to leverage in global market.

Greater governmental focus on the power sector in the coming year should see a positive shift in growth of the company. It has worked hard in improving its strengths in the critical competitive environment. In the process, it has consolidated its presence in the market in India as well as overseas.

Opportunities and Threats

With the progressive and pragmatic policies of the Government of India, the transformer industries are on fast track for the past couple of years, having impressive growth rate of 15.73% during 2005-06 and a cumulative growth rate of 9% over the past 5 years. Of course, the continued high growth of power sector is vital for GDP, which is expected to touch between 8 to 9%. The transformer sector has almost double its installed capacity from 181,785 MVA in FY07 to 324,922 MVA in FY-10E. It has achieved 87% of targets laid out in the 11th 5-year plan and healthy replacement demand-translating into a volume growth of 4% in FY-10E.

The demand for smaller size of Distribution Transformers like 16KVA to 100KVA has grown in a very big way particularly due to thrust given by Central & State Governments for the rural electrification under AREP schemes. However transformers ranging from 250KVA to 630KVA have not registered up ward trend but maintained the normal growth. The transformers at UHV level shall assume priority due to upcoming National grid and interlinking of trunk lines for inter-transfer of bulk power from surplus to deficit states.

Company faces normal market competitions in all its business from Indian as well as international Companies. The rising input costs of major raw material like i.e CRGO, Copper and steel is the main threats for the business. Any adverse change in the government policy, abnormal fluctuation in the exchange rate are other threats for the company and which will have a impact on company's profitability. Past data shows that the fortunes of the transformer sector are closely linked with input costs i.e. copper, CRGO, steel and transformer oil. The input costs directly impact both revenues as well as operating performance. As the major portion of Company's sales

are Export sales, any change in policies of the Government of the Countries wherein these Exports are made and the present global economic condition may affect the business of the Company.

Outlook

Transformer Industry & Power Industry of the country are closely associated and in a way are interdependent as electricity can't reach the end users without inserting transformers en-route for transformation of various voltage levels. The Government programmes for providing electricity to all, and electrifying remaining 1,25,000 villages by 2009 is good symbol for electrical manufacturing industry, suppliers of Transformers & its Accessories etc. The future requirements for transformers are enormous and the Indian manufacturers have gear themselves both mentally and financially to the daunting job for the prosperity of the country.

Risks and Concerns

Risk is intrinsic to any business and is an essential ingredient to growth. Efficient management of risk is one of the important distinguisher of successful and not so successful of any organization. In case of the Industry that your company is in, risk management assumes even more significance. Hence optimal risk management strategies are indispensable part of your company's business.

Your company is exposed to foreign exchange risk due to imports of raw material mainly and export of finished goods. Hence the company's revenue and its profitability depend on Rupees Dollar convertibility factors. Government rules for duty (import duty on raw material & duty on export of finished products) also have greater impact on the business of the company.

Apart from those other economic factors like subdued demand, political uncertainty, social upheavals and acts of God may affect the business of the company as also the industry at large.

Internal Control Systems and Their Adequacy

The philosophy we have with regard to internal control systems and their adequacy has been formulation of effective systems and their strict implementation to ensure that assets and interest of the company are safeguarded; checks and balances are in place to determine the accuracy and reliability of accounting data.

The Internal Audit, an independent appraisal function to examine and evaluate the adequacy and effectiveness of the internal controls system, appraises periodically about activities and audit findings to the audit committee, statutory auditors and the top management.

The company has a well-established and comprehensive internal control structure to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition that transactions are authorized, recorded and reported correctly and that operations are conducted in an efficient and cost effective manner. The internal audit is carried out by an independent firm of Chartered Accountant to ensure adequacy of the internal

control systems. The internal audit report is reviewed periodically by the Audit Committee to ensure that all policies and procedures are adhered to and all statutory obligations complied with.

The internal control system is supplemented by extensive internal audits, regular reviews by management and well-documented policies and guidelines to ensure reliability of financial and all other records to prepare financial statements and other data.

The Audit Committee of the board consisting of three members and all the members are Independent and non-Executives directors. It investigates any matter relating to the internal control systems and reviews the Internal Audit. The Committee also reviews the quarterly and half-yearly financial report before they are submitted to the Board of Directors.

Financial Condition

(Rs in Lakh)

	2008-2009	2007-2008
Share Capital		
Authorized:	600.00	600.00
Issued, Subscribed & Paid-up	536.00	536.00
Reserve & Surplus:	1879.86	1603.00
Secured Loans	1491.35	1110.00
Un-Secured Loans	3.23	4.60
Fixed Assets	1727.02	1396.32
Investments:		
Long Term Investments	151.92	140.17
Current Assets	2417.28	2253.54
Current Liabilities & provisions	299.71	474.00

Results of operation:

The performance of the company for the Financial Year 2008-09 has been reviewed. The company could able to achieved total sales of Rs.3304.00 lakhs, which includes Export Sales of Rs.1823.00 lakhs and Domestic Sales of Rs.1189.53 lakhs and income from operation Rs. 291.47 lakhs. The profit before tax and profit after tax has been increased to 27% and 31% respectively.

Human Resources

Your Company's industrial relations continued to be harmonious during the year under review. This year company could able to achieve an excellent performance due to continuous efforts taken by the employees at every stage of operation and maintenance by introduction of *modern techniques and integration of efforts*. Every area of work is taken care of with standard operating procedures, checklists, inspection schedules, and other related studies. As on 31st March, 2009 the employee strength of your company currently is more than hundred.

Conclusion

The performance of the company is quite satisfactory during this financial year in the challenging business environments. This has been achieved through continuous focused on cost efficiencies, effective financial management, restructuring of business strategy. The company is optimistic of delivering superior earnings and enhanced returns in the coming year.



AUDITOR'S REPORT ON CORPORATE GOVERNANCE

To

The Members,

Alfa Transformers Limited.

We have examined the compliance of conditions of Corporate Governance by Alfa Transformers Limited for the year ended on 31st March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations 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 our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For A.K. SABAT & CO.,
Chartered Accountants

Sd/-
(S. CHAND)
PARTNER

Membership No.050063

Bhubaneswar:
Date: 27th May, 2009

AUDITOR'S REPORT

To
The Members of Alfa Transformers Limited

We have audited the attached Balance Sheet of ALFA TRANSFORMERS LIMITED as at 31st March, 2009, the Profit and Loss Account and also Cash Flow Statement for the year ended on that date, 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.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In accordance with provisions of Section 227 of the Companies Act, 1956, we report that:

1. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order') issued by the Central Government of India in terms of sub-Section (4A) of Section 227 of the 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in Paragraphs 4 & 5 of the said Order.
2. Further to our comments in the Annexure referred to above, we report that:
 - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of or audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report, are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report have been drawn in accordance with Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (e) on the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (f) Accounting Policy No.1 L of Schedule 14 and Note No.2 M Schedule 14 relating to impairment of assets are based on Management's estimate / evaluation, which we have relied upon;
 - (g) in our opinion, and to the best of our information and according to the explanations given to us, the said accounts read together with Significant Accounting Policies and other notes appearing in Schedule 14 forming part of the 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, 2009;
 - (ii) in the case of the Profit and Loss Account, 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 for the year ended on that date.

For A.K. SABAT & CO.,
Chartered Accountants

Sd/-
(S. CHAND)
PARTNER

Membership No.050063

Bhubaneswar:
Date: 27th May, 2009



**ANNEXURE TO THE AUDITOR'S REPORT
REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE**

- (i) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The Company has a policy of carrying out full physical verification of all assets once in three years. Fixed Assets have been physically verified by the Management during the year in line with the above policy & no material discrepancies between the book records and the physical balance have been noticed in respect of the items physically verified.
 - (c) Substantial parts of fixed assets have not been disposed off during the year.
- (ii) In respect of its inventories:
- (a) The stock of inventories have been physically verified by the Management at reasonable intervals.
 - (b) In our opinion, the procedures followed by the Management for physical verification of stocks are reasonable and adequate in relation to the size of the Company and nature of its business.
 - (c) The Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of stocks as compared to the book records were not material and have been properly dealt in the books of account.
- (iii) The Company has neither granted nor taken any loan, secured or unsecured to / from Companies, Firm or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions regarding rate of interest, payment of principal and interest and overdue amount as per the sub-clauses (b) to (g) of this clause are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods and services business. During the course of our audit, we have not observed any major weaknesses in internal controls.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the contracts / arrangement that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 are reasonable having regard to prevailing market prices at the relevant time.
- (vi) The Company has not accepted deposits from the public and as such, the provisions of 58A, 58 AA or any other relevant provisions of the Companies Act, 1956 and rules framed there under have no application to the Company.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- (viii) We are informed that maintenance of cost records has not been prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956 in respect of the products manufactured by the Company.
- (ix) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Fringe Benefit Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess, Service Tax and other statutory dues with the appropriate authorities as per applicability of relevant laws.

(b) Details of disputed statutory dues of Sales tax / Income Tax / Custom Duty / Wealth Tax / Excise Duty / Cess / ESI are as follows:

Name of the Statute	Period	Dispute (in brief)	Disputed Amount Rs.	Forum where dispute is pending
Central Excise and Salt Act, 1944	2002-03	Disallowance of CENVAT on inputs purchased from 100% EOU.	1,06,711	Commissioner (Appeals)
Income Tax Act, 1961	1994-95	Deduction U/S 80 I disallowed in assessment	2,77,227	High Court of Orissa
Income Tax Act, 1961	1995-96	Deduction U/S 80 I disallowed in assessment	2,71,209	High Court of Orissa
Income Tax Act, 1961	2005-06	CENVAT credit on Closing Stock & Deposits/Advances written off	11,85,069	1 st Appeal filed before CIT (A) II Bhubaneswar. (Not Heard)
Income Tax Act, 1961	2006-07	Disallowed of MAT Credit and charged Interest thereon	8,55,116	Assistant Commissioner of Income Tax, Circle-2, Bhubaneswar
Employees' State Insurance Act, 1948	1999-2000	Contribution towards omitted wages	21,320	District Judge Court-cum-ESI Court, Khurda, BBSR
Central Sales Tax, 1956	1989-90	Disallowance of CST exemption	2,51,039	High Court of Orissa
Central Sales Tax, 1956	1990-91	-do-	1,08,000	Addl Commissioner of Sales Tax
Central Sales Tax Act, 1956	1991-92	-do-	15,50,740	Sales Tax Tribunal
Central Sales Tax Act, 1956	2000-01	Surcharge on Central Sales Tax	71,399	Asst. Commissioner of Sales Tax.
Central Sales Tax Act, 1956	2002-03	For D Form Transaction	31,837	Asst. Commissioner of Sales Tax.
The Orissa Sales Tax Act, 1947	1996-97	Disallowance of Price Variation Bill	73,008	Sales Tax Tribunal
The Orissa Sales Tax Act, 1947	2001-02	Wanting Form IV & XXXIV	1,29,736	1st Appeal at Asst. Commissioner of Sales Tax
The Orissa Sales Tax Act, 1947	2002-03	Wanting Form IV & XXXIV	2,66,710	1st Appeal at Asst. Commissioner of Sales Tax
The Orissa Sales Tax Act, 1947	2003-04	Wanting Form IV & XXXIV	6,62,384	1st Appeal at Asst. Commissioner of Sales Tax
Central Sales Tax, 1956	2004-05	C Form Wanting from BSEB	80,637	Deputy Commissioner of Sales Tax (Appeal)
The Orissa Entry Tax Act 1999	2001-02	Demand on Purchase of Raw Materials.	54,539	Asst. Commissioner of Sales Tax
The Orissa Entry Tax Act 1999	2002-03	Demand on Purchase of Raw Materials.	1,16,787	1st Appeal at Asst. commissioner of Sales Tax
The Orissa Entry Tax Act, 1999	2004-05	Demand on Purchase of Raw Materials	2,77,791	Assistant Commissioner of Sales Tax



ALFA TRANSFORMERS LIMITED

- (x) The Company has no accumulated losses at the end of the financial year ending 31st March, 2009 and the Company has not incurred cash losses during the financial year covered by our audit or in the immediately preceding financial year.
- (xi) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions or banks.
- (xii) In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, clause 4 (xiii) of the Order is not applicable to the Company.
- (xiv) The Company has not dealt or traded in shares, securities, debentures and other investments during the year except investing surplus funds in units of certain mutual fund on long term basis. However, it has maintained proper records in respect of shares/units of mutual funds held as long-term investments which are held in the name of the Company.
- (xv) The Company has not given any guarantee for loans taken by others from Banks or Financial Institutions.
- (xvi) In our opinion and according to the explanations given to us, the term loan taken by the Company has been applied for the purpose for which it was raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the funds raised on short-term basis have not been used for long-term investment.
- (xviii) During the year the Company has not made any preferential allotment of shares.
- (xix) No debentures have been issued by the Company and hence commenting on creation of security or charges does not arise.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) During the course of our examination of books of account carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company nor have we been informed of such case by the Management.

For A.K. SABAT & CO.,
Chartered Accountants

Sd/-
(S. CHAND)
PARTNER

Membership No.050063

Bhubaneswar:
Date: 27th May, 2009

BALANCE SHEET AS AT 31ST MARCH, 2009

Figures in Rupees

SOURCES OF FUNDS :	Schedule Number	As at 31st March 2009		As at 31st March 2008	
1. SHAREHOLDERS' FUNDS					
Share Capital	1	53600000		53600000	
Reserves & Surplus	2	187985820		160267451	
			241585820		213867451
2. LOAN FUNDS					
Secured Loans	3	149135362		111021946	
Unsecured Loans	4	323081		460626	
			149458443		111482572
			8608036		6253196
3. Deferred Tax Liability(Net)					
TOTAL			399652299		331603220
APPLICATION OF FUNDS :					
4. FIXED ASSETS					
Gross Block	5	217859050		170057190	
Less: Depreciation		45734871		39261647	
Net Block		172124179		130795543	
Capital Work-in-progress		578497		8836579	
			172702676		139632122
5. INVESTMENTS :	6		15192000		14017000
6. CURRENT ASSETS, LOANS & ADVANCES :	7				
Inventories		110310716		86308555	
Sundry Debtors		69607528		68829586	
Cash & Bank Balances		26023478		25134523	
Loans and Advances		35786817		45081512	
		241728539		225354176	
CURRENT LIABILITIES & PROVISIONS	8				
Current Liabilities		22701840		47178846	
Provisions		7269076		221233	
		29970916		47400079	
Net Current Assets			211757623		177954098
TOTAL			399652299		331603220

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS
ADDITIONAL INFORMATION

14
15

THE SCHEDULES REFERRED ABOVE FORM PART OF ACCOUNTS
AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO
CHARTERED ACCOUNTANTS

(S. CHAND)
PARTNER

Membership No. 050063

BHUBANESWAR
DATED : 27th MAY 2009

DILLIP KUMAR DAS

DEEPAK KUMAR DAS

M.CHANDRASEKHAR

MANAGING DIRECTOR

DIRECTOR

COMPANY SECRETARY



ALFA TRANSFORMERS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Figures in Rupees

I INCOME	Schedule Number	For the Year ended 31 - 03 - 2009		For the Year ended 31 - 03 - 2008	
Sales & Services	9	315055102		339465805	
Less: Excise Duty		13801972		5623034	
			301253130		333842771
Other Operating Income	9		29147473		29200600
Other Income	9		5704090		3122910
TOTAL I			336104693		366166281
II. EXPENDITURE					
(Accretion) / Depletion of Stocks	10		(3935081)		13614180
Operating and Other Expenses	11		262865456		289372798
Interest and Finance Charges	12		21043228		18004411
Depreciation	5	6847911		5539485	
Less: Transferred from Revaluation Reserve		1217089		1406248	
			5630822		4133237
TOTAL II			285604425		325124625
III. PROFIT FOR THE YEAR (I-II)			50500268		41041656
Add: Prior Year Adjustments(Net)	13		1987830		191242
IV. PROFIT BEFORE TAXATION			52488098		41232898
Provision for Taxation					
— Current Tax			(13943855)		(10974000)
— Deferred Tax (Net)			(2354840)		(3047853)
— Fringe Benefit Tax			(302539)		(247252)
— Income Tax of Earlier Years			(680473)		(76163)
V. PROFIT AFTER TAXATION			35206390		26887631
Add: Balance of Profit brought forward			20266843		13379213
Balance available for appropriation			55473233		40266643
Transfer to General Reserve			30000000		20000000
Proposed Dividend			5360000		-
Tax on Proposed Dividend			910932		-
VI. Balance Profit carried to Balance Sheet			19202301		20266843
VII. Earnings Per Share (Rs) Basic (Face value of Rs. 10/- each)			6.57		5.41

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

14

ADDITIONAL INFORMATION

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THE SCHEDULES REFERRED ABOVE FORM PART OF ACCOUNTS AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO

CHARTERED ACCOUNTANTS

(S. CHAND)
PARTNER

Membership No. 050063

BHUBANESWAR

DATED : 27th MAY 2009

DILLIP KUMAR DAS

DEEPAK KUMAR DAS

M.CHANDRASEKHAR

MANAGING DIRECTOR

DIRECTOR

COMPANY SECRETARY

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 1

SHARE CAPITAL	As at 31-03-2009 Rupees	As at 31-03-2008 Rupees
Authorised : 60,00,000 (Previous Year - 60,00,000) Equity Shares of Rs.10/- each.	60000000	60000000
Issued , Subscribed & Paid-up : 53,60,000 (Previous year 53,60,000) Equity Shares of Rs.10/- each fully paid up Out of the above shares : (i) 9,04,530 shares are issued as fully paid up Bonus Shares by capitalisation of general reserve. (ii) 2,60,000 Shares of Rs. 10/- each are allotted as fully paid up pursuant to a contract for consideration other than cash.	53600000	53600000
	53600000	53600000

SCHEDULE 2

RESERVES AND SURPLUS				
Share Premium Account - Opening Balance	98370000		56160000	
Add: Premium on Nil shares (Previous Year 6,30,000 shares at Rs. 67/- per share) issued.	-	98370000	42210000	98370000
Capital Reserve : State Investment Subsidy		991700		991700
General Reserve: Opening Balance	25000000		5000000	
Add: Transferred from Profit and Loss Account	30000000	55000000	20000000	25000000
Revaluation Reserve: On Revaluation of Fixed Assets	15638908		17045156	
Less: Transferred to Profit & Loss Account	1217089	14421819	1406248	15638908
Profit & Loss Account Balance		19202301		20266843
	Total	187985820		160267451



SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 3

SECURED LOANS :	As at 31-03-2009 Rupees	As at 31-03-2008 Rupees
Term Loan from State Bank of India	41476660	43070417
Term Loan from Axis Bank Ltd	10074795	-
Cash Credit from State Bank of India	84798141	5102955
E.P.C from State Bank of India	12785766	62848574
TOTAL	149135362	111021946

NOTES :

- The Cash Credit, Export Packing Credit(E.P.C) & Term Loan availed from State Bank of India are secured by :
 - Hypothecation of Raw Materials, Stock-in-Progress, Finished Goods, Consumables, Book Debts and other Liquid Assets of Unit-1 and Unit-2 situated at Bhubaneswar.
 - First Charge over Land and Building, Plant & Machinery of factory at Unit-1 and Unit-2 situated at Bhubaneswar.
 - Equitable mortgage of Company's Properties at Plot No. 445, Kalinga Vihar, Bhubaneswar and Flat No. A/7, Lord Gunjan Palace, Bhubaneswar.
- The Cash Credit & Term Loan facilities from Axis Bank Limited are secured by :
 - Hypothecation of Raw Materials, Stock-in-Progress, Finished Goods, Consumables, Book Debts and other Liquid Assets at Unit-4, Vadodara.
 - First Charge over Land and Building, Plant & Machinery of the Unit-4, Vadodara.

SCHEDULE 4

UNSECURED LOAN	As at 31-03-2009 Rupees	As at 31-03-2008 Rupees
ICICI BANK Vehicle loan	106183	460626
Kotak Mahindra Bank Vehicle Loan	216898	-
TOTAL	323081	460626

SCHEDULES FORMING PART OF THE BALANCE SHEET

**SCHEDULE - 5
FIXED ASSETS**

(Figures in Rupees)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 31-03-2008	Additions during the year	Sale/ adjustment during the year	Cost as at 31-03-2009	Up to 31-03-2008	FOR THE YEAR	On Sale/ adjustment during the year	Up to 31-03-2009	As at 31-03-2009	As at 31-03-2008
Land	27758783	65150	-	27823933	-	-	-	-	27823933	27758783
Office Building	5678584	1218684	-	6897268	373731	184416	-	558147	6339121	5304853
Factory Shed	28567306	16787819	-	45355125	10856159	1249889	-	12106048	33249077	17711147
Main Plant & Machinery	83589704	18431746	1071558	100949892	15181222	4023088	35399	19168911	81780981	68408481
Testing Equipments	5573858	1533917	103529	7004246	2803828	276765	821	3079772	3924474	2770030
Material Handling Equipments	6441065	6900194	-	13341259	4607617	141357	-	4748974	8592285	1833448
Electrical Installations	3837136	3797874	-	7635010	1994725	178837	-	2173562	5461448	1842411
Energy saving Devices	200000	-	-	200000	165074	12462	-	177536	22464	34926
Auxiliary Equipments	1180236	-	-	1180236	919151	72395	-	991546	188690	261085
Office Equipments	1185264	102948	15250	1272962	744407	71239	2129	813517	459445	440857
Computers	1601569	146261	-	1747830	563793	207834	-	771627	976203	1037776
Furniture & Fixture	586322	215043	-	801365	455914	84471	-	540385	260980	130408
Vehicle	3857363	481753	782799	3556317	596026	340278	336338	599966	2956351	3261337
Motor-Cycle	-	93607	-	93607	-	4880	-	4880	88727	-
TOTAL- CURRENT YEAR	170057190	49774996	1973136	217859050	39261647	6847911	374687	45734871	172124179	130795542
Previous year	130422266	39803787	168863	170057190	33722162	5539485	-	39261647	130795542	-
Capital Work-in-Progress	8836579	36447650	44705732	578497					578497	8836579

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SCHEDULE FORMING PART OF THE BALANCE SHEET

SCHEDULE 6

INVESTMENTS (At cost)	As at 31-03-2009 Rupees		As at 31-03-2008 Rupees	
	Long Term Investments :(Unquoted)			
a) 15,000 Equity Shares of Rs.10/- each in Taloja Conductors Pvt. Ltd. Less: Written off / Provision for permanent diminution of value	150000		150000	
	135000	15000	135000	15000
b) Shares in Subsidiary Companies-Unquoted 1,15,000 Equity Shares of Rs.10/- each (includes 10,000 shares at premium of Rs.2.50/- each in Phoenix Surgicare Pvt. Limited		1175000		-
c) National Savings Certificates (*)		2000		2000
d) Investment in Mutual Funds :(Dividend Equity)				
i) Birla Mid Cap Fund (27824.151 Units of Rs. 35.940 each)	1000000		1000000	
(27886.224 Units of Rs. 35.860 each)	1000000		1000000	
(98015.192 Units of Rs. 40.810 each)	4000000		4000000	
ii) Birla Sunlife Equity Fund (11217.050 Units of Rs. 89.150 each)	1000000		1000000	
iii) DSP Merrill Lynch India Tiger Fund (23119.096 Units of Rs. 30.278 each)	700000		700000	
iv) Sundaram BNP Paribas CAPEX Opportunities Fund (24743.390 Units of Rs. 24.249 each)	600000		600000	
v) Tata Infrastructure Fund (22063.992 Units of Rs. 31.726 each)	700000		700000	
(31892.331 Units of Rs. 31.356 each)	1000000		1000000	
vi) ICICI Prudential Infrastructure Fund (87032.202 Units of Rs. 22.980 each)	2000000		2000000	
vii) Reliance Diversified Power Sector Fund (18871.806 Units of Rs. 52.989 each)	1000000		1000000	
viii) JM Basic Fund (33052.497 Units of Rs. 30.255 each)	1000000	14000000	1000000	14000000
	Total	15192000		14017000
Market Value of Unquoted Investment in Mutual Funds at NAV.		4839731		9310468

(*) Lodged with Sales Tax authorities as securities.

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 7

CURRENT ASSETS , LOANS & ADVANCES :	As at 31-03-2009 Rupees	As at 31-03-2008 Rupees
A. CURRENT ASSETS		
INVENTORIES : #		
Indigenous Raw materials & Components	16045686	12242346
Imported Raw materials & Components	58308484	44197123
Semi-finished goods	14065730	17103742
Finished goods	16822782	9849689
Raw-Materials in Transit	5000792	2848413
Discarded Assets	67242	67242
	110310716	86308555
(#) As certified by the Management and Valued as per Accounting Policy No. F		
SUNDRY DEBTORS (Unsecured , considered good unless otherwise stated)		
Debts outstanding for a period exceeding six months		"
Unsecured - Considered Good	6039306	10852734
- Considered Doubtful	1849286	-
	7888592	10852734
Less: Provision for Doubtful Debts	1849286	-
	6039306	10852734
Other Debts	63568222	57976852
	69607528	68829586
CASH AND BANK BALANCES :		
Cash in hand	358666	504020
Balance with Scheduled Banks :		
In Current Account	1582923	831830
In Fixed Deposit Accounts (*)	24081889	23798674
	26023478	25134523
	205941722	180272664

(*) Lodged with State Bank of India as margin money deposit against Guarantees and Letters of Credit.



ALFA TRANSFORMERS LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET CONTD....SCHEDULE-7

B. LOANS AND ADVANCES :	As at 31-03-2009 Rupees	As at 31-03-2008 Rupees
(Unsecured , considered good unless otherwise stated)		
Interest Accrued on Term Deposits	1805979	1097486
(#) Advances recoverable in Cash or kind or value to be received.	6097326	3253154
Prepaid expenses	522335	383823
Advance against Fixed Assets	1297436	2259696
Advance against Equity (share application)	-	800000
Export Benefit Receivable	2856714	7134772
Advance Income tax/ refundable (Net of Provisions)	814172	182403
Earnest Money and Security Deposits	1678600	882223
Deposits with Excise & Customs Authority	41015	40031
Dividend Receivable	-	261097
Insurance Claim Receivable	-	898499
Claims Recoverable from Excise Authority	18074807	25744950
Deposit with Sales Tax Authority	2598433	2143378
	35786817	45081512
	241728539	225354177

Includes due from :

(i) Companies in which directors are interested	777043	75288
Maximum amount outstanding at any time during the year	981713	836525
(ii) Directors	Nil	Nil
Maximum amount outstanding at any time during the year (for expenses)	91944	160000

SCHEDULE 8

	As at 31-03-2009 Rupees	As at 31-03-2008 Rupees
CURRENT LIABILITIES AND PROVISIONS :		
<u>Current Liabilities :</u>		
Sundry Creditors	13932323	39747749
Advance from Customers	2325673	1256131
Other liabilities	6443844	6174966
	22701840	47178846
<u>Provisions :</u>		
Provision for taxation (Net of Advances)	775816	-
Provision for Fringe Benefit Tax(Net)	78274	43773
Provision for Leave Encashment	144054	177460
Proposed Dividend	5360000	-
Tax on Proposed Dividend	910932	-
	7269076	221233
TOTAL	29970916	47400079

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

SCHEDULE 9

SALES & OTHER INCOME	For the Year ended 31-03-2009 Rupees	For the Year ended 31-03-2008 Rupees
(A) SALES & SERVICES		
Sales (Domestic)	129372210	39565288
Sales (Export)	155937290	294480842
Project Export/ Consultancy Services	26362751	4491971
Repairing/Service Charges	3382851	927704
	315055102	339465805
Less: Excise Duty	13801972	5623034
	301253130	333842771
(B) OTHER OPERATING INCOME :		
Export Incentives Received	16080522	13447687
Exchange Variation Gain	9618905	13596618
Other Interest Received (Gross)	807926	373838
(Tax Deducted at Source Rs. Nil (Previous Year Rs.12112/-)		-
Miscellaneous Receipt	81234	289565
Insurance Claim Received	563603	917479
Discount received	91963	160094
Balances Written Back	1903320	415319
	29147473	29200600
(C) OTHER INCOME :		
Interest received on deposits(Gross)	1598062	1476854
(Tax Deducted at Source Rs. 3,54,178 (Previous Year Rs.261671/-)		
Dividend Received	504051	1646055
Profit on Sale of Assets	3601977	-
	5704090	3122910
	336104693	366166281



SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

SCHEDULE 10

	For the Year ended 31-03-2009 Rupees	For the Year ended 31-03-2008 Rupees
(ACCRETION) / DEPLETION OF STOCKS		
CLOSING STOCKS		
Finished goods	16822782	9849689
Work-in-Progress	14065730	17103742
	30888512	26953431
Less : OPENING STOCKS :		
Finished goods	9849689	7605995
Work-in-Progress	17103742	32961616
	26953431	40567611
(Accretion) / Depletion	(3935081)	13614180

SCHEDULE 11

OPERATING EXPENSES	For the Year ended 31-03-2009 Rupees		For the Year ended 31-03-2008 Rupees	
a) RAW MATERIALS CONSUMED				
Indigenous : -				
— Opening Stock	12242346		14552592	
Less: Transferred to Capital Assets	-		450000	
— Purchases	93858812		75256069	
	106101158		89358661	
— Closing Stock	16045686		12242346	
		90055472		77116315
Imported : -				
— Opening Stock	44197123		56341220	
— Purchases	114857280		140297201	
	159054403		196638421	
— Closing Stock	58308484		44197123	
		100745919		152441298
Total (a)		190801391		229557612
b) MANUFACTURING EXPENSES :				
Job Work Expenses		6478120		8898520
Power & Fuel		2362679		2224616
Testing Expenses		47023		206317
Excise Duty on Stock/other adjustments		(757382)		(598735)
Research & Development Expenses		1133240		-
Total (b)		9263680		10730718

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	For the Year ended 31-03-2009 Rupees	For the Year ended 31-03-2008 Rupees
c) EMPLOYEE COST :		
Salaries ,Wages & Bonus	7392787	6914940
Directors' Salaries & Perquisites	4586743	3359226
Employer's contribution to Provident Fund	596644	507008
Employer's contribution to E.S.I.C.	237783	244743
Contribution to Group Gratuity Insurance	336432	123086
Workmen and staff welfare expenses	92522	116874
Total (c)	13242910	11265876
d) REPAIRS & MAINTENANCE		
— Plant & Machinery	1024405	644115
— Buildings	331795	1026223
— Vehicles	513255	427919
— Other Assets	354539	272797
Total (d)	2223994	2371054
e) ADMINISTRATIVE EXPENSES		
Travelling and Conveyance	2872342	2857294
Printing and Stationery	264544	239920
Insurance charges	588668	335227
Advertisement expenses	834842	153384
Postage, Telegram, Telephone	559045	424191
Auditors' Remuneration (Excluding Service Tax)	90000	90000
General Expenses	215943	253683
Fees and subscription	487375	530100
Legal and Professional expenses	1173164	475160
Books and periodicals	34968	8436
Security service charges	615563	529351
Meeting Expenses	110392	86766
Advances Written off	201436	612383
Registrar's fees	15000	27268
Rent Paid	807000	737500
Loss on Sale/discarded assets	311182	-
Exchange Variation Loss	9344920	4341268
Preferential Issue Expenses	-	1663200
Total (e)	18526384	13365131
f) SELLING EXPENSES		
Selling Expenses	680060	1550188
Sales Commission	241942	53670
Carriage Outward	8904181	17528608
Sales Tax	319885	-
Project Export Expenses	9664370	668187
Bad Debts Written Off	6989739	2248919
Provision for Dountful Debts	1849286	-
Liquidated Damages	157634	32182
Loss on Commodity Trading (Net)	-	653
Total (f)	28807097	22082408
Total (a+b+c+d+e+f)	262865456	289372798



SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

SCHEDULE 12

	For the Year ended 31-03-2009 Rupees	For the Year ended 31-03-2008 Rupees
INTEREST & FINANCE CHARGES		
Interest on Term Loans	5424998	3828830
Interest on Cash Credit	5412211	1324580
Interest on Export Credit	3004081	4947942
Interest on Usance bills & Others	3256041	2075368
ECGC Premium	532183	1649618
Bank Charges	3413714	4178072
	21043228	18004411

SCHEDULE 13

PRIOR YEAR ADJUSTMENTS	For the Year ended 31-03-2009 Rupees	For the Year ended 31-03-2008 Rupees
Expenses (Short) /Excess accounted in earlier years(Net)	(547549)	191242
Income Short /(Excess) accounted in earlier years(Net)	2535379	-
INCOME/ (EXPENSES)	1987830	191242

SCHEDULE – 14

**NOTES FORMING PART OF THE ACCOUNTS:
ACCOUNTING POLICIES & NOTES ON ACCOUNTS.**

(Annexed to and forming part of the Accounts for the year ended 31st March 2009)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES.

A. REVENUE RECOGNITION

- (i) Revenues/ Incomes and Costs/ Expenditures are generally accounted on accrual basis as they are earned or incurred.
- (ii) Sales are recognized on the date of dispatch of materials to customers. Services are recognized on completion.
- (iii) Sales figure disclosed in the Profit and Loss Account is inclusive of excise duty.
- (iv) Revenue recognition in respect of price escalation is carried out in the year of settlement of claims / bills.
- (v) Dividend income from investment is accounted, when the right to receive is established.
- (vi) Duty draw back and other benefits receivable on eligible export of goods manufactured are shown under "Other Income" as per rates applicable thereon.

B. FIXED ASSETS

- (i) Fixed Assets other than those which have been revalued are stated at cost which includes all direct expenses including attributable borrowing cost incurred up to the date of installation of assets less accumulated depreciation (other than "Leasehold Land" where no depreciation is charged).
- (ii) Revalued assets are shown at the revalued cost less accumulated depreciation as per the Accounting policy no. C(ii).
- (iii) Discarded fixed assets are de-capitalized and included under inventories at 5% of value of assets being estimated realizable value.
- (iv) Advance paid towards the acquisition of fixed assets outstanding as of each date balance sheet date and the cost of fixed assets not ready for use before such date are disclosed under capital work-in-progress.

C. DEPRECIATION

- (i) Depreciation on Fixed Assets (Other than revalued assets) is provided on Straight Line Method in accordance with the rates specified under Schedule XIV to the Companies Act, 1956.
- (ii) Depreciation on revalued assets is calculated on their respective revalued amount on Straight Line Method over the balance useful life as determined by the valuers or the balance remaining useful life as per Schedule – XIV whichever is lower.
- (iii) Leasehold land is not amortized since the period of lease is 99 years.
- (iv) Items costing Rs. 5000/- or less are fully depreciated in the year of purchase.
- (v) Depreciation on additions to assets and on sale/ discard of assets is calculated pro-rata from the date of such additions or up to the date of such sale/ discard, as the case may be.
- (vi) The charge over and above the depreciation calculated on the original cost of the revalued assets is transferred from Fixed Asset Revaluation Reserve to Profit and Loss Account and shown as a deduction from Revaluation Reserve.

D. BORROWING COST:

Borrowing costs relating to the acquisition/ construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

E. INVESTMENT

Long Term investments are carried at cost less provision, if any, for permanent diminution in value of such investments. Current investments are carried at lower of cost and market value.

F. INVENTORIES

- (i) Stock of Raw Materials, Components and stores are valued at lower of cost and net realizable value. Cost is arrived at on FIFO Basis, excluding CENVAT paid on purchases.
- (ii) Stock of Materials-in-Process and Finished Goods are valued at lower of cost and net realizable value. Cost excludes CENVAT paid on inputs but includes excise duty payable on completion of manufacture of the Finished Goods.

G. FOREIGN CURRENCY TRANSACTION

- (i) Receipts and Payments are recorded at actual rates prevailing on the date of transaction.
- (ii) Balances in the form of Current Assets and Current Liabilities (including for procurement of Fixed Assets) in foreign currency, outstanding at the close of the year, are converted (in Indian Currency) at the appropriate rates of exchange prevailing on the date of Balance Sheet and the resultant loss or gain is taken to exchange variation account which gets charged in or credited to the Profit and Loss Account.

H. RESEARCH AND DEVELOPMENT

Revenue expenditure including overheads on Research and Developments are charged off as an expense through the natural heads of account in the year in which incurred. Expenditure which results in the creation of capital assets is taken to fixed assets and depreciation is provided on such assets as applicable.



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I. EMPLOYEE BENEFITS

(i) Short Term Employee Benefits:

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

(ii) Defined Contribution Plans.

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

(iii) Defined Benefits Plans

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

b) Provision for leave encashment benefit is done on the basis of actuarial valuation.

J. LIQUIDATED DAMAGES

Liquidated damages are accounted only when finally agreed upon and settled with the parties.

K. TAXATION:

Income Tax provision comprises Current tax and Deferred Tax charge or credit. The Deferred Tax assets and Deferred Tax Liabilities are calculated by applying tax rate and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

L. IMPAIRMENT OF ASSETS

(a) The Company has one product which is manufactured in and sold from its factories located at Bhubaneswar and Vadodara and accordingly entire Company is treated as Cash Generation Unit for carrying out Impairment Test.

(b) Estimated future net inflows are made on the basis of estimated growth in volumes considering the expected growth of power industry based on current trends and the rise in input and other costs on past experiences.

M. PROVISIONS, CONTINGENT LIABILITIES & CONTIGENT ASSETS.

(a) The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

(b) Liabilities contingent upon happening of future event are disclosed by way of a note in the accounts. Claims against the Company where a demand has been raised by any authority or disputed in arbitration are recognized as Contingent Liability, if contested.

(c) Contingent assets are not recognized.

(d) Provision is made regarding disputed statutory levies only when the appeal is decided by the Appellate Tribunal.

2. NOTES ON ACCOUNTS:

Contingent Liabilities not provided for:

Rs. In Lakhs

PARTICULARS	As at 31.03.2009	As at 31.03.2008
- Un expired Letters of Credit	158.96	631.32
- Counter Guarantees for Bank Guarantees issued	116.99	177.72
- Counter Guarantees for Bid Guarantees issued	Nil	Nil
- Claims against the Company not acknowledged as Debt.		
(i) Income Tax	20.40	17.02
(ii) Sales Tax (*)	32.25	31.45
(iii) Entry Tax (#)	4.49	1.71
(iv) Excise	1.06	1.06
(v) ESI	0.21	0.21
Total	334.36	858.78

(*) Advance against the demands of Rs. 19.96 lakhs has been paid under protest which is shown under (Loans and Advances).

(#) Advance against the demands of Rs. 2.30 lakhs has been paid under protest which is shown under (Loans and Advances).

B) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 87,50,786/- (net of advances) [Previous year- Rs. 55,02,931/-]

C) Capital Work in Progress of Rs. 5,78,497/- (Previous Year- Rs. 88,36,579/-) disclosed under Schedule-5 includes Rs. 1,21,226/- (Previous Year- Rs. 69,534/-) being the borrowing cost/ Up-front Charges on Bank Borrowings for the Qualifying Assets in line with Accounting Standard 16 issued by The Institute of Chartered Accountants of India.

D) The Company had revalued its Land-Leasehold and freehold Buildings, Plant & Machinery, Testing Equipments, Material handling equipments, Electrical Installations, Computers, Office equipment, Vehicle, Furniture & Fixtures as on 31.10.1999. The increase on revaluation has been transferred to Fixed Assets Revaluation Reserve. The decrease in revaluation has been charged off to profit and loss account.

E) The Company has transferred Rs. 3,68,43,045/- to Revaluation Reserve (Shown under Reserves & Surplus) on revaluation of Fixed Assets and transferred the additional charge of depreciation on revalued assets amounting to Rs. 12,17,089/- (Previous Year- Rs. 14,06,247/-) from Revaluation Reserve to Profit and Loss Account [Read with Accounting Policy 1 (c) (vi)].

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F) Directors' Remuneration:

a) Break up :

Rs. In Lakhs

PARTICULARS	Current Year	Previous Year
- Salary of Managing Director	5.40	5.40
- Salary of Whole time Directors	7.42	5.40
- Commission	25.31	17.80
- Contribution to Provident and other fund	1.74	1.39
- Other Perquisites	7.74	4.99
Total	47.61	34.98

b) Manner of Computation of Net Profit:

Computation of Net Profit in accordance with Section 198 (1) of the Companies Act' 1956.

Rs. In Lakhs

PARTICULARS	Current Year	Previous Year
Profit / (Loss) before Taxation	524.88	412.37
Add: Depreciation as per SLM debited to Profit and Loss Account	56.31	41.33
Add: Preferential Issue Expenses	—	16.63
Add: Loss on sale of Assets	3.11	—
Add: Provision for Doubtful Debts	18.49	—
Add: Directors' Remuneration	22.30	15.79
Add: Directors' Commission	25.31	17.80
	650.40	503.88
Less: Depreciation as per Sec-350	56.31	41.33
Less: Profit on Sale of Assets	36.02	—
Net Profit u/s 198/349 of the Companies Act, 1956	558.07	462.52
Commission @ 2% for Managing Director and @ 1% each for two whole time Directors and @ 0.75% for one whole time Director	10.65	8.90
	10.65	8.90
	4.01	—

G) Auditors' Remuneration including Service Tax :

PARTICULARS	Current Year (Rs)	Previous Year (Rs)
As Auditor		
— Audit Fees	50,000	50,000
— Tax Audit Fees	20,000	20,000
— In other capacity-Certification charges	20,000	20,000
	90,000	90,000
— Service Tax	9,579	11,124
	99,579	1,01,124

H) Sundry Debtors, deposits and advance to parties include some old balances pending reconciliation/ adjustment/ confirmation. Efforts are being made for recovery/ reconciliation of such balances and resultant effect will be accounted for in the year of such adjustments.

I) i) Sundry Creditors include Rs.42,87,008/- (Previous year Rs. 26,17,968/-) due to small scale and ancillary undertakings. The names of Small Scale Industrial Undertakings to whom the Company owes a sum which is outstanding for more than 30 days are :

Name of the Company	Amount (Rs)
Silhouette Rainbow	147000.00
Shree Parvati Metals	461259.00
Vikrant Special Machines Pvt Ltd	171400.00
Apex Piping Systems Pvt Ltd	7108.55
Orissa Air Products Pvt Ltd	10738.00
Pachal Electric Company	20000.00
Premier Electricals	12688.00
Associated Industrial Furnaces (P) Ltd	34146.00
Vivek Machine Tools	47520.00
Advance Roof & Building System	34971.00
Anusha Enterprisers	780978.00
Dharma Engineering	5125.96
Krishna Engineers	5586.50
Sai Enterprise	30901.13
Sangita Engineering Works	850.00
Super Crafts	12709.00
Ambica Electric	95487.00
Anjan Enterprise	6157.00
Hyvon Engineers	6680.00



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- ii) Under the Micro, Small and Medium Enterprises Development Act, 2006, which came into force on October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The Company is in the process of compiling relevant information from its suppliers about their coverage under the Act. The above information under (i) & (ii) above as identified by the Management have been relied upon by the Auditors.
- J) As required by Accounting Standard 20 issued by the Institute of Chartered Accountants of India, the reporting in respect of Earnings per Share (EPS) is as follows:

Particulars		Current Year	Previous Year
Profit/ (Loss) available to Equity Share holders	Rs.	3,52,06,390	2,68,88,230
Weighted Average no. of equity share for Basic EPS	Nos	53,60,000	49,71,644
Normal Value of Equity Shares	Rs.	10.00	10.00
Basic earning per Equity Share	Rs.	6.57	5.41

- K) Major Components of Deferred Tax Assets & Liabilities.

Particulars	As at 31 st March, 2009 Rupees	As at 31 st March, 2008 Rupees
a) Deferred Tax Asset		
i) Disallowance under section 43 B Income Tax Act, 1961	8,76,378	----
ii) Disallowance u/s 40(a) (ia)	—	—
Total	8,76,378	—
b) Deferred Tax Liability		
Related to Fixed Assets	(32,31,218)	(30,47,853)
c) Deferred Tax Assets/(Liabilities) (Net) [(a)-(b)]	(23,54,840)	(30,47,853)

- L) The Company is mainly engaged in only one product i.e Transformer which is considered the Primary reportable business segment as per Accounting standard (AS-17) "Segment Reporting" issued by the Institute of Chartered Accountants of India. The Secondary Segment based on geographical segmentation are considered to be Businesses outside India and within India.

Details	Within India		Outside India		Total	
	Current Yr.	Previous Yr.	Current Yr.	Previous Yr.	Current Yr.	Previous Yr.
Transformer	1293.72	395.65	1559.37	2944.80	2853.09	3340.44
Project Export/Consultancy	—	—	263.63	44.92	263.63	44.92
Repairing/Service Charges	33.83	9.27	—	—	33.83	9.27
Total	1327.55	404.92	1823.00	2989.73	3150.55	3394.65

- M) In terms of Accounting Policy No.1 L above, the Company assessed the Cash Generating Unit for Impairment Test using a discount rate of 7% and did not find any asset that requires a provision for impairment.

- N) Related Party Disclosures: The Company had transactions with the following related parties during the year :

Name	Nature of Transactions	For the Year ended 31 st March, 2009 Rupees	For the Year ended 31 st March, 2008 Rupees
a) Related Companies			
Industrial Designs & Services Ltd. (formerly Industrial Designs & Services Pvt. Ltd.)	Job Work	25,78,964	23,12,124
Oricon Industries Limited (formerly Oricon Industries Pvt. Ltd.)	Job Work	19,75,519	33,91,290
Galaxy Medicare Ltd.	Interest bearing (@9%) Unsecured Loan	—	1,69,959
	Purchase of Raw materials and others	1,55,144	1,55,440
Lastaki Management Consultants Pvt. Ltd	Preferential Issue Expenses	—	16,63,200
	Inter Corporate Deposit	—	25,36,550
Phoenix Surgicare Private Limited (has become wholly which owned Subsidiary Company)	Advance against Share Application	—	8,00,000
	Investment in Subsidiary Company	3,75,000	
b) Key Management Personnel			
Dillip Kumar Das Deepak Kumar Das Debasis Das Santosh Kumar Patnaik	Remuneration to all Directors	Rs. 47.61 (Previous Year Rs.34.98) (Refer Note No.F above)	

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O) (1) Disclosure relating to Leave Encashment- As per Actuarial Valuation on 31st March, 2009.

a) Table Showing Changes in Present Value of Obligations :

Particulars	2008-09	2007-08
Present value of obligation as at beginning of the year	1,77,460	91,905
(i) Acquisition Adjustments	—	—
(ii) Interest cost	8,647	4,868
(iii) Past Service cost	—	—
(iv) Current Service cost	25,251	1,00,788
(v) Curtailment cost	—	—
(vi) Settlement cost	—	—
(vii) Benefits Paid	1,24,332	69,260
(viii) Actuarial gain/ loss on Obligation	57,027	—
Present value of obligation as at end of the year	1,44,054	1,77,460

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

Particulars	2008-09	2007-08
(i) Current Service Cost	25,251	1,00,788
(ii) Past Service Cost	—	—
(iii) Interest Cost	8,647	4,868
(iv) Expected Return on Plan Asset	—	—
(v) Curtailment cost	—	—
(vi) Settlement cost	—	—
(vii) Actuarial gain/ loss on Obligation	57,027	49,158
Expenses Recognized in Statement of Profit and Loss Account	90,926	1,54,815

c) Table Showing Actuarial Assumptions :

Particulars	2008-09	2007-08
(i) Mortality Table	LIC1 1994-1996	LIC1 1994-1996
(ii) Superannuation Age	58	58
(iii) Early Retirement & Disablement	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29
(iv) Discount Rate	7.5	8.5
(v) Inflation Rate	5.0	6.00 *
(vi) Return on Asset	0.00	0.00
(vii) Remaining Working Life	15	18
(vii) Formula used	Projected Unit Credit Method	Projected Unit Credit Method

d) Table Showing Movements in the Liability Recognized in Balance Sheet :

Particulars	2008-09	2007-08
(i) Opening Net Liability	—	—
(ii) Expenses as above	90,926	1,54,815
(iii) Contributions	—	—
(iv) Closing Net Liability	90,926	1,54,815
Closing Fund/ Provision at the year end	1,44,054	1,77,460

(2) Disclosure relating to Gratuity, as certified by Life Insurance Corporation of India, (Pension and Group Scheme Department) for the year ended 31st March, 2009 have been made as below:

- i) In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering certain categories of employees.
- ii) The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC). Under the plan, the settlement obligation remains with the Company, although the Life Insurance Corporation of India administers the plan and determines the contribution premium required to be paid by the Company.
- iii) Disclosures as required by AS-15 (Revised) are made as per the details submitted by LIC. Annual premium payable to LIC amounting to Rs. 3,36,432/- (Previous Year - Rs. 1,23,086/-) have been shown under "Employees Cost" in Schedule-11.



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- a) Assumptions as on 31-03-2009
 Discount Rate 8.00%
 Salary Escalation 7.00%

b) Table Showing changes in present value of Obligation as on 31-03-2009

Particulars	Group Gratuity Fund as maintained by LIC
Present value of obligation as at beginning of the year	11,06,810
(i) Interest cost	88,545
(ii) Current Service cost	1,12,053
(iii) Benefits Paid	—
(iv) Actuarial gain/(loss) on obligation	75,178
Present value of obligation as at end of the year	13,82,586

c) Table showing changes in the fair value of plan assets as on 31-03-2009

Particulars	Group Gratuity Fund as maintained by LIC
Fair value of plan assets at beginning of year	8,82,250
(i) Expected return on plan assets	97,259
(ii) Contributions	3,36,432
(iii) Benefits Paid	—
(iv) Actuarial gain/(loss) on plan assets	—
Fair value of plan assets at end of year	13,15,941

d) Table showing fair value of plan assets as on 31-03-2009

Particulars	Group Gratuity Fund as maintained by LIC
Fair value of plan assets at beginning of year	8,82,250
(i) Expected return on plan assets	97,259
(ii) Contributions	3,36,432
(iii) Benefits Paid	—
(iv) Actuarial gain/(loss) on plan assets	—
Fair value of plan assets at end of year	13,15,941

e) Actuarial Gain/Loss recognised as on 31-03-2009

Particulars	Group Gratuity Fund as maintained by LIC
(i) Actuarial (gain)/loss on obligations	(75,178)
(ii) Actuarial (gain)/loss for the year- plan assets	—
(iii) Actuarial (gain)/loss on obligations	75,178
(iv) Actuarial (gain)/loss recognized in the year	75,178

f) The amounts to be recognized in the balance sheet and statements of profit and loss account as on 31-03-2009

Particulars	Group Gratuity Fund as maintained by LIC
(i) Present value of obligation at the end of year	13,82,586
(ii) Fair value of plan assets as at the end of the year	13,15,941
(iii) Fund status	(66,645)
(iv) Net asset/(liability) recognized in balance sheet	66,645

g) Expenses Recognized in statement of Profit and Loss account as on 31-03-2009

Particulars	Group Gratuity Fund as maintained by LIC
(i) Current Service Cost	1,12,053
(ii) Interest Cost	88,545
(iii) Expected return on plan assets	(97,259)
(iv) Net Actuarial (gain) loss recognized in the year	75,178
(v) Expenses recognized in statement of Profit and loss	1,78,517

h) Disclosure relating to Gratuity, as certified by Life Insurance Corporation of India, Pension and Group Scheme Department for the Previous year ended 31st March, 2008.

Particulars	Group Gratuity Fund as maintained by LIC
Present value of obligation as at beginning of the year	8,63,666
(i) Interest cost	79,391
(ii) Current Service cost	1,12,053
(iii) Benefits Paid	1,47,404
Present value of obligation as at end of the year	8,82,250

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P) Additional information pursuant to provisions of paragraph 3,4C,4D of Part III of Schedule VI to the Companies Act, 1956.

a) Capacities	Not Applicable to this Company	
(i) Licenced Capacity		
(ii) Installed Capacity	Current Year 1000 MVA	Previous Year 1000 MVA
b) Production	Current Year 799 Nos	Previous Year 1137 Nos

c) Turnover during the period	Current Year		Previous Year	
	Qty (Nos)	Value Rs. In lakhs	Qty (Nos)	Value Rs. In lakhs
Finished Transformer	792	2853.11	1147	3340.46
Others		297.44		54.19
Total		3150.55		3394.65
d) Stock of Goods produced				
Finished Transformer	12	18.59	4	36.85
Others		149.64	NA	232.68
Total		168.23		269.53

e) Raw Materials and Components Consumed :

Items	Current Year		%	Previous Year		%
	Qty (MT)	Value (Rs. In lacs)		Qty (MT)	Value (Rs. In lacs)	
Indigenous :						
Conductors	274.026	388.95	20	81.372	152.56	7
Steel Materials	172.152	59.85	3	273.593	74.52	3
Core Lamination	6.394	13.20	1	65.596	103.31	4
Others	—	438.91	23	—	440.77	19
	452.572	900.55	47	420.561	771.16	33
Imported						
CRGO Steel	304.656	565.29	30	364.485	702.19	31
AMDT CORE	42.114	55.41	3	—	—	—
Conductors	95.421	340.39	18	164.838	575.30	25
Others	—	46.37	2	—	246.92	11
	346.77	1007.46	53	529.323	1524.41	67
TOTAL	799.27	1908.01	100	949.884	2295.57	100

f) CIF VALUE OF IMPORTS

Particulars	Current Year	Previous Year
	Rs. In lakhs	Rs. In lakhs
Raw material and components	855.43	1109.96
Capital Goods	81.49	132.90

g) Expenditure in Foreign Currency (on Cash Basis)

Particulars	Current Year	Previous Year
	Rs. In lakhs	Rs. In lakhs
Traveling	6.54	3.96

h) Earnings in foreign Currency

Particulars	Current Year	Previous Year
	Rs. In lakhs	Rs. In lakhs
Export on FOB Basis (Direct)	1988.35	2274.17

i) Previous Year Figures have been regrouped wherever necessary.



ALFA TRANSFORMERS LIMITED

SCHEDULE - 15

ADDITIONAL INFORMATION

BALANCE SHEET ABSTRACT & COMPANY'S GENERAL PROFILE

1. REGISTRATION DETAILS

Registration No. : 1 1 5 1 7 3 2 - 8 3

State Code : 1 5

Balance Sheet Date : 3 1 0 3 2 0 0 9

2. CAPITAL RAISED DURING THE YEAR

(Figures in Rupees thousand)

Public Issue N I L

Bonus Issue N I L

Right Issue N I L

Private Placement N I L

3. MOBILISATION AND DEPLOYMENT FUNDS :

Total Liabilities 4 2 9 6 2 3

Total Assets 4 2 9 6 2 3

SOURCES OF FUNDS

Paid - up Capital 5 3 6 0 0

Reserves & Surplus 1 8 7 9 8 5

Secured Loans 1 4 9 1 3 5

Unsecured Loans 3 2 3

Deferred Tax Liabilities 8 6 0 8

APPLICATION FUNDS

Net Fixed Assets 1 7 2 7 0 2

Investments 1 5 1 9 2

Net Current Assets 2 1 1 7 5 7

Misc. Expenditure N I L

4. PERFORMANCE OF COMPANY

Total Revenue (Net of E.D.) 3 3 6 1 0 4

Total Expenditure 2 8 3 6 1 6

Profit before tax 5 2 4 8 8

Profit after Tax 3 5 2 0 6

Earning per share (in Rs.) 6 5 7

Dividend rate (%) 1 0

5. GENERAL NAMES OF PRINCIPAL PRODUCTS

Item Code No.

Product description

8 5 0 4 2 1

D I S T R I B U T I O N T R A N S F O R M E R

8 5 0 4 2 2

P O W E R T R A N S F O R M E R

7 4 0 8 1 1

C O P P E R W I R E

THE SCHEDULES REFERRED ABOVE FORM PART OF ACCOUNTS AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO
CHARTERED ACCOUNTANTS

(S. CHAND)

PARTNER

Membership No. 050063

BHUBANESWAR

DATED : 27th MAY 2009

DILLIP KUMAR DAS

MANAGING DIRECTOR

DEEPAK KUMAR DAS

DIRECTOR

M.CHANDRASEKHAR

COMPANY SECRETARY

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CASH FLOW STATEMENT FOR THE ENDED 31ST MARCH, 2009

PARTICULARS	CURRENT YEAR (Rs. in Lakhs)	PREVIOUS YEAR (Rs. in Lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Interest, Taxes & Extraordinary Items	715.43	590.46
Add :		
Depreciation	56.31	41.33
Bad Debts Written off/Provisions & Liquidated Damages etc.	91.98	28.93
	863.72	660.72
Less :		
Interest income	24.06	18.51
Foreign Exchange Gain(Net)	8.19	39.85
Profit/ (Loss) on Sale of Assets & Discarded (Net)	32.91	-
Balance written back	19.03	4.15
Dividend Income	5.04	16.46
	89.23	78.97
Operating Profit / (Loss) before Working Capital Changes	774.49	581.75 *
Adjustment for;		
Inventories - Decrease / (Increase)	(240.02)	406.29
Trade & Other Receivables Decrease / (Increase)	72.99	(551.93)
Trade Payables & Provisions Decrease / (Increase)	(245.10)	27.29
Cash Generated From Operations	326.36	463.40
Cash Outflow before Prior Year Adjustment	362.36	463.40
Less: Income Tax and FBT Paid	(136.25)	(112.91)
NET CASH FLOW FROM OPERATING ACTIVITIES	226.11	350.49
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions of Fixed Assets	(415.17)	(480.24)
Sale of Fixed Assets	1.45	-
Interest Received	24.06	18.51
Investment in Subsidiary Company	(3.75)	-
Dividend Received	5.04	16.46
Fixed Deposit / Other deposits Made	(1.00)	(240.00)
NET CASH FLOW FROM INVESTING ACTIVITIES	(389.37)	(685.27)



PARTICULARS	CURRENT YEAR Rs. In Lakh	PREVIOUS YEAR Rs. In Lakh
C. CASH FLOW FROM FINANCING ACTIVITIES		
Received on Issue of Shares / Warrants	-	415.80
Net Increase / (decrease) in secured borrowings	381.13	138.45
Unsecured Loan Received / (Payment)	(1.38)	(31.22)
Payment of Interest	(210.43)	(180.04)
NET CASH FLOW FROM FINANCING ACTIVITIES	169.32	342.99
Net Increase in cash and cash equivalents (A+B+C)	6.06	8.21
Cash and cash equivalents as on 31-03-2008	13.36	5.15
CASH & CASH EQUIVALENTS AS ON 31.03.2009	19.42	13.36
Cash and Cash Equivalents comprises		
— Cash	3.59	5.04
— Balance with Schedule Banks	15.83	8.32
	19.42	13.36

Note :

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

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO

CHARTERED ACCOUNTANTS

(S. CHAND)

PARTNER

Membership No. 050063

BHUBANESWAR

DATED : 27th MAY 2009

DILLIP KUMAR DAS

DEEPAK KUMAR DAS

M.CHANDRASEKHAR

MANAGING DIRECTOR

DIRECTOR

COMPANY SECRETARY

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956. RELATING
TO PHOENIX SURGICARE PRIVATE LIMITED, A SUBSIDIARY COMPANY.**

- | | |
|--|----------|
| 1. The extent of the Holding Company's interest in the Subsidiary Company at the end of the financial year ended March 31,2009 | 100% |
| 2. The net aggregate amount of Profit/(Loss) of the Subsidiary Company so far have been dealt with in the Accounts of Phoneix Surgicare Private Limited. | |
| a) Profit/(Loss) for the year ended March 31, 2009 | (216755) |
| b) Profit/(Loss) for the previous financial year since it became Subsidiary of the Company | (6518) |

FOR AND ON BEHALF OF THE BOARD

DILLIP KUMAR DAS
MANAGING DIRECTORDEEPAK KUMAR DAS
DIRECTORM.CHANDRASEKHAR
COMPANY SECRETARY

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To The Board of Directors of Alfa Transformers Limited

We have audited the attached consolidated Balance Sheet of Alfa Transformers Limited and its subsidiary as at 31st March, 2009, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date, 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.

1. We conducted our audit in accordance with 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 prepared, in all material respects, in accordance with an identified financial reporting framework and are free of the material misstatements. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
2. We did not audit the financial statements of the subsidiary namely, Phoenix Surgicare Private Limited, Mumbai whose financial statements reflect total assets of Rs.8,94,391 as at 31st March, 2009, total revenues of Rs. NIL and cash inflows of Rs.2,86,755 for the year ended on that date. These financial statements have been audited by another auditor whose report has been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of this subsidiary is based solely on the report of the other auditor.
3. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of the Accounting Standard (AS) 21 Consolidated Financial Statements specified by the Companies (Accounting Standards) Rules, 2006 notified by the Central Government and on the basis of the separate audited financial statements of the Alfa Transformers Limited included in the consolidated financial statements.
4. In our opinion and to the best of our information and explanations given to us and on consideration of the separate audit report on individual audited financial statements of the Alfa Transformers Limited, we are of the opinion that the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India :
 - a) in the case of the Consolidated Balance Sheet, of the Consolidated state of affairs of the Alfa Transformers Limited as at 31st March, 2009;
 - b) in the case of the Consolidated Profit and Loss Account, of the consolidated results of operations of the Alfa Transformers for the year ended on that date; and
 - c) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Alfa Transformers Limited for the year ended on that date.

For A.K. SABAT & CO.,
Chartered Accountants
Sd/-
(S. CHAND)
PARTNER
Membership No.050063

Bhubaneswar:
Date: 27th May, 2009



CONSOLIDATED FINANCIAL STATEMENTS

BALANCE SHEET AS AT 31ST MARCH, 2009

Figures in Rupees

SOURCES OF FUNDS :	Schedule Number	As at 31st March'2009	
1. SHAREHOLDERS' FUNDS			
Share Capital	1	53600000	
Reserves & Surplus	2	1877690652	241369965
2. LOAN FUNDS			
Secured Loans	3	149135362	
Unsecured Loans	4	323081	
			149458443
3. Deferred Tax Liability(Net)			8608036
TOTAL			399435544
APPLICATION OF FUNDS :			
4. FIXED ASSETS			
Gross Block	5	216739702	
Less: Depreciation		45734871	
Net Block		173004831	
Capital Work-in-progress		578497	
			173583328
5. INVESTMENTS :	6		14017000
6. CURRENT ASSETS, LOANS & ADVANCES:			
Inventories	7	110310716	
Sundry Debtors		69607528	
Cash & Bank Balances		26113621	
Loans and Advances		35616817	
		241846682	
CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	8	22744391	
Provisions		7269076	
		30013467	
Net Current Assets			211835216
TOTAL			399435544

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

Figures in Rupees

	Schedule Number	For the Year ended 31 - 03 - 2009	
I INCOME			
Sales & Services	9	315055102	
Less: Excise Duty		13801972	
			301253130
Other Operating Income	9		29147473
Other Income	9		5704090
TOTAL I			336104693
II EXPENDITURE			
(Accretion)/Depletion of Stocks	10		(3935081)
Operating and Other Expenses	11		263082211
Interest and Finance Charges	12		21043228
Depreciation	5	6847911	
Less: Transferred from Revaluation Reserve		1217089	
			5630822
TOTAL II			285821180
III PROFIT FOR THE YEAR (I-II)			50283512
Add: Prior Year Adjustments(Net)	13		1967830
IV PROFIT BEFORE TAXATION			52271343
Provision for Taxation			
— Current Tax			(13943855)
— Deferred Tax (Net)			(2354840)
— Fringe Benefit Tax			(302539)
— Income Tax of Earlier Years			(680473)
V PROFIT AFTER TAXATION			34989635
Add: Balance of Profit brought forward			20266843
Balance available for appropriation			55256478
Transfer to General Reserve			30000000
Proposed Dividend			5360000
Tax on Proposed Dividend			910932
VI Balance Profit carried to Balance Sheet			18985546
VII Earnings Per Share (Rs) Basic (Face value of Rs. 10/- each)			6.53

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS THE SCHEDULES REFERRED ABOVE FORM PART OF ACCOUNTS AS PER OUR REPORT OF EVEN DATE ATTACHED

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FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO
CHARTERED ACCOUNTANTS

(S. CHAND)
PARTNER
Membership No. 050063
BHUBANESWAR
DATED : 27th MAY 2009

DILLIP KUMAR DAS

DEEPAK KUMAR DAS

M.CHANDRASEKHAR

MANAGING DIRECTOR

DIRECTOR

COMPANY SECRETARY

CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 1

SHARE CAPITAL	As at 31-03-2009 Rupees
Authorised :	
60,00,000 (Previous Year - 60,00,000)	60000000
Equity Shares of Rs. 10/- each.	60000000
Issued , Subscribed & Paid-up :	
53,60,000 (Previous year 53,60,000)	53600000
Equity Shares of Rs. 10/- each fully paid up	
Out of the above shares:	
(i) 9,04,530 shares are issued as fully paid up Bonus Shares by capitalisation of general reserve.	
(ii) 2,60,000 Shares of Rs. 10/- each are allotted as fully paid up pursuant to a contract for consideration other than cash.	
	53600000

SCHEDULE 2

RESERVES AND SURPLUS	As at 31-03-2009 Rupees
Share Premium Account	
Opening Balance	98370000
Capital Reserve :	
State Investment Subsidy	991700
General Reserve :	
Opening Balance	25000000
Add: Transferred from Profit and Loss Account	30000000
	55000000
Revaluation Reserve :	
On Revaluation of Fixed Assets	15638908
Less: Transferred to Profit & Loss Account	- 1217089
	14421819
Profit & Loss Account Balance	18985546
TOTAL	187769065

SCHEDULE 3

SECURED LOANS :	As at 31-03-2009 Rupees
Term Loan from State Bank of India	41476660
Term Loan from Axis Bank Ltd	10074795
Cash Credit from State Bank of India	84798141
E.P.C from State Bank of India	12785766
TOTAL	149135362

NOTES :

- The Cash Credit, Export Packing Credit (E.P.C) & Term Loan availed from State Bank of India are secured by :
 - Hypothecation of Raw Materials, Stock-in-Progress, Finished Goods, Consumables, Book Debts and other Liquid Assets .
 - First Charge over Land and Building, Plant & Machinery of Company.
 - Equitable mortgage of Company's Properties at Plot No. 445, Kalinga Vihar, Bhubaneswar and Flat No. A/7, Lord Gunjan Palace, Bhubaneswar.
- The Cash Credit & Term Loan facilities from Axis Bank Limited are secured by :
 - Hypothecation of Raw Materials, Stock-in-Progress, Finished Goods, Consumables, Book Debts and other Liquid Assets at Unit-4, Vadodara.
 - First Charge over Land and Building, Plant & Machinery of the Unit-4, Vadodara.

SCHEDULE 4.

UNSECURED LOAN	As at 31-03-2009 Rupees
ICICI BANK Vehicle loan	106183
Kotak Mahindra Bank Vehicle Loan	216898
TOTAL	323081

SCHEDULES FORMING PART OF THE BALANCE SHEET

CONSOLIDATED FINANCIAL STATEMENTS


SCHEDULE - 5
FIXED ASSETS

(Figures in Rupees)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 31-03-2008	Additions during the year	Sale/ adjustment during the year	Cost as at 31-03-2009	Up to 31-03-2008	FOR THE YEAR	On Sale/ adjustment during the year	Up to 31-03-2009	As at 31-03-2009	As at 31-03-2008
Intangible Assets										
Goodwill*	—	63854	—	63854	—	—	—	—	63854	—
Tangible Assets										
Land	28575581	65150	—	28640731	—	—	—	—	28640731	27758783
Office Building	5678584	1218684	—	6897268	373731	184416	—	558147	6339121	5304853
Factory Shed	28567306	16787819	—	45355125	10856159	1249889	—	12106048	33249077	17711147
Main Plant & Machinery	83589704	18431746	1071558	100949892	15181222	4023088	35399	19168911	81780981	68408481
Testing Equipments	5573858	1533917	103529	7004246	2803828	276765	821	3079772	3924474	2770030
Material Handling Equipments	6441065	6900194	—	13341259	4607617	141357	—	4748974	8592285	1833448
Electrical Installations	3837136	3797874	—	7635010	1994725	178837	—	2173562	5461448	1842411
Energy saving Devices	200000	—	—	200000	165074	12462	—	177536	22464	34926
Auxiliary Equipments	1180236	—	—	1180236	919151	72395	—	991546	188690	261085
Office Equipments	1185264	102948	15250	1272962	744407	71239	2129	813517	459445	440857
Computers	1601569	146261	—	1747830	563793	207834	—	771627	976203	1037776
Furniture & Fixture	586322	215043	—	801365	455914	84471	—	540385	260980	130408
Vehicle	3857363	481753	782799	3556317	596026	340278	336338	599966	2956351	3261337
Motor-Cycle	—	93607	—	93607	—	4880	—	4880	88727	—
TOTAL- CURRENT YEAR	170873988	49838850	1973136	218739702	39261647	6847911	374687	45734871	173004831	130795542
Previous year	130422266	39803787	168863	170057190	33722162	5539485	—	39261647	130795542	
Capital Work-in-Progress	8836579	36447650	44705732	578497					578497	8836579

* Refer Note No. F Notes on Accounts

CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 6

INVESTMENTS (At cost)	As at 31-03-2009 Rupees	
	Long Term Investments :(Unquoted)	
a) 15,000 Equity Shares of Rs.10/- each in Taloja Conductors Pvt. Ltd.	150000	
Less : Written off / Provision for permanent diminution of value	135000	15000
b) National Savings Certificates (*)		2000
c) Investment in Mutual Funds :(Dividend Equity)		
i) Birla Mid Cap Fund		
(27824.151 Units of Rs. 35.940 each)	1000000	
(27886.224 Units of Rs. 35.860 each)	1000000	
(98015.192 Units of Rs. 40.810 each)	4000000	
ii) Birla Sunlife Equity Fund		
(11217.050 Units of Rs. 89.150 each)	1000000	
iii) DSP Merrill Lynch India Tiger Fund		
(23119.096 Units of Rs. 30.278 each)	700000	
iv) Sundaram BNP Paribas CAPEX Opportunities Fund		
(24743.390 Units of Rs. 24.249 each)	600000	
v) Tata Infrastructure Fund		
(22063.992 Units of Rs. 31.726 each)	700000	
(31892.331 Units of Rs. 31.356 each)	1000000	
vi) ICICI Prudential Infrastructure Fund		
(87032.202 Units of Rs. 22.980 each)	2000000	
vii) Reliance Diversified Power Sector Fund		
(18871.806 Units of Rs. 52.989 each)	1000000	
viii) JM Basic Fund		
(33052.497 Units of Rs. 30.255 each)	1000000	14000000
TOTAL		14017000
Market Value of Unquoted Investment in Mutual Funds at NAV.		4839731

(*) Lodged with Sales Tax authorities as securities.

SCHEDULE 7

CURRENT ASSETS , LOANS & ADVANCES :	As at 31-03-2009 Rupees
A. CURRENT ASSETS	
INVENTORIES : #	
Indigenous Raw materials & Components	16045686
Imported Raw materials & Components	58308484
Semi-finished goods	14065730
Finished goods	16822782
Raw-Materials in Transit	5000792
Discarded Assets	67242
	110310716
(#) As certified by the Management and Valued as per Accounting Policy No. F	
SUNDRY DEBTORS	
(Unsecured , considered good unless otherwise stated)	
Debts outstanding for a period exceeding six months	
Unsecured - Considered Good	6039306
- Considered Doubtful	7888592
Less: Provision for Doubtful Debts	1849286
	6039306
Other Debts	63568222
	69607528
CASH AND BANK BALANCES :	
Cash in hand	440666
Balance with Scheduled Banks :	
In Current Account	1591066
In Fixed Deposit Accounts (*)	24081889
	26113621
	206031866

(*) Lodged with State Bank of India as margin money deposit against Guarantees and Letters of Credit.



CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

CONTD..... SCHEDULE -7

B. LOANS AND ADVANCES :	As at 31-03-2009 Rupees
(Unsecured , considered good unless otherwise stated)	
Interest Accrued on Term Deposits	1805379
(#) Advances recoverable in Cash or kind or value to be received.	6127326
Prepaid expenses	522335
Advance against Fixed Assets	1297436
Export Benefit Receivable	2856714
Advance Income tax/ refundable (Net of Provisions)	814172
Earnest Money and Security Deposits	1678600
Deposits with Excise & Customs Authority	41015
Claims Recoverable from Excise Authority	18074807
Deposit with Sales Tax Authority	2598433
	35816817
	241848682
# Includes due from :	
(i) Companies in which directors are interested	777043
Maximum amount outstanding at any time during the year	981713
(ii) Directors	Nil
Maximum amount outstanding at any time during the year (for expenses)	91944

SCHEDULE 8

CURRENT LIABILITIES AND PROVISIONS :	As at 31-03-2009 Rupees
<u>Current Liabilities :</u>	
Sundry Creditors	13932323
Advance from Customers	2325673
Other liabilities	6486395
	22744391
<u>Provisions :</u>	
Provision for taxation (Net of Advances)	775816
Provision for Fringe Benefit Tax(Net)	78274
Provision for Leave Encashment	144054
Proposed Dividend	5360000
Tax on Proposed Dividend	910932
	7269076
TOTAL	30013467

SCHEDULE 9

SALES & OTHER INCOME	For the Year ended 31-03-2009 Rupees
(A) SALES & SERVICES	
Sales (Domestic)	129372210
Sales (Export)	155937290
Project Export/ Consultancy Services	26362751
Repairing/Service Charges	3382851
	315055102
Less: Excise Duty	13801972
	301253130
(B) OTHER OPERATING INCOME :	
Export Incentives Received	16080522
Exchange Variation Gain	9618905
Other Interest Received (Gross)	807926
(Tax Deducted at Source Rs. Nil (Previous Year Rs.12112/-)	
Miscellaneous Receipt	81234
Insurance Claim Received	563603
Discount received	91963
Balances Written Back	1903320
	29147473
(C) OTHER INCOME :	
Interest received on deposits(Gross)	1598062
(Tax Deducted at Source Rs. 3,54,178 (Previous Year Rs.261671/-)	
Dividend Received	504051
Profit on Sale of Assets	3601977
	5704090
	336104693

CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

SCHEDULE 10

(ACCRETION) / DEPLETION OF STOCKS	For the Year ended 31-03-2009 Rupees	
	CLOSING STOCKS	
Finished goods		16822782
Work-in-Progress		14065730
		30888512
Less: OPENING STOCKS :		
Finished goods		9849689
Work-in-Progress		17103742
		26953431
(Accretion) / Depletion		(3935081)

e) ADMINISTRATIVE EXPENSES		
Travelling and Conveyance		2872342
Printing and Stationery		268044
Insurance charges		588668
Advertisement expenses		834842
Postage, Telegram, Telephone		559045
Auditors' Remuneration (Excluding Service Tax)		90000
General Expenses		219343
Fees and subscription		641379
Legal and Professional expenses		1229015
Books and periodicals		34968
Security service charges		615563
Meeting Expenses		110392
Advances Written off		201436
Registrar's fees		15000
Rent Paid		807000
Loss on Sale/discarded assets		311182
Exchange Variation Loss		9344920
	Total (e)	18743139
f) SELLING EXPENSES		
Selling Expenses		680060
Sales Commission		241942
Carriage Outward -		8904181
Sales Tax		319885
Project Export Expenses		9664370
Bad Debts Written Off		6989739
Provision for Doubtful Debts		1849286
Liquidated Damages		157634
Loss on Commodity Trading (Net)		-
	Total (f)	28807097
	Total (a+b+c+d+e+f)	263082211

SCHEDULE 11

OPERATING EXPENSES		For the Year ended 31-03-2009 Rupees	
a) RAW MATERIALS CONSUMED			
Indigenous :-			
— Opening Stock		12242346	
— Purchases		93858812	
		106101158	
— Closing Stock		16045686	90055472
Imported :-			
— Opening Stock		44197123	
— Purchases		114857280	
		159054403	
— Closing Stock		58308484	
		100745919	
	Total (a)	190801391	
b) MANUFACTURING EXPENSES :			
Job Work Expenses		6478120	
Power & Fuel		2362679	
Testing Expenses		47023	
Excise Duty on Stock/other adjustments		(757382)	
Research & Development Expenses		1133240	
	Total (b)	9263680	
c) EMPLOYEE COST :			
Salaries, Wages & Bonus		7392787	
Directors' Salaries & Perquisites		4586743	
Employer's contribution to Provident Fund		596644	
Employer's contribution to E.S.I.C.		237783	
Contribution to Group Gratuity Insurance		336432	
Workmen and staff welfare expenses		92522	
	Total (c)	13242911	
d) REPAIRS & MAINTENANCE			
— Plant & Machinery		1024405	
— Buildings		331795	
— Vehicles		513255	
— Other Assets		354539	
	Total (d)	2223994	

SCHEDULE 12

INTEREST & FINANCE CHARGES		For the Year ended 31-03-2009 Rupees
Interest on Term Loans		5424998
Interest on Cash Credit		5412211
Interest on Export Credit		3004061
Interest on Usance bills & Others		3256041
ECCG Premium		532183
Bank Charges		3413714
		21043228

SCHEDULE 13

PRIOR YEAR ADJUSTMENTS		
Expenses (Short) / Excess accounted in earlier years (Net)		(547549)
Income Short / (Excess) accounted in earlier years (Net)		2535379
INCOME TAX EXPENSES		1987830

**NOTES FORMING PART OF THE ACCOUNTS:****ACCOUNTING POLICIES & NOTES ON ACCOUNTS.**

(Annexed to and forming part of the Accounts for the year ended 31st March 2009)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES.**A. REVENUE RECOGNITION**

- (i) Revenues/ Incomes and Costs/ Expenditures are generally accounted on accrual basis as they are earned or incurred.
- (ii) Sales are recognized on the date of dispatch of materials to customers. Services are recognized on completion.
- (iii) Sales figure disclosed in the Profit and Loss Account is inclusive of excise duty.
- (iv) Revenue recognition in respect of price escalation is carried out in the year of settlement of claims / bills.
- (v) Dividend income from investment is accounted, when the right to receive is established.
- (vi) Duty draw back and other benefits receivable on eligible export of goods manufactured are shown under "Other Income" as per rates applicable thereon.

B. FIXED ASSETS

- (i) Fixed Assets other than those which have been revalued are stated at cost which includes all direct expenses including attributable borrowing cost incurred up to the date of installation of assets less accumulated depreciation (other than "Leasehold Land" where no depreciation is charged).
- (ii) Revalued assets are shown at the revalued cost less accumulated depreciation as per the Accounting policy no. C(ii).
- (iii) Discarded fixed assets are de-capitalized and included under inventories at 5% of value of assets being estimated realizable value.
- (iv) Advance paid towards the acquisition of fixed assets outstanding as of each date balance sheet date and the cost of fixed assets not ready for use before such date are disclosed under capital work-in-progress.
- (v) Goodwill arising on consolidation/ acquisition of assets is not amortized. It is tested for impairment on a periodic basis and written off if found impaired.

C. DEPRECIATION

- (i) Depreciation on Fixed Assets (Other than revalued assets) is provided on Straight Line Method in accordance with the rates specified under Schedule XIV to the Companies Act, 1956.
- (ii) Depreciation on revalued assets is calculated on their respective revalued amount on Straight Line Method over the balance useful life as determined by the valuers or the balance remaining useful life as per Schedule – XIV whichever is lower.
- (iii) Leasehold land is not amortized since the period of lease is 99 years.
- (iv) Items costing Rs. 5000/- or less are fully depreciated in the year of purchase.
- (v) Depreciation on additions to assets and on sale/ discard of assets is calculated pro-rata from the date of such additions or up to the date of such sale/ discard, as the case may be.
- (vi) The charge over and above the depreciation calculated on the original cost of the revalued assets is transferred from Fixed Asset Revaluation Reserve to Profit and Loss Account and shown as a deduction from Revaluation Reserve.

D. BORROWING COST:

Borrowing costs relating to the acquisition/ construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete.
A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.
All other borrowing costs are charged to revenue.

E. INVESTMENT

Long Term investments are carried at cost less provision, if any, for permanent diminution in value of such investments. Current investments are carried at lower of cost and market value.

F. INVENTORIES

- (i) Stock of Raw Materials, Components and stores are valued at lower of cost and net realizable value. Cost is arrived at on FIFO Basis, excluding CENVAT paid on purchases.
- (ii) Stock of Materials-in-Process and Finished Goods are valued at lower of cost and net realizable value. Cost excludes CENVAT paid on inputs but includes excise duty payable on completion of manufacture of the Finished Goods.

G. FOREIGN CURRENCY TRANSACTION

Receipts and Payments are recorded at actual rates prevailing on the date of transaction. Balances in the form of Current Assets and Current Liabilities (including for procurement of Fixed Assets) in foreign currency, outstanding at the close of the year, are converted (in Indian Currency) at the appropriate rates of exchange prevailing on the date of Balance Sheet and the resultant loss or gain is taken to exchange variation account which gets charged in or credited to the Profit and Loss Account.

H. RESEARCH AND DEVELOPMENT

Revenue expenditure including overheads on Research and Developments are charged off as an expense through the natural heads of account in the year in which incurred. Expenditure which results in the creation of capital assets is taken to fixed assets and depreciation is provided on such assets as applicable.

I. EMPLOYEE BENEFITS

CONSOLIDATED FINANCIAL STATEMENTS

(i) Short Term Employee Benefits:

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

(ii) Defined Contribution Plans.

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

(iii) Defined Benefits Plans

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

b) Provision for leave encashment benefit is done on the basis of actuarial valuation.

J. LIQUIDATED DAMAGES

Liquidated damages are accounted only when finally agreed upon and settled with the parties.

K. TAXATION:

Income Tax provision comprises Current tax and Deferred Tax charge or credit. The Deferred Tax assets and Deferred Tax Liabilities are calculated by applying tax rate and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

L. IMPAIRMENT OF ASSETS

(a) The Company has one product which is manufactured in and sold from its factories located at Bhubaneswar and Vadodara and accordingly entire Company is treated as Cash Generation Unit for carrying out Impairment Test.

(b) Estimated future net inflows are made on the basis of estimated growth in volumes considering the expected growth of power industry based on current trends and the rise in input and other costs on past experiences.

M. PROVISIONS, CONTINGENT LIABILITIES & CONTIGENT ASSETS.

(a) The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

(b) Liabilities contingent upon happening of future event are disclosed by way of a note in the accounts. Claims against the Company where a demand has been raised by any authority or disputed in arbitration are recognized as Contingent Liability, if contested.

(c) Contingent assets are not recognized.

(d) Provision is made regarding disputed statutory levies only when the appeal is decided by the Appellate Tribunal.

2. NOTES ON ACCOUNTS:

A) During the year the Company acquired the entire Paid-up Share Capital of the M/s. Phoneix Surgicare Private Limited.

B) Contingent Liabilities not provided for:

Rs. In Lakhs

PARTICULARS	As at 31.03.2009
- Un expired Letters of Credit	158.96
- Counter Guarantees for Bank Guarantees issued	116.99
- Counter Guarantees for Bid Guarantees issued	Nil
- Claims against the Company not acknowledged as Debt.	
(i) Income Tax	20.40
(ii) Sales Tax (*)	32.25
(iii) Entry Tax (#)	4.49
(iv) Excise	1.06
(v) ESI	0.21
Total	334.36

(*) Advance against the demands of Rs.19.96 lakhs has been paid under protest which is shown under (Loans and Advances).

(#) Advance against the demands of Rs.2.30 lakhs has been paid under protest which is shown under (Loans and Advances).

C) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 87,50,786/- (net of advances) [Previous year- Rs 55,02,931/-]

D) Capital Work in Progress of Rs. 5,78,497/- (Previous Year- Rs. 88,36,579/-) disclosed under Schedule-5 includes Rs.1,21,226/- (Previous Year- Rs. 69,534/-) being the borrowing cost/ Up-front Charges on Bank Borrowings for the Qualifying Assets in line with Accounting Standard 16 issued by The Institute of Chartered Accountants of India.

E) The Company had revalued its Land-Leasehold and freehold Buildings, Plant & Machinery, Testing Equipments, Material handling equipments, Electrical Installations, Computers, Office equipment, Vehicle, Furniture & Fixtures as on 31.10.1999. The increase on revaluation has been transferred to Fixed Assets Revaluation Reserve. The decrease in revaluation has been charged off to profit and loss account.

F) The Company has transferred Rs. 3,68,43,045/- to Revaluation Reserve (Shown under Reserves & Surplus) on revaluation of Fixed Assets and transferred the additional charge of depreciation on revalued assets amounting to Rs. 12,17,089/- (Previous Year- Rs. Rs. 14,06,247/-) from Revaluation Reserve to Profit and Loss Account [Read with Accounting Policy 1 (c) (vi)].



ALFA TRANSFORMERS LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

- G) Goodwill has arisen on consolidation of Financial Results of Subsidiary Company.
H) Sundry Debtors, deposits and advance to parties include some old balances pending reconciliation/ adjustment/ confirmation. Efforts are being made for recovery/ reconciliation of such balances and resultant effect will be accounted for in the year of such adjustments.
I) As required by Accounting Standard 20 issued by the Institute of Chartered Accountants of India, the reporting in respect of Earnings per Share (EPS) is as follows :

Particulars	Current Year	
Profit/ (Loss) available to Equity Share holders	Rs.	3,49,89,635
Weighted Average no. of equity share for Basic EPS	Nos	53,60,000
Normal Value of Equity Shares	Rs.	10.00
Basic earning per Equity Share	Rs.	6.53

- J) In terms of Accounting Policy No.1 L above, the Company assessed the Cash Generating Unit for Impairment Test using a discount rate of 7% and did not find any asset that requires a provision for impairment.

- K) Related Party Disclosures:

The Company had transactions with the following related parties during the year :

Name	Nature of Transactions	For the Year ended 31 st March, 2009 Rupees
<i>a) Related Companies</i>		
Industrial Designs & Services Ltd. (formerly Industrial Designs & Services Pvt. Ltd.)	Job Work	25,78,964
Oricon Industries Limited (formerly Oricon Industries Pvt. Ltd.)	Job Work	19,75,519
Galaxy Medicare Ltd.	Purchase of Raw materials and others	1,55,440
Phoenix Surgicare Private Limited (has become wholly which owned Subsidiary Company)	Investment in Subsidiary Company	3,75,000
‡ Dillip Kumar Das Deepak Kumar Das Debasis Das Santosh Kumar Patnaik	Remuneration to all Directors	Rs. 47.61 (Previous Year Rs.34.98)

- L) ₹1) Disclosure relating to Leave Encashment- As per Actuarial Valuation on 31st March, 2009.

a) Table Showing Changes in Present Value of Obligations :

Particulars	2008-09
Present value of obligation as at beginning of the year	1,77,460
(i) Acquisition Adjustments	—
(ii) Interest cost	8,647
(iii) Past Service cost	—
(iv) Current Service cost	25,251
(v) Curtailment cost	—
(vi) Settlement cost	—
(vii) Benefits Paid	1,24,332
(viii) Actuarial gain/ loss on Obligation	57,027
Present value of obligation as at end of the year	1,44,054

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

Particulars	2008-09
(i) Current Service Cost	25,251
(ii) Past Service Cost	—
(iii) Interest Cost	8,647
(iv) Expected Return on Plan Asset	—
(v) Curtailment cost	—
(vi) Settlement cost	—
(vii) Actuarial gain/ loss on Obligation	57,027
Expenses Recognized in Statement of Profit and Loss Account	90,926

CONSOLIDATED FINANCIAL STATEMENTS

c) Table Showing Actuarial Assumptions :

Particulars	2008-09
(i) Mortality Table	LICI 1994-1996
(ii) Superannuation Age	58
(iii) Early Retirement & Disablement	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29
(iv) Discount Rate	7.5
(v) Inflation Rate	5.0
(vi) Return on Asset	0.00
(vii) Remaining Working Life	15
(vii) Formula used	Projected Unit Credit Method

d) Table Showing Movements in the Liability Recognized in Balance Sheet :

Particulars	2008-09
(i) Opening Net Liability	—
(ii) Expenses as above	90,926
(iii) Contributions	—
(iv) Closing Net Liability	90,926
Closing Fund/ Provision at the year end	1,44,054

(2) Disclosure relating to Gratuity, as certified by Life Insurance Corporation of India, (Pension and Group Scheme Department) for the year ended 31st March, 2009 have been made as below:

- i) In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering certain categories of employees.
- ii) The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC). Under the plan, the settlement obligation remains with the Company, although the Life Insurance Corporation of India administers the plan and determines the contribution premium required to be paid by the Company.
- iii) Disclosures as required by AS-15 (Revised) are made as per the details submitted by LIC.
Annual premium payable to LIC amounting to Rs. 3,36,432/- (Previous Year- Rs. 1,23,086/-) have been shown under "Employees Cost" in Schedule-11.

a) Assumptions as on 31-03-2009

Discount Rate	8.00%
Salary Escalation	7.00%

b) Table Showing changes in present value of Obligation as on 31-03-2009

Particulars	Group Gratuity Fund as maintained by LIC
Present value of obligation as at beginning of the year	11,06,810
(i) Interest cost	88,545
(ii) Current Service cost	1,12,053
(iii) Benefits Paid	—
(iv) Actuarial gain/(loss) on obligation	75,178
Present value of obligation as at end of the year	13,82,586

c) Table showing changes in the fair value of plan assets as on 31-03-2009

Particulars	Group Gratuity Fund as maintained by LIC
Fair value of plan assets at beginning of year	8,82,250
(i) Expected return on plan assets	97,259
(ii) Contributions	3,36,432
(iii) Benefits Paid	—
(iv) Actuarial gain/(loss) on plan assets	—
Fair value of plan assets at end of year	13,15,941

d) Table showing fair value of plan assets as on 31-03-2009

Particulars	Group Gratuity Fund as maintained by LIC
Fair value of plan assets at beginning of year	8,82,250
(i) Expected return on plan assets	97,259
(ii) Contributions	3,36,432
(iii) Benefits Paid	—
(iv) Actuarial gain/(loss) on plan assets	—
Fair value of plan assets at end of year	13,15,941



e) Actuarial Gain/Loss recognised as on 31-03-2009

Particulars	Group Gratuity Fund as maintained by LIC
(i) Actuarial (gain)/loss on obligations	(75,178)
(ii) Actuarial (gain)/loss for the year- plan assets	—
(iii) Actuarial (gain)/loss on obligations	75,178
(iv) Actuarial (gain)/loss recognized in the year	75,178

f) The amounts to be recognized in the balance sheet and statements of profit and loss account as on 31-03-2009

Particulars	Group Gratuity Fund as maintained by LIC
(i) Present value of obligation at the end of year	13,82,586
(ii) Fair value of plan assets as at the end of the year	13,15,941
(iii) Fund status	(66,645)
(iv) Net asset/(liability) recognized in balance sheet	66,645

g) Expenses Recognized in statement of Profit and Loss account as on 31-03-2009

Particulars	Group Gratuity Fund as maintained by LIC
(i) Current Service Cost	1,12,053
(ii) Interest Cost	88,545
(iii) Expected return on plan assets	(97,259)
(iv) Net Actuarial (gain) loss recognized in the year	75,178
(v) Expenses recognized in statement of Profit and loss	1,78,517

h) Disclosure relating to Gratuity, as certified by Life Insurance Corporation of India, Pension and Group Scheme Department for the Previous year ended 31st March, 2008.

Particulars	Group Gratuity Fund as maintained by LIC
Present value of obligation as at beginning of the year	8,63,666
(i) Interest cost	79,391
(ii) Current Service cost	1,12,053
(iii) Benefits Paid	1,47,404
Present value of obligation as at end of the year	8,82,250

M) Previous Year Figures have not been given as Current Year is the first year when consolidated financial statement have prepared.

CASH FLOW STATEMENT FOR THE ENDED 31ST MARCH, 2009

PARTICULARS	CURRENT YEAR (Rs. in Lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES	
Net Profit before Interest, Taxes & Extraordinary Items	713.27
Add :	
Depreciation	56.31
Bad Debts Written off/Provisions & Liquidated Damages etc.	91.98
	861.56
Less :	
Interest Income	24.06
Foreign Exchange Gain (Net)	8.19
Profit/ (Loss) on Sale of Assets & Discarded (Net)	32.91
Balance written back	19.03
Dividend Income	5.04
	89.23
Operating Profit / (Loss) before Working Capital Changes	772.32
Adjustment for;	
Inventories - Decrease / (Increase)	(240.02)
Trade & Other Receivables Decrease / (Increase)	72.99
Trade Payables & Provisions Decrease / (Increase)	(244.82)
Cash Generated From Operations	360.47
Cash Outflow before Prior Year Adjustment	360.47
Less: Income Tax and FBT Paid	(136.25)
NET CASH FLOW FROM OPERATING ACTIVITIES	224.22
B. CASH FLOW FROM INVESTING ACTIVITIES	
Additions of Fixed Assets	(415.17)
Sale of Fixed Assets	1.45
Investment in Subsidiary Company	(3.75)
Interest Received	24.06
Dividend Received	5.04
Fixed Deposit / Other deposits Made	(1.00)
NET CASH FLOW FROM INVESTING ACTIVITIES	(389.37)



PARTICULARS	CURRENT YEAR Rs. In Lakh
C. CASH FLOW FROM FINANCING ACTIVITIES	
Net Increase / (decrease) in secured borrowings	381.13
Unsecured Loan Received / (Payment)	(2.08)
Payment of Interest	(210.43)
NET CASH FLOW FROM FINANCING ACTIVITIES	168.62
Net Increase in cash and cash equivalents (A+B+C)	5.98
Cash and cash equivalents as on 31-03-2008	14.34
CASH & CASH EQUIVALENTS AS ON 31.03.2009	20.32
Cash and Cash Equivalents comprises	
— Cash	4.41
— Balance with Schedule Banks	15.91
	20.32

Note :

- All figures in brackets are outflow.
- Cash flow statement has been prepared under the indirect method as set out in Accounting Standard-3 issued by the Institute of Chartered Accountants of India.
- Previous year figures have not been given as the Current year is the first year when consolidated financial statement have been prepared.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO

CHARTERED ACCOUNTANTS

(S. CHAND)

PARTNER

Membership No. 050063

BHUBANESWAR

DATED : 27th MAY 2009

DILLIP KUMAR DAS

DEEPAK KUMAR DAS

M.CHANDRASEKHAR

MANAGING DIRECTOR

DIRECTOR

COMPANY SECRETARY



ALFA TRANSFORMERS LIMITED

ATTENDANCE SLIP

ALFA TRANSFORMERS LIMITED

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

Telephone: 0674 - 2580484 / 2581036

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. Joint Share-holders may obtain additional Attendance Slip at the Venue of the Meeting.

DP. Id*	
---------	--

Folio No.	
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Client Id *	
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NAME AND ADDRESS OF THE MEMBER:

No.of Share(s) held :

I hereby record my presence at the Annual General Meeting of the Company held on Thursday, the 30th day of July, 2009 at 4.00 P.M. at Hotel "The New Marrion", 6, Janpath, Bhubaneswar – 751001.

Signature of **Member / Proxy**
(Name)

NOTE:

Please sign this attendance slip and hand it over at the verification counter of the Meeting Hall.
*Applicable for investors holding shares in electronic form.

TEAR HEAR

PROXY FORM

ALFA TRANSFORMERS LIMITED

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

DP. Id*	
---------	--

Telephone: 0674 - 2580484 / 2581036

Folio No.	
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Client Id *	
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I/We, _____ of _____

Being Member / Members of Alfa Transformers Limited, hereby appoint..... of
..... of failing him of

..... As my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the company to be held on Thursday, the 30th day of July, 2009 at 4.00 P.M. at Hotel "The New Marrion, 6, Janpath, Bhubaneswar – 751001.

Affix Re. 1/-
Revenue
Stamp

* Applicable for investors holding shares in electronic form.

NOTE:

1. The proxy form signed across Re.1/- stamp should reach Company's Registered Office Atleast 48 Hours before the schedule time of Meeting.
2. The Form should be signed across the stamp as per specimen signature registered with the Company.
3. A proxy need not be a member.
4. The above Attendance Slip should be sent to the Proxy appointed by you and not to the Company.



ALFA TRANSFORMERS LIMITED

ELECTRONIC CLEARING SERVICE (ECS) MANDATE FORM

Members' authorization to receive dividends through

Electronic Credit Clearing Mechanism

(Please fill in the information in CAPITAL LETTERS. Please TICK wherever it is applicable)

1. Regd. Folio No. _____ / DP ID: IN _____

CLIENT ID/ BEN. A/C No. _____

2. First Shareholder's Name: Shri/Smt./Kum./M/s _____

3. First Shareholder's Address: _____

Pin Code _____

4. Particulars of Bank: account of First Shareholder:

Bank Name, Branch & Address with Telephone No.:															
Bank Code (9 Digits MICR Code appearing on the MICR Band of the cheque. Please attaches a Xerox copy of a cheque or a blank cheque of your bank duly cancelled.															
Account Type & A/C Number.															
															₹
SB CA CC															

5. Date from which the mandate should be effective: _____

I hereby declare that the particulars given above are correct and complete. If any transaction is delayed or not effected for reasons of incomplete or incorrect information, I shall not hold Alfa Transformers Limited responsible. I also undertake to advise any change in the particulars of my account to facilitate updation of records for purpose of credit of the amount through ECS (Credit Clearing).

Place:
Date:

Signature of First Shareholder(s)

NOTE: In case the shareholder is not in a position to enclose a photocopy of a blank cheque, a certificate from the Bank as under may be furnished.

Certified that the particulars furnished above are correct as per our records.

Bank's Stamp
Date:

Signature of the Authorised Official from the Bank.

BOOK POST

If undelivered, please return to :

ALFA TRANSFORMERS LIMITED

Plot No. 3337,
Mancheswar Industrial Estate,
Bhubaneswar - 751010

