



FROM BEING SWITCHED ON, TO GETTING RELAYED!

Techno Electric Et Engineering Company Ltd | Annual report, 2012-13

FORWARD-LOOKING STATEMENTS

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

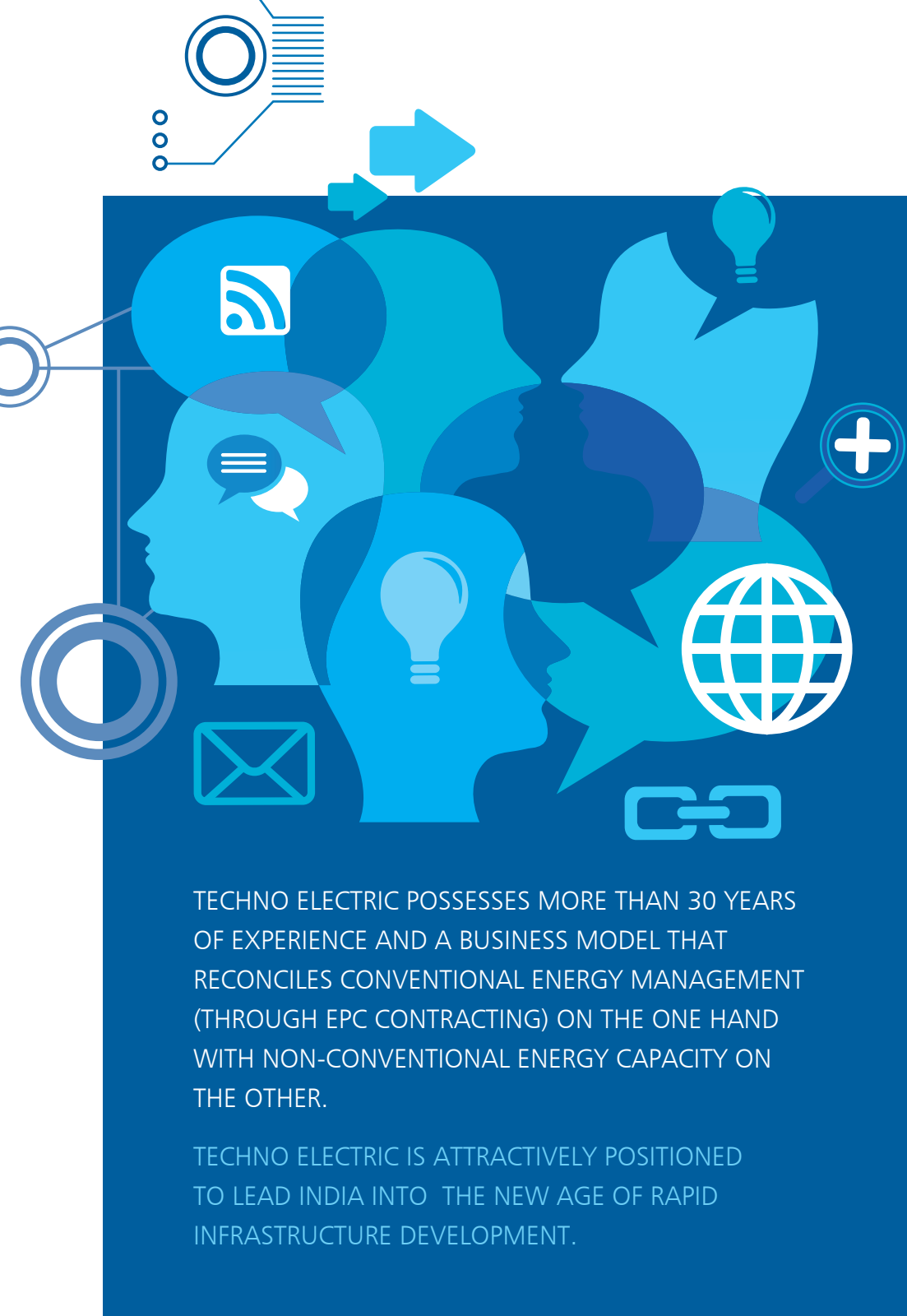
CONTENTS

- 03** > Corporate identity
- 04** > Financial highlights
- 06** > Strengths
- 16** > Chairman and managing director's review
- 19** > Business divisions
- 24** > Management discussion and analysis
- 30** > Risk management
- 32** > Directors' Report
- 38** > Report on Corporate Governance
- 47** > Financial section

Techno Electric's EPC arm completed four captive thermal power plants, auxiliary systems in 40-odd large capacity power plants, 250 sub-stations, 15 distribution projects and nine industrial projects in its existence. It also developed 207.35 MW of wind power and 2,340 MVA of transmission system capability.

In doing so, Techno Electric has touched innumerable lives and expects to continue doing so. Techno aims to generate clean power for the benefit of consumers, economy and country.





TECHNO ELECTRIC POSSESSES MORE THAN 30 YEARS OF EXPERIENCE AND A BUSINESS MODEL THAT RECONCILES CONVENTIONAL ENERGY MANAGEMENT (THROUGH EPC CONTRACTING) ON THE ONE HAND WITH NON-CONVENTIONAL ENERGY CAPACITY ON THE OTHER.

TECHNO ELECTRIC IS ATTRACTIVELY POSITIONED TO LEAD INDIA INTO THE NEW AGE OF RAPID INFRASTRUCTURE DEVELOPMENT.

PARENTAGE

Techno Electric & Engineering Company Ltd. was established in 1963. It entered the power transmission and distribution segment in 1980 and in 2009 it entered the power generation sector by acquiring two wind energy generation companies. Today, Techno Electric has aggregated heavy engineering skills and light construction capabilities across India's power generation, transmission and distribution segments. Also the Company has emerged as an independent power producer with 207.35 MW wind energy capacity as on March 31, 2013.

BUSINESS

EPC: Techno Electric's rich domain knowledge makes it possible to service the challenging EPC needs of the power, steel, fertiliser, metals and petrochemicals sectors, among others.

The Company provides turnkey projects extending from complete power generating plants to system plant packages tailored to complement larger systems supplied by other companies.

- Electrical systems across generation, transmission and distribution segments up to 765 KV
- Tailored power solutions for industries like aluminium and petrochemicals, among others

Renewable power generation: Operates 207.35 MW of wind energy assets; intends to enter into biomass, solar and hydro-based power generation

Transmission: Won a 25-year (extendable by 10 years) concession in consortium with Kalpataru Power for a transmission link at Jhajjar, Haryana

PRESENCE

Techno Electric (headquartered in Kolkata, India) has marketing offices in three Indian states. Until the close of 2012-13, the Company had executed more than 250 projects across India.

LISTING

The Company's Equity Shares are actively traded on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The promoters held 54.97% of the Company's equity as on March 31, 2013.

TEAM

The Company employs 450 professionals (engineering, commercial, graduates and post graduates). The core engineering team possessed an average experience of more than 25 years per person as on March 31, 2013.

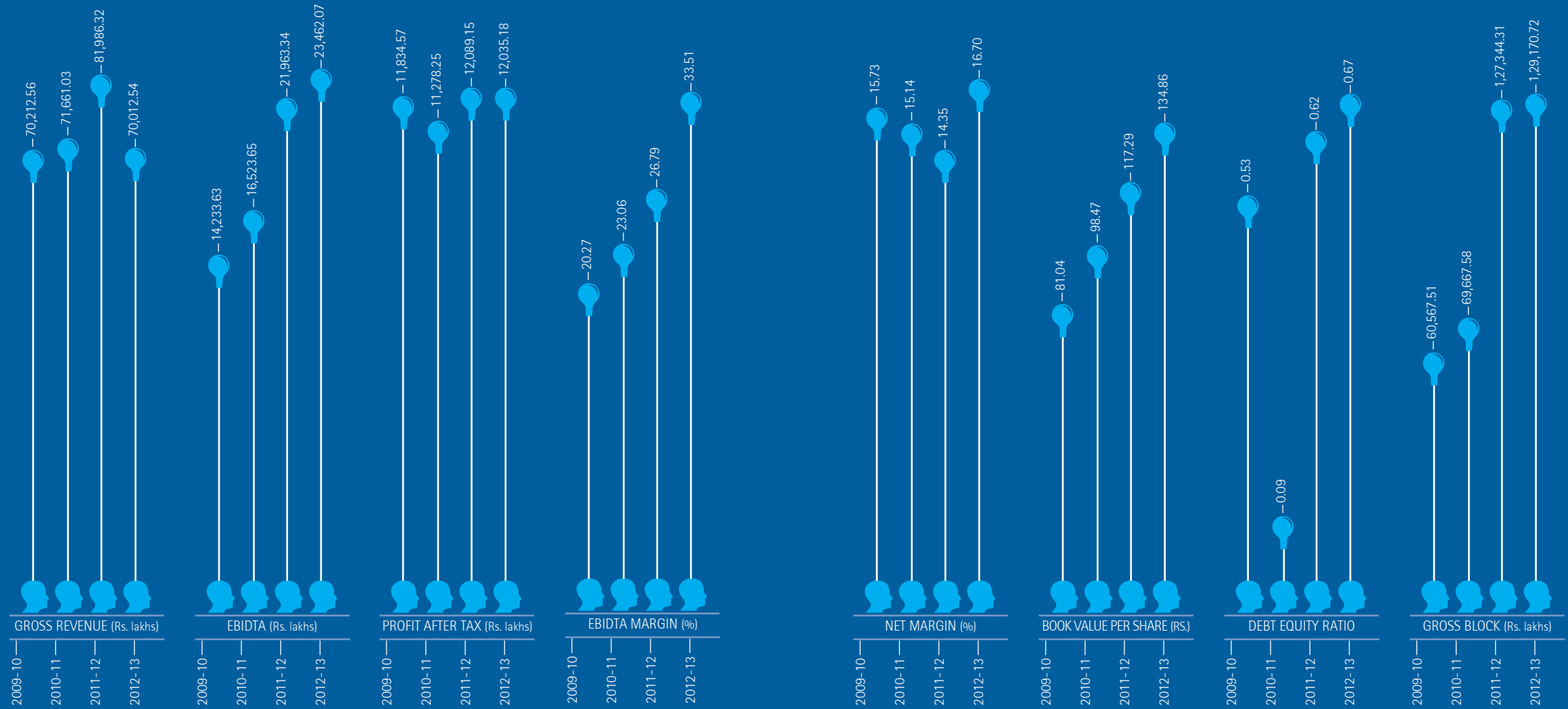
AWARDS AND RECOGNITION

- Business Standard, 2013 (Top 1000 Companies of India)
- Dun & Bradstreet, 2010 (Top 500 Companies in India)
- Mint, September 2010 (Top 100 Performing Companies in India)
- Dalal Street, 2009 (Top 400 Large Cap Corporates in India)
- Forbes 2008 (Best 200 Under Billion List in Asia)
- The Company was named the 'Best Vendor in the Eastern India' by Bharat Heavy Electricals Limited (BHEL)

The Company was selected by Forbes 2008 as a part of Best 200 Under Billion List in Asia.

FROM BEING SWITCHED ON TO GETTING RELAYED...

HAS RESULTED IN INCREASING RETURNS



MILESTONES

1963

Incorporated to provide EPC services to India's core sector

1980

Went public with an IPO of Rs. 20 lakhs; commissioned India's first commercial LSHS handling system for Durgapur Steel Plant

1988

Forayed into balance of plant (BOP) packages for power plants

1990

Extended into the transmission and distribution segments

1995

Complete management control acquired by Mr. P. P. Gupta

2009

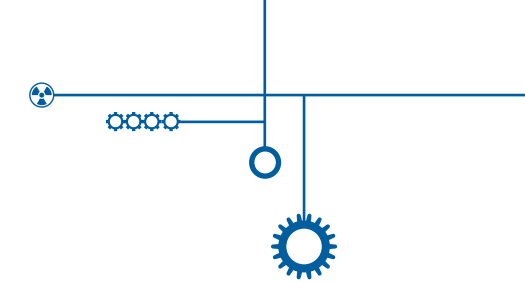
Acquired 95.45 MW wind power firm with installations in Tamil Nadu and Karnataka

2010

Setting up 400/220 KV 1,500 MVA (100 km long) transmission link for HVPNL through the PPP route

2012

Completed installation of 111.9 MW wind power farm in Tamil Nadu
Bagged first ever overseas EPC job
Entered into 765 KV substation segment



OUR ENDURING STRENGTHS



CORPORATE

TRUSTED PARTNER

Techno Electric possesses an attractive track record in the timely execution (without penalty) of challenging projects in difficult terrains.

SIZEABLE SCALE

Techno Electric has played a direct role in building more than 50 percent of India's National Power Grid and a direct / indirect role in more than 50 percent (more than 50,000 MW) of India's thermal power capacity creation. The Company has also been involved in setting up of extension bays at 52 substations (out of 106 substations) as a part of PGCIL's expansion.

SELECTIVE

Techno Electric is a selective player; its order book accretion does not compromise profitability.

RICH EXPERIENCE

Techno Electric's promoters possess more than three decades of experience in engineering, procurement and construction (EPC) services for diverse sectors such as steel, fertilisers, metals and petrochemicals.

COMPETENT TEAM

Techno Electric has a 150-member engineering team (average 25 years of industry experience) with diverse professional competencies backed by 200 skilled professionals and 100 staff members.

MARKETING

SPREAD

Techno Electric provides products and services that cover 30% of the BoP value of a power project. It selects to work with clients who have achieved 100% financial closure.

PORTFOLIO MIX

Techno Electric combines competencies in light construction and heavy engineering related to the power sector. It provides turnkey solutions for entire power plants across all segments and is an independent power producer in the wind energy segment.

PIONEERING

Techno Electric has pioneered a number of projects with record completion schedules. It was the first

to develop, install and commission 360 KA busbar systems for aluminium smelters in 2012.

EXTENSIVE REACH

Techno Electric has executed more than 250 projects across 18 Indian states in terrains ranging from hilly areas and river beds to deep interiors.

STRONG VENDOR RELATIONSHIP

Techno Electric enjoys enduring relationships with 1,200 trusted vendors which facilitate timely project completion.

FINANCIAL

ASSET LIGHT

Techno Electric's asset light model in the EPC segment is the result of selective outsourcing and the scalability of its design and engineering capabilities.

LOW WORKING CAPITAL

Techno Electric has remained a free cash flow company with efficient working capital management unlike its peers in the EPC transmission and distribution segment, it focuses on executing low-cycle orders.

LOW GEARING

Techno Electric enjoyed a modest gearing of 0.67 as on 31st March, 2013. It employed a modest working capital of less than 16% of the total employed capital.

CONTRACT CLOSURE

More than 90 percent of projects undertaken by Techno Electric have been closed successfully, resulting in faster realisation of retention payments.



FROM BEING SWITCHED ON TO GETTING RELAYED... LEVERAGING OUR CORE COMPETENCE

OVER THE YEARS, TECHNO ELECTRIC LEVERAGED ITS DEEP SECTORAL KNOWLEDGE TO GROW FROM A SMALL CONTRACTOR INTO A LEADING INDIAN EPC COMPANY WITH A PRESENCE IN ALL THREE POWER SECTOR SEGMENTS - GENERATION, TRANSMISSION AND DISTRIBUTION.

Over the years, the Company has grown its competencies around the following: comprehensive engineering capabilities, procurement and construction services for fuel oil storage and handling systems, comprehensive piping systems, process plant installation, fire protection systems, EHV switchyards, EHV substations, power plant cabling systems, plant electrical distribution systems, lightning protection systems and plant illumination systems.

As a result, the Company has evolved into a

comprehensive EPC player in all segments where it is present.

As an extension, the Company has developed capabilities in setting up small power plants and executing balance of plant jobs for larger thermal and hydro power plants.

Besides, it has developed the rich domain knowledge to address a widening spread of sectors like steel, fertilisers, metals and petrochemicals in addition to being able to undertake specialised diversified manufacturing assignments.

This evolution is reflected in the Company's turnover: revenues derived from EPC contracting increased from Rs 250.64 crore in 2005-06 to Rs 515.89 crore in 2012-13.

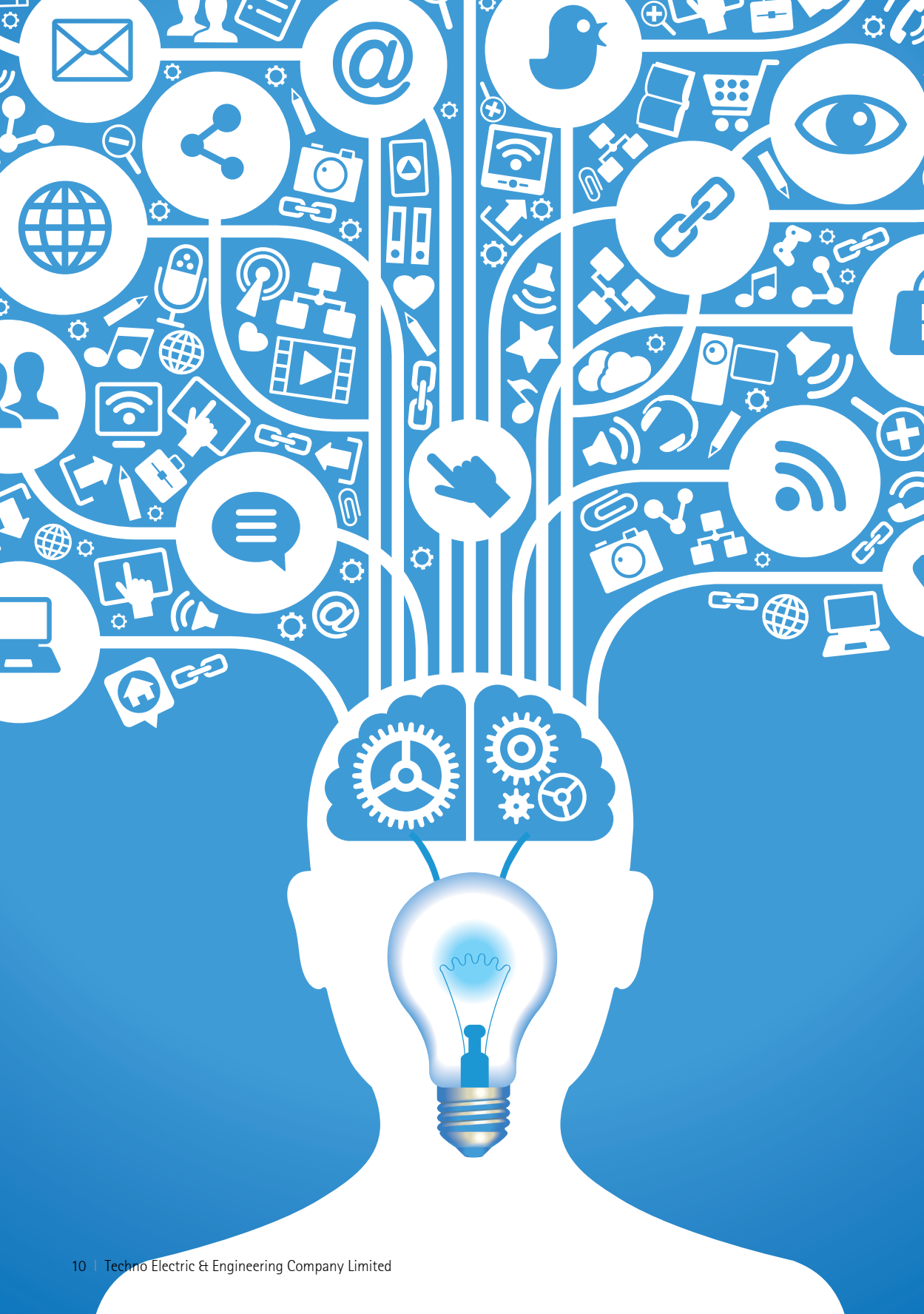
USING KNOWLEDGE TO GROW IN A NICHE

Techno Electric embarked on providing turnkey solutions of dedicated captive power plants for companies in 2006-07. The Company's decision was inspired by a widening gap between power availability and demand, resulting in low asset utilisation among manufacturers.

Within the first three years, Techno Electric completed four captive power plants (single units of up to 40 MW), attracting corporate attention

and respect. These plants delivered high plant load factors and attractive payback.

This encouraged Techno Electric to leverage its rich longstanding knowledge in providing packages for balance of plant (BoP) for power plants and the installation of transmission substations. The result is that the Company now provides operational and maintenance related services in addition to turnkey projects execution.



FROM BEING SWITCHED ON TO GETTING RELAYED...

LEVERAGING OUR ABILITY TO MANAGE THE ENTIRE BUSINESS ECO-SYSTEM

OVER THE YEARS, TECHNO ELECTRIC DEVELOPED A NUMBER OF COMPETENCIES THAT GRADUATED ITS PRESENCE INTO A PREFERRED SOLUTIONS PROVIDER.

The Company's competencies include:

- Project complexity experience leading to a one-stop solutions management for delivering challenging projects on schedule
- Deep design capabilities bringing about an ability to create efficient and enduring assets
- Sound financial management capabilities leading to organisational stability and consistency
- Vendor development commitment resulting in an ability to source products and deliver consolidated projects on schedule
- Quality excellence resulting in the creation of enduring assets that generate consistent power

The result is that Techno Electric has created a reputation for complex engineering and construction

services leading to repeat business from the same customers.

Techno Electric brings to its customers a rich understanding of terrains and project complexities derived from the execution of more than 250 projects across 18 Indian states - in terrains ranging from hilly areas and riverbeds to remote interiors. Over the decades, the Company has strengthened its project understanding through alliances and partnerships with some of the most specialised companies in the world (see below). This insight translated into the customised configuration of projects with high uptime, efficiency and payback.

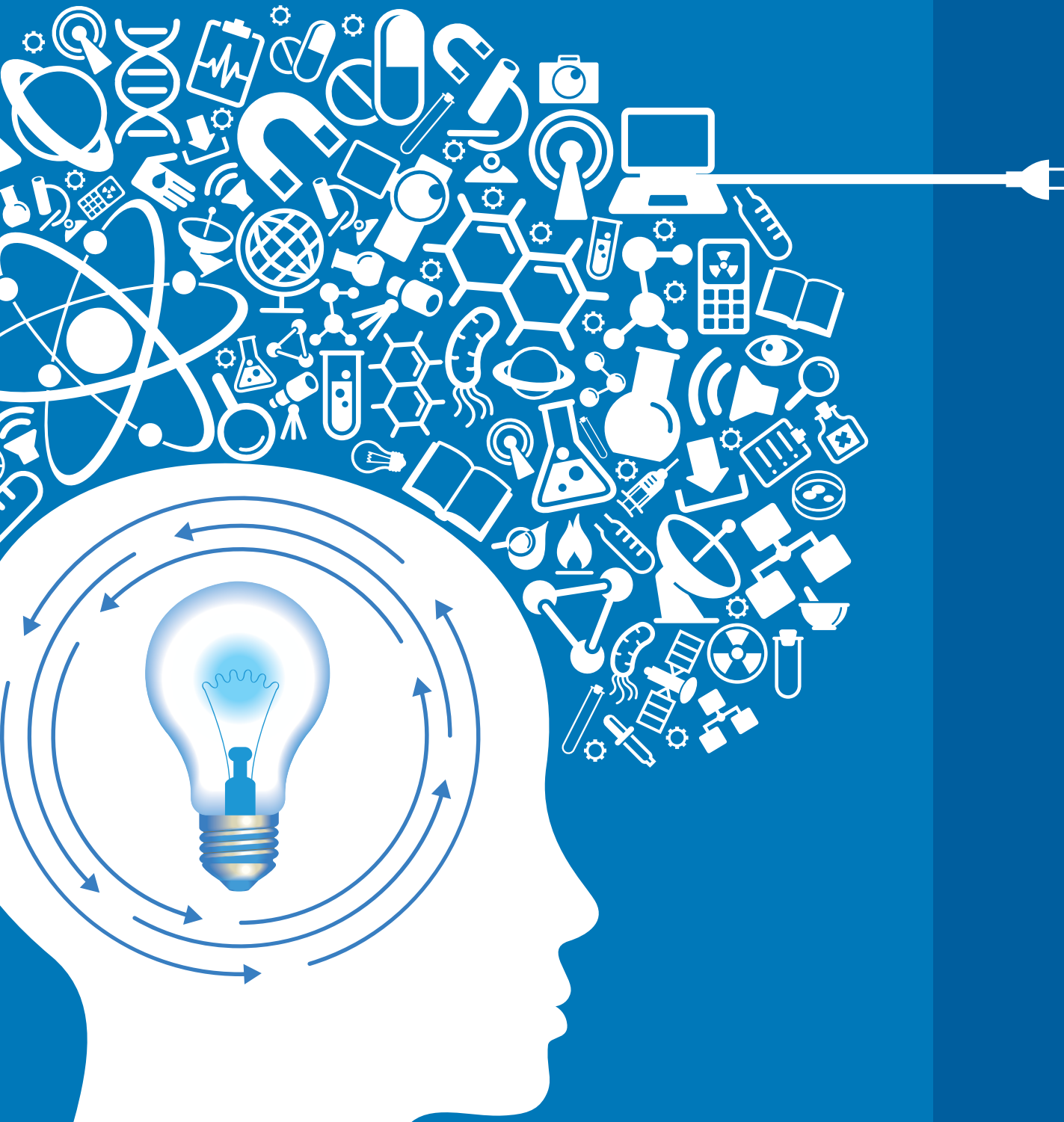
Techno Electric is now extending its deep Indian presence to international geographies. The Company is establishing its presence in countries like Ethiopia, Uganda, Nigeria and Bangladesh. This extension will widen the Company's revenues, enrich its knowledge of global terrains and make it a fast growing international player.

PARTNERSHIP TO ENHANCE AGGREGATE COMPETENCE

Over the decades, Techno Electric's competence has been reinforced through business-strengthening partnerships with a number of reputed international companies namely:

- Kalpataru Power Transmission Ltd. for Design, Build, Finance, Operate, Transfer (DBFOT) projects in Haryana and a transmission project in Uganda

- Xian XD, a Chinese company to build 765/400 KV gas insulated sub-stations
- TBEA, a Chinese company for 765 KV, single phase reactors
- Canmec, a Canadian company to develop a 360 KA Bus Bar System
- Thyssen Krupp (Pune) for Balance of Plant (BOP) business for its captive power plant



FROM BEING SWITCHED ON TO GETTING RELAYED...

BY PIONEERING PROJECTS RESULTING IN MARKET LEADERSHIP

TECHNO ELECTRIC IS NOT JUST ANOTHER POWER ENGINEERING SOLUTIONS COMPANY. IT IS A NATIONAL ASSET BUILDER.

- Over the decades, Techno Electric has been involved (in some capacity or the other) in setting up over 50 per cent of India's power generating capacity in excess of 50,000 MW.
- The Company participated in building more than 50 per cent of the National Power Grid for power evacuation and transmission from one region to another.
- The Company was also engaged in setting up or expanding bays of 52 substations by Power Grid Corporation of India (out of 106 substations established).

This extensive presence translated into a specialised body of knowledge that made it possible for the Company to offer pioneering solutions. The Company was the first private Indian player to establish, operate and manage a 400 KV, 100-km transmission link connecting two 24-bay sub-stations that helped evacuate 1,320 MW of power from the Jhajjar power plant. The Company successfully commissioned the project in a record time of 16 months from the date of financial closure. The project has a concession period of 25 years (extendable by 10 years) with viability gap funding support from the Central Government, translating in project stability for the government and enhanced revenue visibility for the Company.

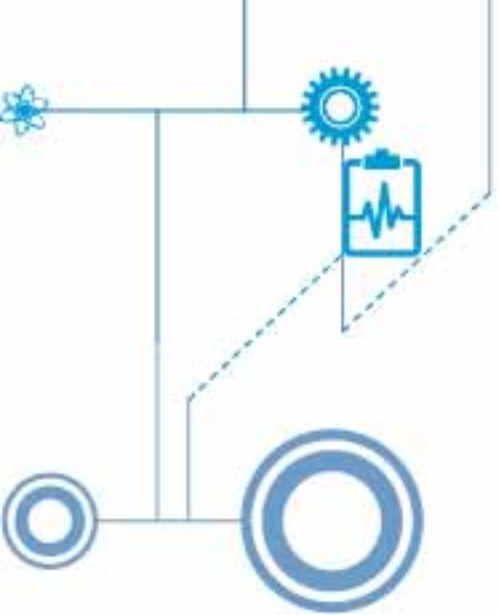
BUILDING KNOWLEDGE ON THE BACK OF GIANTS

Over the decades, Techno Electric has aggregated knowledge related to scale, complexity, cost management and timeliness by working with some of the largest and most demanding customers.

These giants comprise public sector companies like National Thermal Power Corporation (NTPC), Power Grid Corporation of India (PGCIL), National Hydro Electric Power Corporation (NHPC), Bharat Heavy Electricals Ltd. (BHEL), Delhi Vidyut Board (DVB), Indian Oil Corporation (IOC), National Aluminium Company (NALCO) and various State Electricity Boards.

Besides, the Company has also worked with a wide array of private sector companies like Reliance Energy, Thermax, CESC Limited (CESC), Bharat Aluminium Company (BALCO), Hindalco Industries, Vedanta Aluminium, Haldia Petrochemicals and Indian Petrochemicals Corporation (IPCL).

Techno Electric has also worked with a number of multinationals like ABB, Alstom and GE. Over the years, the Company executed a turnkey naphtha-based power plant of 3 x 30 MW with GE at the Maithan site for Damodar Valley Corporation and assisted ABB and Rolls Royce as an associate for their IPP projects in India.



FROM BEING SWITCHED ON TO
GETTING RELAYED...
BY GRADUATING FROM
THE CONVENTIONAL TO
NON-CONVENTIONAL
POWER GENERATION



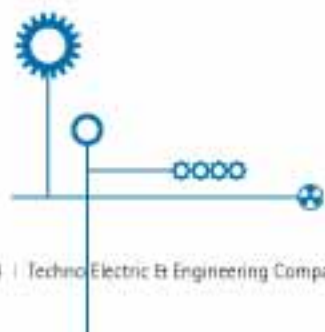
TECHNO ELECTRIC MOVED UP FROM SOLUTIONS ADDRESSING CONVENTIONAL ENERGY REQUIREMENTS TO RENEWABLE ENERGY GENERATION. This extension was inspired by the conviction that sustainable growth could only be derived from a progressive reduction in the dependence on conventional energy sources. In line with this priority, the Company focused on building its wind power generation capacity.

Techno Electric entered the wind power business by acquiring the 45-MW Super Wind and the 50.45-MW Simran Wind from Suzlon in FY10. Thereafter, the Company invested Rs. 6,546 million and increased green power generation capacity from 85.45 MW in 2008-10 to 207.35 MW in 2012-13. The Company attracted investment from IFC (finance arm of the World Bank), which contributed Rs. 225 million by way of equity for this expansion.

Rather than merely consolidate, the Company has drawn out a plan to add 100-150 MW of annual capacity with the objective to create an aggregate renewable power generation capacity of 700-800 MW by 2017 and derive a sizeable secure proportion of its topline from this business.

BUILDING A PIPELINE OF SUSTAINABLE REVENUES

- Simran Wind is the first project developer in India to have won accreditation of more than 100 MW for its wind generation project under the Renewable Energy Certificate Scheme.
- 165.9 MW of the Company's capacity has been registered under UN's Clean Development Mechanism with the potential to generate around 3,40,000 CERs annually.
- Share of revenue from wind power increased from 10.01% in FY 2008-10 to 26.31% in FY 12-13 and a projected 50% by 2017-18, creating a sustainable revenue model with lower market risks.





"WE HAVE ALWAYS POSITIONED OURSELVES AS A BOTTOMLINE -DRIVEN COMPANY AND THERE WAS NO BETTER VINDICATION OF THIS THAN DURING THE YEAR UNDER REVIEW."

Mr. P.P. Gupta, Chairman and Managing Director, reviews the Company's performance for 2012-13



Q HOW DID THE INDUSTRY PERFORM IN 2012-13 AND HOW DID THIS AFFECT THE COMPANY'S PERFORMANCE?

A The power sector in India went through challenging realities in 2012-13. The private power projects were stalled due to many uncertainties prevailing in the sector viz., ambiguity over new Fuel Supply Agreements (FSAs) and issues of price pooling of coal resulting in erratic coal supply, abnormal increase in imported coal prices, delays in land acquisition, environmental and regulatory clearances and timely payments from the DISCOMs, among others. As a result, new orders were not issued and the country could not achieve its Eleventh Five Year Plan target. This had a trickle-down impact for EPC companies like Techno Electric, affected by competitive bidding and a lower order inflow.

In the renewable energy sector (especially wind), capacity additions declined below the FY13 target, largely due to the lapse of an incentive scheme as well as policy framework uncertainties. Against a targeted 2,500 MW, the country's wind energy segment added only 1,699 MW in FY13.

Q GIVEN THIS BACKGROUND, WERE YOU PLEASED WITH THE COMPANY'S WORKING DURING THE FINANCIAL YEAR UNDER REVIEW?

A The industry challenges notwithstanding, we were satisfied with our 2012-13 performance. Given the fact that 2012-13 was the slowest growth year in a decade for India and correspondingly we reported a 14.6 per cent decline in topline, we reported only a 0.45 per cent decline in our profit after tax to Rs 120.35 crore. We have always positioned ourselves as a profitability-driven company and there was no better vindication of this than the year under review: although

our consolidated turnover declined in 2012-13, our operating and net profit margins strengthened 672 bps and 235 bps respectively to 33.51% and 16.7%. So even as one would be inclined to dismiss our performance as lacklustre, the reality is that we strengthened our business model in 2012-13.

Q WHAT WERE THE COMPANY'S BIG ACHIEVEMENTS IN 2012-13?

A Firstly, we demonstrated that when the large sectoral circumstance is beyond one's control, the most effective insurance comes from a stronger exercise of factors within one's control. We operated our 207.35 MW wind energy capacity at a PLF of over 26%, which is one of the highest within India's wind energy sector where the prevailing PLF average is only around 20%. The result is that we generated a record 470-plus mn units derived from a better leverage of our engineering insight (reflected in superior equipment availability, better O&M practices and balancing with grid appetite).

Secondly, in an increasingly competitive business, we realised that we needed to graduate to insulated niches. This is what we showcased: even as the 400 kv space became increasingly competitive with a host of players quoting lower with the objective to carve out a larger share of projects, we chose to do something lateral – we moved to the 765 kv segment, emerging among a handful of players in this space. During the year under review, we completed the challenging 765 kv sub-station in Raigarh for PGCIL, which was our first project in this segment. The result was that we not only completed the station within a record 15 months but were pleasantly surprised that PGCIL declared it as a role model for onward national replication.

Thirdly, we cleared our slate of outstanding projects in 2012-13. We utilised the order book slowdown to our advantage by closing around 20 projects and generated last mile revenues (as against a maximum of six in any year earlier) and cleared the ground for fresh order intake.

Q COMING BACK TO THE COMPANY GRADUATING TO THE 765 KV SUB-STATION SEGMENT. HOW CAN IT STRENGTHEN THE COMPANY'S BUSINESS?

A Firstly, this segment is relatively under-crowded, resulting in a relatively higher pricing power compared with the lower sub-station segments. Secondly, we had added scale to our presence in this segment that we entered only in 2011. We added 12 PGCIL project sites to our portfolio, accounting for around 40 per cent of the industry's market share of that segment with an aggregate project value of Rs. 600 crore. In just two years, we emerged as the largest in this space and also the fastest growing with a project delivery cycle that is 20% shorter than other industry players. This makes it possible for customers to get into revenue generation faster, strengthening their ROI. Besides, in a country with a growing power deficit, we feel that our quicker delivery helps raise the national benchmark. In view of a growing national power generation backlog, the country needs to start looking at rationalising vendor costs while awarding contracts as opposed to the conventional L1 approach, which could be eventually costlier.

Q WHERE IS YOUR SENSE OF OPTIMISM COMING FROM?

A Companies like us always benefit from a slowdown, making it possible for us to procure cost-effectively and

deliver projects on schedule. In our line of business, we have been witness to cycles of high and low profitability every few years. While we expect the slowdown to extend for the next few quarters, we feel that margins will improve thereafter along with the prospect of larger volumes. Over the last year, we became increasingly aggressive in bidding for projects, convinced that the aggregation of scale will translate into various economies that will inevitably trickle down to higher operating margins. In turn, this increased cash flow will provide us with the foundation to reinvest in capabilities and grow our order book.

Let me provide some sectoral optimism as well. In the Eleventh Five Year Plan, NTPC could not complete a number of its projects and finished the entire Plan with a mere 11,000 MW; however, the Company is better-placed to add 20,000 MW in the Twelfth Five Year Plan with positive trickle-down implications for service providers like us. This development is relevant; in March 2013, we got our first NTPC order in seven years, covering two projects (2 x 800 MW Kudgi power plant in Karnataka and 500 MW Vindhyanchal) and generating the optimism that NTPC's large project implementation programme will translate into an annual Rs. 250-300 crore of business for us.

Q HOW DOES THE COMPANY EXPECT TO TAKE ITS BUSINESS AHEAD?

A We had an order book of Rs. 950 crore as on 31st March, 2012 and an order book of Rs. 1,000 crore as on 31st March, 2013 and we expect it to reach around Rs. 1,500 crore by end 2013-14, providing us with revenue visibility for the next two years.

From a larger perspective, let me state that we will always like to do what we know best. We would like to grow our EPC and asset book (renewable energy as well as transmission assets similar to the Jhajjar project in Haryana). We have applied for around a dozen PPP projects, have already qualified for three while the balance are in the pipeline. As far as renewable energy assets are concerned, we possess 207.35 MW on hand and plan to add at least 100 MW over the next year with the objective to grow our portfolio to 700-800 MW by the end of the Twelfth Five Year Plan (2017-18). Our focus will not just be on capacity increment; it will be on outperforming the industry average, achieve a high PLF and deliver the highest return on equity among all wind energy players in the country. We achieved Rs. 200 crore revenues from our wind energy business in 2012-13, which we expect to raise to Rs. 500 crore a year by the end of Twelfth Five Year Plan.

Q HOW DOES THE INDUSTRY EXPECT TO PLAY OUT?

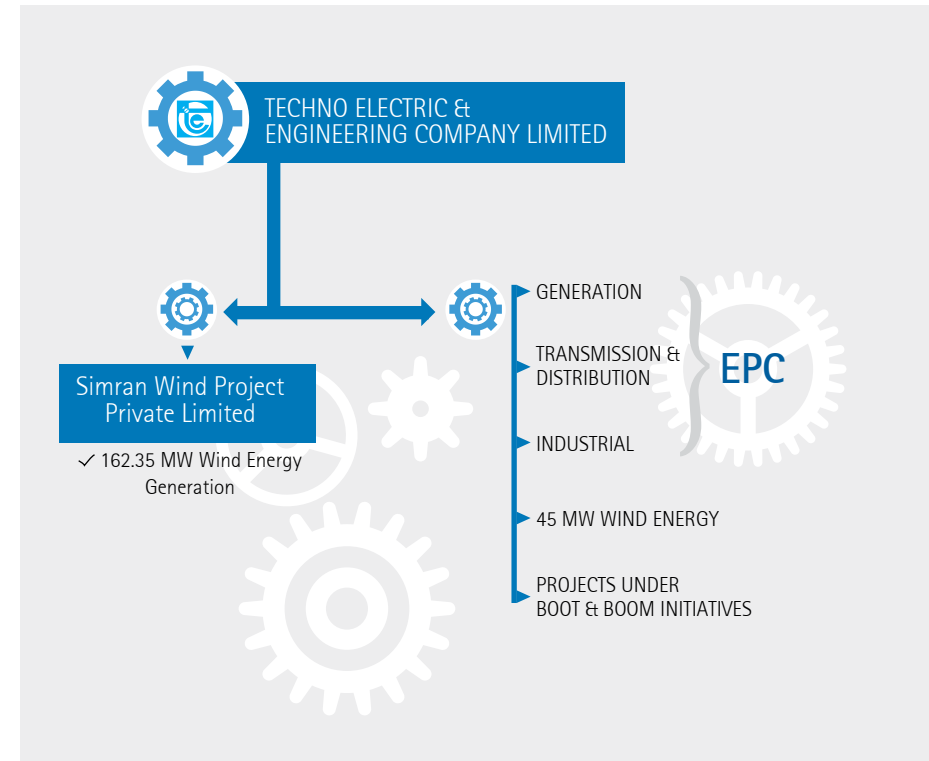
A The country could not capitalise on the foundation of the Electricity Act of 2003 due to tardy implementation. The result is that the national challenge is now 10 times larger needing immediate correction. Since power is a critical infrastructural segment, one expects that the government will soon drive growth in the sector through enhanced investments. Our vision is to continue doing what we know best and extend into adjacent spaces. We will continue to be bottomline-driven with a growing proportion of revenues derived from annuity businesses.

We will bid for EPC contracts that represent attractive IRR and which have achieved financial closure. We will reinvest free cash flows from our renewable energy business with the objective to create a large sustainable business. We are optimistic that the combination of both businesses will translate into enhanced shareholder value.

OUR TWO-FOLD APPROACH TO MAXIMISE VALUE AND EMERGE AS A COMPREHENSIVE PURE PLAY

Growing the existing power EPC	<ul style="list-style-type: none"> • The Indian power sector continues to provide significant opportunities for EPC companies • India continues to be a power deficit country and the government has set ambitious targets for capacity addition • Techno Electric has experience of more than three decades in the Indian power EPC sector and is poised to capitalise on the growing market • Company proposes to build upon its experience and proven expertise in bidding for larger projects and consolidate its presence across a lower number of high value projects
Climbing the value chain	<p>Long-term strategy of entering asset heavy businesses requiring lower running costs:</p> <p><i>Renewable power generation</i></p> <ul style="list-style-type: none"> • Depletion of finite resources to increase relevance for renewable energy in the long-term • Aspires to be one of the largest Independent Renewable Power Producers in India concentrating on both proven technologies (wind power, biomass and hydro) and emerging technologies (solar) <p><i>Transmission network management</i></p> <ul style="list-style-type: none"> • Growing priority to reduce transmission losses through upgradation and building new capacities <p>Techno Electric is already a pioneer in this segment, bagging the first contract awarded in the private sector under a state PPP model with viability gap funding</p>

BUSINESS DIVISIONS



BUSINESS SEGMENT - 1

EPC

Techno Electric has been engaged in the engineering, procurement and construction (EPC) business for three decades, building its relationships with power majors like NHPC, NTPC, Power Grid and BHEL. The Company has provided solutions to nearly half of India's installed thermal capacity and made it possible to build 50% of the National Power Grid for inter-regional transmission.

Over the years, the Company has extended its

value chain and now bids for the entire turnkey EPC projects for captive power plants up to 100 MW capacity apart from existing capabilities in transmission, distribution, industrials and a part of Balance of Plant (BOP) projects.

Techno Electric's plans for new domestic capacity expansion augur favourably for business growth. The Company plans to leverage its extensive experience and proven expertise to bid for larger projects.

TEEC-EPC BUSINESS

POWER GENERATION	POWER T&D	INDUSTRIALS
<p>Captive power plants up to 100 MW on a turnkey basis</p> <p>Balance of Plant</p> <ul style="list-style-type: none"> • Fuel oil system • Water intake / make up systems • Piping networks • Coal handling plant • HT/LT switchgear • Cabling • Illumination systems • Power evacuation systems 	<ul style="list-style-type: none"> • EHV substations upto 765 KV • Distribution systems management (APDRP) • Rural electrification (Rajiv Gandhi Gramin Vidyutikaran Yojna) 	<ul style="list-style-type: none"> • Fire fighting systems • Fuel oil systems • Off site piping systems • AC/DC substation for aluminum plants • Power distribution systems • Plant electrical • Illumination systems • High intensity power system for Aluminum smelter pots (360 KA)

POWER GENERATION

Techno Electric entered into the power sector in 1982 and seeing a growing preference for captive power plants by established industries, moved into integrated solutions in 2006. The result is that the Company provides turnkey solutions for entire power plants with the expertise to take up turnkey Balance of Plant (BoP) assignments in the areas of power generation in thermal energy generation sector, covering mechanical and electrical systems.

The services provided by Techno Electric comprise basic engineering, design, detailed engineering, civil and structural works, commissioning and stabilisation, among others. The Company generally executes 100 MW projects and is capable of executing 250 MW single unit projects as well.

TRANSMISSION

As an extension of its presence in the power segment, Techno Electric forayed into the transmission segment in 1985 and has since executed more than 250 projects. Services provided by the Company include the construction of air-insulated and gas-insulated substations. The Company builds substations ranging from 132 KV to 765 KV in the air-insulated segment; the Company builds substations up to 400 KV in the gas-insulated segment. Besides, the Company also installs overhead lines for transmission projects of captive power plant projects.

In doing so, the Company covers the entire electrical packages of the largest magnitude and complexity.

DISTRIBUTION AND RURAL ELECTRIFICATION

Techno Electric forayed into the distribution and rural electrification sector in 2004, following the introduction of the APDRP scheme in 2000. The Company executed large rural and urban distribution packages, covering three districts in Assam, six districts in Bihar and Maharashtra.

Besides providing distribution solutions under the APDRP scheme, the Company also executes rural electrification projects under the Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY). The Company has executed electrification projects covering more than 2,500 villages, 1,00,000 households and 4,00,000 consumers.

INDUSTRIAL SECTOR

The Company forayed into the industrial sector for execution of various projects on EPC basis in 1977 following industrialisation. Over the years, the Company has executed a number of projects in various segments including plant electricals and illumination, cabling projects, water and allied systems, fire protection system and oil handling plants, among others.

BUSINESS SEGMENT - 2

GREEN POWER

There is a growing consensus that with fossil fuels being finite, the only sustainable means of energy generation is the renewable variety. In line with this recognition, Techno Electric ventured into clean energy generation in 2009 following the acquisition of two wind energy companies, namely Simran Wind Project Pvt. Ltd (Simran) and Super Wind Project Ltd (now Techno Electric).

Techno Electric along with its subsidiary, Simran possesses an aggregate capacity of 207.35 MW. Techno Electric leveraged its rich knowledge of engineering and project management to carry out

a detailed inspection which helped improve asset utilisation, almost matching the capital-cum-operating cost of wind energy with thermal power generation.

Techno Electric has entered into a long-term power purchase agreement with the DISCOMs of the respective states where wind farms have been installed. Out of total capacity of 207.35 MW, 111.9 MW is registered under REC mechanism and 119.4 MW is registered with Indian Renewable Energy Development Agency (IREDA) for GBI benefits and 165.9 MW is registered under UN's Clean Development Mechanism with the potential to generate around 3,40,000 CERs annually.

Going ahead, Simran Wind Project Pvt. Ltd. aims to add 100 MW to 150 MW annually and own around 800 MW of renewable energy capacity by 2017.



PROJECTS UNDER BOOT, BOOM

As a future-focused organisation, the Company recognised that a majority of the investments in India's power sector were being made in the generation segment without a corresponding investment in transmission infrastructure.

Jhajjar KT Transco Pvt Ltd (JKTPL), a joint venture between Kalpataru Power Transmission Ltd and Techno Electric and Engineering Co Ltd, commissioned a 400 KV intra-state power transmission project in Haryana in March 2012. The project was commissioned in a record 15 months from financial closure. The project, a PPP initiative of the Haryana Government, became the first transmission project to receive viability gap funding support from the Central Government.

JKTPL was awarded the project in May 2010 by Haryana Vidyut Prasaran Nigam Limited (HVPNL) on a DBFOT basis for a concession period of 25 years,

extendable by another 10 years. JKTPL will receive terminal value equivalent to 60 months' revenue at the end of the 25th year of the concession period in case the arrangement is not extended to 35 years. HVPNL is the first state utility to promote this kind of a PPP in power transmission.

The 400 KV transmission system comprises a double circuit quad moose line extending from Jharli to Kabulpur, Rohtak (35 km) and Kabulpur to Dipalpur, Sonapat (64 km) with two sub-stations of 400/220 KV 24 bays each at Rohtak and Sonapat. The transmission network is designed to evacuate 2,400 MW of power and will initially transmit 1,320 MW (2x 660 MW) of power from Jhajjar power plant in Haryana.

The system is unique in India and comprises an energy-efficient system coupled with optimised losses, selecting products/subsystems from globally

reputed manufacturers. Techno Electric designed an architecturally attractive green control room

with natural ventilation and thermal insulation.

BUILDING A PIPELINE OF SUSTAINABLE REVENUES

- Developed two 400/220/132 KV 24 bay substations at Dipalpur (Sonapat) and Kabulpur (Rohtak), each sub-station is equipped with:
 - Two 315 MVA and 2x100 MVA transformers along with four 400 KV feeders, six 220 KV and six of 132 KV feeders
 - EC- 61850-based bay level protection scheme with SAS meeting National/State Grid code
 - OPGW-based system for communication and teleprotection for 400 KV
- Operation and maintenance of the above sub-stations is for 25 years, extendable by another 10 years

OUTLOOK

- The Company plans to embark on similar projects and expects to add a transmission line to its portfolio annually with the objective to have a portfolio of five projects by the end of the Twelfth Five Year Plan (FY17).
- The Company plans to enter Rajasthan, Uttar Pradesh, Maharashtra and Tamil Nadu
- Techno Electric can potentially enter IPTC projects through the PPP route.



MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMY

The Indian economy registered moderate recovery in the fiscal 2013, buoyed by the recovery in global economic conditions and fortunes across the developed and emerging economies. In the first nine months of the fiscal 2013, India's gross domestic product (GDP) grew by 5.0%, as against the growth of 6.6% in the corresponding period of fiscal 2012. The service sector, industrial sector and agriculture sector demonstrated growth rates of 6.7%, 3.2% and 4.0% during the initial 9 months of the financial year 2013 as against 8.5%, 4.0% and 4.3% respectively for the same period of the fiscal 2012.

The primary reason for the stymied growth can be attributed to the weak industrial performance clocking at 3.1% in 2012-13. Similarly, agricultural growth also suffered on account of a weak monsoon. The second half of the financial year was adversely impacted by fiscal consolidation which resulted in the shrinking of government expenditure, resulting in further slowdown, especially in the service sector.

Headline inflation moderated to 7.4% in 2012-13 after registering 9.6% in 2010-11 and 9.0% in 2011-12. The monetary measures pursued by the RBI, the recent softening of global commodity prices and a relatively stable rupee saw core inflation decline continuously.

POWER SECTOR OVERVIEW

India is the fifth largest electricity producer in the world. The State Governments accounted for 51.5% of the total generation capacity, the central sector accounted for 33.1% and the private sector for 15.4% [Source: Planning Commission of India]. Thermal plants accounted for 65% of the total power generation capacity in India followed by hydro-electricity (22% share). The country had an installed capacity of 210951.72 MW (as on December 2012) comprising 1,40,976.18 MW of thermal, 4,780 MW

of nuclear, 39,339.40 MW of hydro and 25,856.14 MW of renewable energy [Source: Central Electricity Authority].

DEMAND

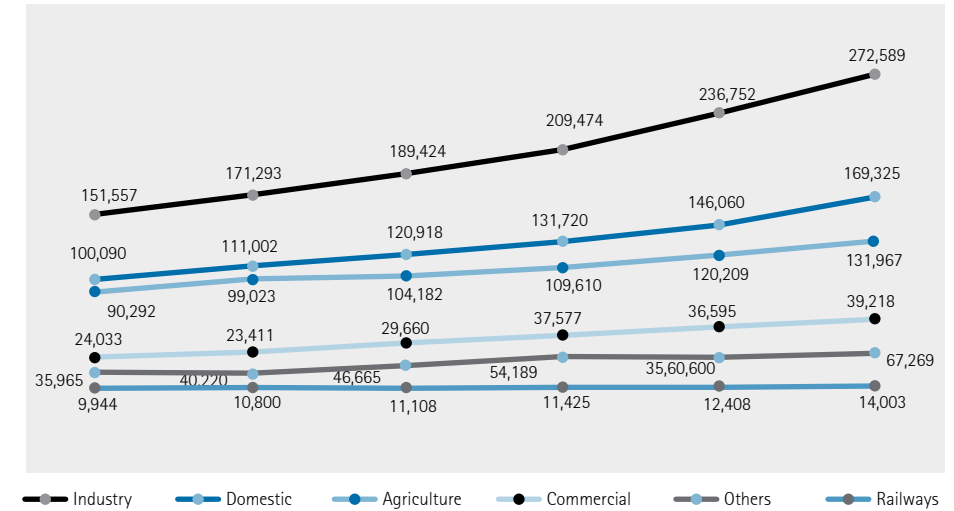
On the demand side, India is the fifth largest power advancement consumer, accounting for 3.4% of global energy consumption. Due to India's economic rise and population growth, power demand has grown at an average 3.6% in the past 30 years. Electricity consumption increased from 411,887 GWh during 2005-06 to 6,94,392 GWh during 2012-13, showing a cumulative average growth rate of 11 percent.

SUPPLY

India's generation capacity has not been able to meet the increasing energy demand, resulting in power outages. During 2012-2013, base load requirement was 985,317 Million Units (MU) against the availability of 893,371 MU - an energy shortage of 9.3%. During peak loads, the demand was for 140,090 MW against the availability of 125,234 MW, leading to a peak shortage of 10.6% (Source: Central Electricity Authority, Ministry of Power)

The losses of India's State Electricity Boards have assumed disproportionate levels, thus coming a full circle since the Electricity Act of 2003, which tried to make these entities more efficient. The average cost of supply for all power companies has far exceeded average revenues. Not surprisingly, the accumulated losses of SEBs were estimated at Rs 1.8 trillion at the end of FY12 (Rs 1.2 trillion in FY11). The non-receipt of subsidies from cash-strapped State Government coffers affected distribution companies. Subsidies from State Governments were estimated at 19% of the total revenue of state utilities in FY10. Although subsidies booked grew 30% year-on-year, cash received was only 14%.

Figure 1: Sector-wise break-up of electricity usage and growth trends



Source: Central Electricity Authority

Power supply

Region	Energy (MU) requirement	Deficit (%)	Peak demand (MW)	Deficit (%)
Northern	299,166	-10.3	44,953	-12.3
Western	285,541	0.3	40,659	-3.2
Southern	277,480	-19.5	39,614	-26.3
Eastern	111,159	-4.8	17,922	0.3
North Eastern	11,970	-14.1	2,314	-21.9
Total	985,317	-9.3	140,090	-10.6

INDIA'S POWER SECTOR WOES

While there have been growing investments in India's power sector, a third of India, especially rural, remains without power, as does 6% of the country's urban population.

India suffers from an acute shortage of power, even though it is the fifth largest consumer of electricity and power in the world. According to the

International Energy Agency, India needs US\$135 billion in investment for its power sector. In United States and China, per capita power consumption stands at 11,919 KWh and 2559 KWh respectively, while in India, with a population of 900 million (1.2 billion minus 300 million without power) the per capita consumption stands at a mere 818.8 KWh.

India's power generation is constrained by a shortage

of coal and failure to achieve planned targets from captive coal mine blocks. Coal shortage is estimated at 238 MT out of the total estimated coal requirement of 842 MT in the Twelfth Five Year Plan. The share of coal-based generation is planned at around 80% of the projected capacity addition programme. To mitigate coal scarcity, the government is looking at the use of state-of-the-art mining technology, a R&R policy for coal mining companies, creation of a task force to address land acquisition and forest clearances, monitoring coal mining project progress and fixing new linkages for higher efficiency.

Per capita power consumption in India

Year	Per capita consumption (kWh)
2004-05	612.5
2005-06	631.4
2006-07	671.9
2007-08	717.1
2008-09	733.5
2009-10	778.6
2010-11	818.8

OUTLOOK

As per government reports, about 36% of the households do not have access to electricity. Recognising that energy is one of the key drivers of economic growth and poverty alleviation, the industry set itself a target to provide power access to all Indian households in the next few years.

- The government plans to add 95 GW of generating capacity in five years to address growing demand
- It is expected that Rs 9.3 trillion will be invested

TRANSMISSION AND DISTRIBUTION

The transmission sector plays a vital role in facilitating the transfer of power from generation to consumption centres. Indian bulk transmission increased from 3,708 ckm in 1950 to 245,401 ckm presently.

India's power transmission sector is witnessing massive capacity and infrastructural expansion. India's transmission sector has grown at a CAGR of 30

in India's power sector in five years (Rs 5.8 trillion in generation and Rs 3.4 trillion in transmission and distribution)

- Per capita power consumption is expected to increase to 1000 kWh over the next five years
- India's power demand is expected to grow 9 per cent per year over the next 20 years

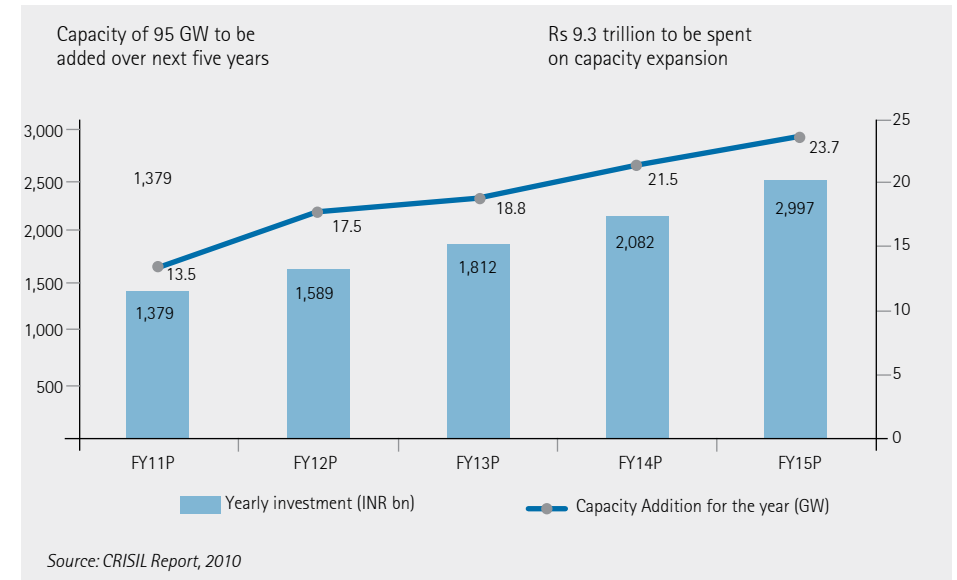
PRIVATE INVESTMENTS RISING

- Private firms invested US\$61 billion over the last four years in India's power sector.
- These investments were facilitated by a number of investment-attracting proposals: up to 100% foreign direct investments in the power sector under the automatic route for generation, transmission and distribution. The issue of tax-free bonds is permitted to finance infrastructure projects. External Commercial Borrowings (ECBs) are permitted to part-finance the rupee debt of existing power projects. The government reduced the withholding tax on interest payments on ECBs from 20% to 5% for three years to provide low-cost funds to infrastructure sectors including power.
- Over the last few years, contribution of incremental power generation from the private sector increased from 10% in the Tenth Five Year Plan to around 42% in the Eleventh Five Year Plan and is expected to rise to more than 50% in the Twelfth Plan.

percent from the Sixth Five Year Plan. Huge capacity augmentation catalysed increased demand for high technology driven lines and other equipment. The country is now building lines at 800 KV HVDC level. During the Twelfth Five Year Plan, 120,000 ckm of transmission lines and 295,000 MVA of transformer capacity are expected to be added.

With huge generation capacity additions already planned, the development of the National Power

India's power capacity is set to grow at CAGR of 15% over next five years



Grid for stable power transmission is on track, the principal driving force behind the 765 KV-plus voltage equipment segment.

India's inter-regional transmission capacity of 23,800 MW is targeted to increase from 32,650 MW in March 2012 to 57,000 MW by 2015 and 75,000 MW by 2017 (source: Central Electricity Authority). The country's objective is to create highways that strengthen the National Power Grid with overall efficiency.

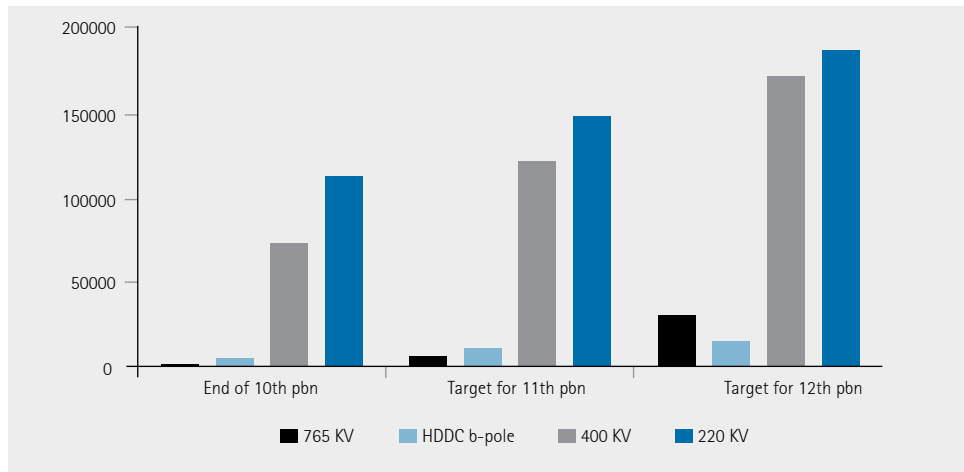
Private sector entrepreneurship is slowly emerging

through joint ventures with STUs and fully-private transmission lines. The sector offers opportunities to established power transmission EPC contractors to evolve into owners and managers of transmission lines. However, the full fledged participation of the private sector is yet to achieve its mark. The government targeted an investment of Rs. 2,09,500 crore in the Twelfth Five Year Plan, out of which the private sector accounts for only Rs. 25,000 crore (Source: CEA, Metis analysis).

Managing T&D losses

Average transmission and distribution losses (T&D) exceed 25% of total power generation compared to less than 15% for other developing economies. T&D losses have risen due to a variety of reasons, viz., substantial energy sold at low voltage, sparsely distributed loads over large rural areas, inadequate investment in distribution system, improper billing and pilferage.

India's existing transmission lines and expansion during 2012-17 (in ckm)



OUTLOOK

On the overall, power distribution has been a loss-making business in India. However, with privatisation coming in, investments in transmission and distribution networking are expected to rise.

RURAL ELECTRIFICATION

India's rural electricity has lagged in terms of service (hours of supply) and penetration. Only 31% of India's rural households have access to electricity; besides, the supply suffers from frequent power cuts and fluctuations in voltage and frequency. The demand-supply gap is currently 7.8% of average load and 13% of peak demand at current prices, which are heavily subsidised on average.

Rural Electrification Corporation Limited is a leading public infrastructure finance company in India's power sector. The Company finances and promotes rural electrification projects across India. The Company provides loans to Central/ State Sector Power Utilities, State Electricity Boards, NGOs rural electric cooperatives and Private Power Developers for rural electrification projects across India.

- Loan sanctions and disbursements have grown from Rs. 46,769.76 crore and Rs. 12,952.90 crore in FY08 to Rs. 51,296.77 crore and Rs. 27,820.50 crore in FY12 respectively

- For 2012-13, sanctioned Rs. 51,296.77 crore of loans, including Rs. 23,176.53 crore relating to generation projects, Rs. 23,540.24 crore relating to transmission and distribution projects and Rs. 4,580 crore under short-term loans

- For 2012-13, the Company disbursed Rs. 27,820.50 crore of loans, including Rs. 12,349.12 crore relating to generation projects, Rs. 11,711.38 crore relating to transmission and distribution projects and Rs. 3,760 crore under short-term loans

In 2013-14, Rural Electrification Corporation plans to raise about Rs. 35,000-37,000 crore compared to Rs. 31,000 crore in 2012-13. REC may use the funds for financing and promotion of transmission distribution including renewable energy projects.

WIND POWER

The global wind energy market, despite going through tough times, witnessed a capacity addition at an annual growth of 10 per cent. Global investment in renewable energy declined by 11 per cent in 2012; yet, it proved to be the second most successful year ever for the global wind energy market. According to GWEC's 2012 market statistics, the global wind power sector installed 44.7 GW of new wind power capacity as compared to 40.6 GW installed in the previous year (Source: Global Wind Energy Council).

Wind power has emerged as one of the key renewable energy sources of power generation in India, contributing a sizeable share of 3-4 per cent to the country's electricity generation mix. The total installed capacity of wind power in India by end-February 2013 was 18,634.90 MW. The country stands fifth in terms of total wind power installed capacity worldwide.

Despite all the progress and achievements, the Indian wind industry is still dependent on tax incentives to attract investors. Since April 2012, India's wind power sector has struggled to come to terms following the removal of such incentives. During the first half of FY 2012-13, the country added just 844 MW compared to 1,400 MW added during the same period a year ago. The total wind power capacity addition during 2012-13 is expected to be around 1,600 MW as against the targeted 2,500 MW.

The government reintroduced the generation-based incentive for India's wind energy sector and the

Finance Ministry announced a \$145.5 million financial package for this purpose.

OUTLOOK

India is on its way to becoming a wind turbine manufacturing hub as both global and domestic majors are strengthening their operations. Established and proven wind turbine technology in India led to huge investments in the sector. Increased domestic demand in recent years and expansion of the in-house manufacturing capacity of the Indian wind industry attracted new investors.

India has an ambitious target of acquiring 15% of its power needs (80,000 MW) from renewable sources by 2020 with an investment of Rs 1.5 lakh crore. The sector targets 15,000 MW of new capacity in five years. India has a total installed renewable energy capacity of 26,000 MW, which largely comprises of wind power (18,275 MW).

It is expected that 89 GW of wind power installation will take place in India by 2020, an addition of almost 18 GW from August 2012.

RISK MANAGEMENT

Risks lie at the core of every business. Their mitigation translates into success. At Techno Electric, we have instituted processes and controls to manage our risks.

<p>INDUSTRY RISK A decline in the industry demand could impact the Company's business prospects.</p>	<p>MITIGATION</p> <ul style="list-style-type: none"> • The power ministry has set a target for adding 76,000 MW of electricity capacity in the 12th Plan (2012-17) and 93,000 MW in the 13th FiveYear Plan (2017-2022). • The International Energy Agency (IEA) estimates USD 6.1 trillion of investments in T&D sectors during 2005-2030 • The Indian power sector, will add nearly 45,000 megawatts (MW) to its total installed capacity by 2013-14, to the existing production • The Ministry for Renewable Energy (MNRE) in the Twelfth five year plan period 2012-17 has fixed a capacity addition of 15,000 MW for wind power alone
<p>SEGMENT RISK Business in a single segment may hamper growth in case of a downturn or problem in that segment</p>	<p>MITIGATION</p> <ul style="list-style-type: none"> • To de-risk the Company from an excessive dependence on one business segment, it widened its presence across three spaces – EPC contracting services, green energy generation and development, operations and maintenance of transmission network. Techno Electric provides turnkey solutions for entire power plants. The Company has a wide reference base in executing electrical systems covering transmission, distribution and plant electrical systems in a voltage range of more than 400 KV, insulating it from competitive pressures in the lower end of the business. • The Company emerged as an owner of green power generation assets; revenues from this increased from 10.01% in 2010-11 to 26.31% in 2012-13.
<p>CLIENT ATTRITION RISK Growing dependence on a handful of clients could impact performance especially in the event of client attrition.</p>	<p>MITIGATION</p> <ul style="list-style-type: none"> • Techno Electric derived close to 53% of its revenues in 2012-13 as against 70% in 2011-12 from its ten largest clients. Company has successfully mitigated the risk by progressively offering solutions to a gamut of sectors and companies within those sectors. Besides, the Company enjoys longstanding relationships with large Indian public and private players.
<p>TECHNOLOGY OBSOLESCENCE RISK The Company can be a victim of technology obsolescence.</p>	<p>MITIGATION</p> <ul style="list-style-type: none"> • Techno Electric develops software for design in accordance with national and international codes, standards and practices. The Company complies with ISO procedures/recommendations for quality plan, sourcing, assessment and development of vendors. Hardware is outsourced as required from various specialised vendors who have worked for long with the Company.
<p>LIQUIDITY RISK A delay in receivables could affect the Company's viability.</p>	<p>MITIGATION</p> <ul style="list-style-type: none"> • Techno Electric works with financially robust clients with comfortable liquidity. Some of the Company's clients comprise of large Indian companies. It generally works with clients on projects that have achieved financial closure. It also selects to work with clients that have been favourably appraised by rating agencies. • Besides, Techno Electric enjoys an attractive gearing of only 0.67, has been consistently cash-positive, and employs a modest working capital (less than 16% of its employed capital).

<p>INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY</p>	<p>Techno Electric has an adequate internal control system, commensurate with the size and nature of business, with regard to purchases of inventory and fixed assets and for sale of goods and services. The system is upgraded continuously to meet statutory requirements and changing business conditions.</p>
<p>FINANCIAL PERFORMANCE</p>	<p>During the year, Techno Electric posted a consolidated gross revenue of Rs.700.12 crore. It recorded a consolidated net profit of Rs. 120.35 crore for the year under review.</p>
<p>HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS</p>	<p>Over the years, Techno Electric invested in competencies through recruitment, training and retention. It had 450 employees as on March 31, 2013, enjoying a cordial working relationship.</p>
<p>CAUTIONARY STATEMENT</p>	<p>Statements in the management discussion and analysis describing the Company's objectives, projections, estimates, expectations may be forward-looking statements within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Factors that could make a difference to the Company's operations, interalia, include the economic conditions, government policies and their related/incidental factors.</p>



DIRECTORS' REPORT

To,
The members of
Techno Electric & Engineering Company Limited

Your Directors take immense pleasure in presenting the 8th Annual Report, along with the audited accounts of the Company, for the year ended March 31, 2013.

FINANCIAL RESULTS

Your Company's operations during the financial year ended March 31, 2013 which comprises the EPC and power generation business, resulted in:

	(₹ In lakhs)	
	Year ended March 31, 2013	Year ended March 31, 2012
Profit before Finance Cost and depreciation	11,218.17	15,545.80
Less : Finance Cost	2,145.06	2,447.45
Depreciation	1,502.52	1,503.32
Profit before tax	7,570.59	11,595.03
Provision for taxation (including deferred income tax, fringe benefit tax and security transaction tax)	1,510.10	2,329.85
Profit after taxation	6,060.49	9,265.18
Balance brought forward from previous year	75.10	0.51
	6,135.59	9,265.69
Appropriations		
Transfer to general reserve	1,600.00	7,200.00
Transfer to Debenture Redemption Reserve	2,500.00	-
Proposed dividend	1,712.74	1,712.74
Provision for tax on proposed dividend	291.08	277.85
Surplus carried to balance sheet	31.77	75.10
	6,135.59	9,265.69

DIVIDEND

Your Directors recommended a dividend of ₹3 per equity share of nominal value of ₹2 each for the financial year ended March 31, 2013.

REVIEW OF OPERATIONS

The Company's operation in 2012-13 comprised the two business segments of EPC and power generation. During the year, the Company has registered a turnover of ₹55,147.17 lakhs and profit after tax of ₹6,060.49 lakhs. The decline in turnover and net profit was mainly due to adverse market conditions. During the year the Company mainly focused on the completion of the ongoing projects and satisfactory closing of the contracts thereafter i.e. the emphasis was more on cash realisation rather than on revenue. The Company realised the highest ever retention money receivables during the year. In the two segments i.e. EPC and energy sale (power) within the power sector in which the Company operates, the EPC segment has passed through a difficult phase during the year under review. However, the Company has sustainably faced the challenges posed by fierce competition in the sector sustainably and has achieved remarkable success in the later part of the year and bagged many prestigious orders. The power sector assets, which were being accumulated for the past two years has started giving steady returns. Thereby stabilising the overall performance of the Company, on a consolidated basis. We are confident that in the year 2013-14, the Company shall overcome the adverse situation and register satisfactory growth.

ENERGY SALE (POWER)

The Company is engaged in power-generation through wind turbine generators (WTGs) at various locations in Tamil Nadu and Karnataka with a total aggregate-rated generating capacity of 45 MW. The Company sold 102.75 million units of energy (power) during 2012-13, earning a revenue worth ₹3,479.87 lakhs.

EPC BUSINESS

During the year 2012-13 the following projects were completed successfully:

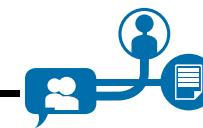
1. Turnkey execution of RGGVY work for 780 villages in Madhepura and Saharsa Districts of Bihar in XIth Plan for BSEB, Patna.
2. Turnkey execution of 400 KV sub-stations at Ashta, Pithampur and Chhegaon of Madhya Pradesh Power Transmission Co. Ltd.
3. Establishing of 2x315 MVA, 400/220/33 KV sub-station at Chittorgarh and 400/220 KV bays at existing 400 KV GSS Bhilwara of Rajasthan Rajya Vidyut Prasaran Nigam Ltd,

Jaipur.

4. Turnkey execution of 220/132 KV end bay works under the packages-LL1A and LL2A of the partnership agreement with MSETCL, an associate of KPTL, Ahmedabad.
5. Turnkey execution of 132 KV sub-stations at Nathnagar, Chakia, Siddequipur of UP Power Transmission Corporation Ltd, Lucknow.
6. Execution of on-shore works including ETC work for installing 73 nos. 765 KV reactors package of TBEA Shenyang Transformer Group Co Ltd at different locations in Northern India for Power Grid Corporation of India Ltd.
7. Supply, erection, testing and commissioning of fuel oil handling and storage system for IOCL, Paradip (Orissa) for BHEL.
8. Turnkey construction of 132/33 KV sub-station at Kurseong, Darjeeling for West Bengal State Electricity Transmission Co. Ltd.
9. Fuel oil handling system for 2x600 MW Shrasingaji Thermal Power Project through BHEL, New Delhi.
10. Supply, erection, testing and commissioning etc. of GT, ST, UAT, miscellaneous transformers, bus-ducts, HT/LT SWGR panel, miscellaneous panels, cabling among others for 2x363.3 MW CCPP at Palantana, Tripura for BHEL.
11. Supply of metering panel for 220 KV bay work at Bhilwara (RRVNL) for Jindal Saw Ltd.
12. Plant electricals and instrumentation erection work for D M Plant package at OTC Tripura of McNally Bharat Engineering Co. Ltd., Kolkata.

The following projects are ongoing and are in advance stages of completion and are expected to be completed as per schedule:

1. Turnkey execution of 400/132 KV switchyard for Kameng Hydroelectric Project (Package-VI), Arunachal Pradesh for NEEPCO Ltd, Shillong.
2. Construction of new 132 KV sub-station under Assam Power Sector Enhancement Investment Programme of Assam Electricity Grid Corporation Ltd. funded by ADB.
3. Fuel oil unloading and storage system, station piping package for Barh Super Thermal Power project (3x660 MW) for NTPC Ltd.
4. ETC of 765 KV switchyard for 6x660 MW Sasan Ultra Mega



- Power Plant at Singrauli of Reliance Infrastructure Ltd.
5. Engineering, procurement of materials, proto making, fabrication, erection, alignment, orientation, inspection, testing among etc. of 360 KA busbar system meeting Aluminium Pechiney's specifications and norms for Mahan Smelter Project of Hindalco Industries Ltd in Madhya Pradesh in technical collaboration with CANMAC, Canada.
 6. Turnkey contract for 765 KV Raigarh pooling station (Near Kotra), extension of 765 KV (Near Kotra) and extension of 400 KV Raigarh (existing) sub-station associated with establishing pooling stations at Raigarh (Near Kotra) and Raipur for IPP Generation Projects in Chhattisgarh for PGCIL.
 7. Turnkey contract for extension of 765 KV bays at 765/400 KV Gwalior sub-station, extension of 765 KV Bina sub-station, Extension of 765 KV Jabalpur pooling sub-station and extension of 765/400 KV Indore sub-station associated with Transmission System for Phase - I generation project in Orissa Part-C for PGCIL.
 8. Turnkey Execution of 220/66/11 KV, 1x100 MVA Sub-Station at Mandhala in Solan district (H.P.) on a turnkey basis for Himachal Pradesh State Electricity Board Ltd, Shimla.
 9. Turnkey execution of 765/400 KV extension bays at Indore sub-station and Pirana sub-station under transmission system of IPP Generation Projects in Madhya Pradesh and Gujarat for PGCIL.
 10. Turnkey execution of 400 KV extension bays at Jabalpur (Pooling) sub-station under transmission system for MB Power (Madhya Pradesh) for PGCIL.
 11. Supply, erection, testing and commissioning of fuel oil handling system package for Prayagraj Thermal Power Project (3x660 MW) at Tehsil-Bara district, Allahabad, Uttar Pradesh.
 12. Supply, fabrication and erection of busbar system at Hindalco Industries Ltd., Hirakud for BEROA-UNISEVEN Refractory Services Pvt. Ltd., Kolkata.
 13. Fuel oil handling system for 1x500 MW Unit at Bokaro-A TPS, Jharkhand for BHEL.

During the year, the Company was successful in bagging many prestigious orders, the major ones amongst them are:

1. Turnkey contract for procurement and construction

- of 132/33 KV sub-station at Dhanaha and Gangwara, construction of 132 KV bays-one each at Bettia, Sasaram, Mohania, Dinara, Lakhisarai and Sheikpura and construction of four 33 KV bays at remote end 33/11 KV PSS for downlinking of 132/33 KV GSS at Dhanaha and Gangwara ICB No 5/Package-G-BSEB/ADB/2010 from BSEB. (ADB funded)
2. Turnkey contract for supply and erection of 400/220kV GIS sub-station at Magarwada in Daman Et Diu in association with M/S Xian XD Switchgear Electric Co. Ltd. China from M/S PGCIL. (ADB funded)
3. Turnkey contract for sub-station package P325 SS001 for construction of 765/400 KV Kurnool (New) sub-station under transmission system associated with Krishnapatnam UMPP from M/S PGCIL.
4. Turnkey contract for construction of 160 km 132 KV double circuit Mbarara- Nkenda Transmission and Associated sub-station UETCL/WORKS/2011/00003 from Uganda Electricity Transmission Company Limited, Uganda in a joint venture with M/S Kalpataru Power Transmission Limited.
5. Turnkey contract for construction of 400 KV S/S at Julwania from M/S MP Power Tran. Co. Ltd.
6. Turnkey contract for establishment of 400 kV and 220 kV transformer bay at existing 400 KV GSS Akal (Jaisalmer).
7. Turnkey Contract for construction of 400/220/66 KV Switchyard at 2x660 MW Kudgi TPS in Bijapur district of Karnataka from NTPC.
8. Turnkey contract for supply, erection, testing, commissioning works of 400/220/132 KV sub-station at Jammalamadugu (Kondapuram) with two 400 KV bay extension at Narnoor (Kurnool) from M/S APTRANSCO.
9. Turnkey contract for supply, civil, erection, testing and commissioning of 400/220 KV S/Stn at Urvakonda in Ananthpur District of Andhra Pradesh from APTRANSCO.
10. Turnkey contract for construction of 400 KV switchyard at Vindhyachal Super Thermal Power Project, Stage-V (1x500MW) from NTPC.

SUBSIDIARY

Simran Wind Project Private Limited (Simran), a subsidiary of the Company has established a strong foothold in the green energy generation segment with a total power generating capacity of 162.35 MW from wind resources. During 2012-13,

it has generated 369.15 million units. International Finance Corporation Washington, the lending arm of the World Bank, continues to hold a 3.38% stake in Simran. Of the existing capacity, 119.4 MW has been successfully registered with the Indian Renewable Energy Development Agency (IREDA) for GBI benefit and 132.90 MW has been registered under UN's Clean Development Mechanism with capacity to generate 2,60,000 CERs annually.

Pursuant to general circular no. 2/2011 dated February 8, 2011, a general exemption has been granted by the Ministry of Corporate Affairs under Section 212 of the Companies Act, 1956, by which the Company is not required to annex to this Report, the Annual Reports of the subsidiary for the year ended 31st March 2013. However, the same shall be made available to any member for inspection at the Registered Office of the Company and of its subsidiaries, during working hours. And the financial information as disclosed in this Annual Report is in compliance with the said circular.

FUTURE OUTLOOK

Over the past three years, the power sector has been significantly affected in terms of fuel availability, project clearances, and delayed payments from distribution companies due to their poor financial condition. To address some of these issues, the government has undertaken several initiatives such as the directive to Coal India to sign fuel supply agreements with power generation companies, compensatory tariffs for stressed power purchase agreements and restructuring of state electricity boards.

Power sector in India is at a crucial juncture today, with several large investments being undertaken by public and private sector players, and developments promising a significant transformation of the sector. The sector is witnessing a fundamental shift that is opening up new business opportunities for the industry. At the same time, the competition for the scarce resources is expected to intensify and support enablers in terms of logistics, T&D, equipment supply will be stretched to the fullest. The emerging dynamics of the Indian power market would require industry players to realign their strategies and operating models to the changing sectoral trends. The focus would need to be both on project execution as well as efficient operations in line with the 'growth' characteristics of the sector. Growth in power sector and GDP growth rate are intertwined, i.e., to say that for every one percent growth in Gross Domestic Product (GDP), the power generation needs to be increased by one per cent. And with the reserves of coal being limited, wind power is now being increasingly accepted as a major complementary energy

source for securing a sustainable and clean energy future for India. This thought was further reflected in the Union Budget 2013-14 wherein the wind energy sector was one of the major gainers, with the announcement of the reintroduction of the Generation Based Incentive (GBI).

India's 12th Five Year Plan recognised the importance of evolving a low carbon strategy for inclusive and sustainable growth. The Prime Minister mentioned that India proposes to double the renewable energy capacity in our country from 25,000 MW in 2012 to 55,000 MW by the year 2017 by exploiting non-conventional energy sources such as solar, wind power and energy from biomass. In 2012 India was the world's fourth-largest market for new wind power projects. To attract private sector participation, the government has permitted the private sector to set up coal, gas or liquid-based thermal, hydel, wind or solar projects with foreign equity participation up to 100 per cent under the automatic route.

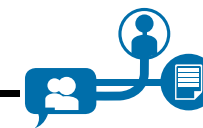
The withdrawal of accelerated depreciation (AD) in 2012 for wind energy projects led to fall in capacity addition with a mere addition of 1,800 MW new capacity in 2012-13 as against 3,000 MW in 2011-12. But with the induction of Generation Based Incentive, India's wind power capacity is poised to grow from 18,000 megawatts (MW) to 27,000 MW in the next two years, according to turbine makers and wind power producers. The clean development mechanism (CDM) of the Kyoto protocol also has a substantial impact on wind energy development in India. However, the main challenges to the growth of the energy sector in India include land acquisition hurdles, growing financial woes of the distribution segment of the power sector, issues related to competitive bidding, lack of use of advanced technologies and delayed environmental clearances.

Techno is intended to tap the renewable energy sources in India by sowing the seeds for a sustainable future and contribute significantly to the growing energy demand of the country. The Company aims to develop strategies based on the operational and regulatory events in India and be at the forefront in transforming the way India produces energy from wind.

DIRECTORS

Mr. K.M. Poddar, Director, retires by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for reappointment. A brief profile of Mr. Poddar is attached with the Corporate Governance report.

Your Directors have reappointed Mr. P. P. Gupta as Managing Director of the Company for a period of 3 (three) years



commencing from July 01, 2013. The resolution seeking approval of the Members for the appointment of Mr. Gupta as Managing Director forms part of the Notice convening the 8th Annual General Meeting. A brief profile of Mr. Gupta is attached with the Corporate Governance report.

LISTING OF SHARES

The equity shares of the Company continue to be listed with Bombay Stock Exchange Ltd (BSE), and the National Stock Exchange of India Ltd (NSE).

AUDITORS

The Auditors, M/s. S. S. Kothari & Co., Chartered Accountants, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. The Company has received communication from them to the effect that their appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

AUDITORS' REPORT

The notes on the financial statements referred to by the auditors in their report are self-explanatory and, in the opinion of the Board, do not require any further clarification.

COST AUDITORS

The Board of Directors has reappointed Mr. Saibal Sekhar Kundu, Cost Accountant, of E7/7 Karunamoyee Housing Estate, Salt Lake City, Kolkata - 700 091 bearing Membership No. 9379, as the cost auditors of the Company under section 233B of the Companies Act, 1956 for 2013-14 and requisite approval is awaited from the Central Government.

The Cost Audit Report for the year ended March 31, 2013 will be forwarded to the Central Government within the statutory time limit in pursuance of the provisions of Companies Act, 1956.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pursuant to Section 217(1) (e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in Annexure I forming part of this report.

PARTICULARS OF EMPLOYEES

The relation between the employees and the management

continued to be cordial and stable at all levels. Your Directors wish to place on record their appreciation for the devoted services of all the Company's executives and staff.

During the year, no employee was in receipt of remuneration of or in excess of the amount prescribed under Section 217 (2A) of the Companies Act, 1956.

CORPORATE GOVERNANCE

As stipulated under Clause 49 of the Listing Agreement a report on Corporate Governance and a Certificate from M/s S.S.Kothari & Co., Practicing Chartered Accountants, confirming compliance with the requirements of the Corporate Governance are attached to this report.

MANAGEMENT DISCUSSION AND ANALYSIS

A management discussion and analysis report is annexed and forms an integral part of the annual report.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm:

- i) That in the preparation of the annual accounts, the applicable Accounting Standards were followed, along with proper explanation relating to material departures
- ii) That the selected accounting policies are reasonable and prudent so as to give a true and fair view of the Company's state of affairs and profit at the end of the financial year, and applied them consistently;
- iii) That proper and sufficient care was taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the Company's assets and for preventing and detecting fraud and other irregularities
- iv) That the accounts for the period ended March 31, 2013 are on a 'going concern' basis

ACKNOWLEDGEMENTS

Your Directors wish to express their gratitude to the shareholders, various customers and their consultants, different government departments and the Company's bankers for their continued support to the Company. The Directors look forward to their support in future.

For and on behalf of the Board of Directors

Place : Kolkata,
Date: May 18, 2013

P. P. Gupta
Chairman

ANNEXURES TO THE DIRECTORS' REPORT

Annexure I

The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

A. CONSERVATION OF ENERGY

As the Company's activities do not involve, by and large, any significant level of energy consumption, no comments are necessary in respect of energy conservation and reduction of energy consumption. In any event, continuous efforts are made to conserve energy to the extent possible.

B. TECHNOLOGY ABSORPTION

As per Form B given as hereafter

FORM – B

Disclosure of particulars with respect to technology absorption as per Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended March 31, 2013

Technologies absorbed:

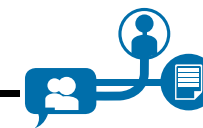
Research & development (R & D)

1.	Specific areas in which R&D was carried out by the Company	NIL
2.	Benefit derived as a result of the above R&D	N.A.
3.	Future plan of action	None
4.	Expenditure on R & D	N.A.
5.	Technology absorption, adaptation	Constant efforts are made by the Company to develop costeffectivenewproduct/ systems.
C. FOREIGN EXCHANGE EARNING AND OUTGO		
	Foreign exchange earning	Nil
	Foreign exchange outgo	₹88.24 lakhs

For and on behalf of the Board of Directors

Place : Kolkata,
Date: May 18, 2013

P. P. Gupta
Chairman



REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company endorses the view that in order to achieve the maximum level of efficiency and profitability for a corporation it is important to have in place a proper system of regulating and overseeing conduct thereby balancing the interests of all stakeholders and other parties who can be affected by the corporation's conduct. At Techno it is reckoned that the corporate responsibility towards stakeholders can be achieved by maintaining transparency regarding corporate structures and operations and the accountability of the managers and the Board to shareholders. The administration ensures that all the timely and accurate disclosure is made on all material matters regarding the corporation, including the financial situation, performance, ownership, and governance of the Company. The Company is in full compliance with the provisions regarding Corporate Governance as entailed in Clause 49 of the Listing Agreement and regulated by the Securities and Exchange

Board of India (SEBI). The disclosures are as follows:

BOARD OF DIRECTORS

The Board of Directors is constituted in compliance with Clause 49 of the Listing Agreement. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. There are six members, out of which five members are Non-Executive Independent. The Company has an Executive Chairman (Managing Director).

As of March 31, 2013, there were five meetings of the Board during the year on May 12, 2012; June 30, 2012; August 11, 2012; November 9, 2012 and February 9, 2013. The names of the Directors, their attendance at Board Meetings during the year, attendance at last AGM and the number of other directorships and Board Committee memberships held by them at March 31, 2013 are listed in the following table

Name of the Director	Director Identification Number	Category	No. of other Directorships*	No. of other Committee Positions held		No. of Board Meetings attended	Attendance at the last Annual General Meeting
				Member	Chairman		
Mr. P.P. Gupta Managing Director	00055954	Executive	2	-	1	4	Yes
Mr. K.M.Poddar Director	00028012	Independent Non-Executive	3	1	1	3	-
Mr. V.D. Mohile Director	00060785	Independent Non-Executive	1	-	1	4	Yes
Mr. K.Vasudevan Director	00018023	Independent Non-Executive	1	-	1	5	Yes
Mr. K. K. Rai Director	00629937	Independent Non-Executive	4	5	-	3	Yes
Mr. S. N. Roy Director	00408742	Independent Non-Executive	6	1	-	4	Yes

* This does not include Directorship in Private Companies.

The number of Committees (Audit, Remuneration Committee and Share Transfer and Shareholders'/Investors' Grievance Committee) of public limited companies in which a Director is a member/chairman were within the limits provided under Clause 49 of the Listing Agreement, for all the Directors of the Company.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT

Mr. K.M. Poddar, Director, aged 68 years, residing at 10D, Alipore Park Place, Kolkata - 700027 is a Bachelor of Commerce. He is a renowned industrialist, and has 44 years of vast experience in the fields of accounting and finance. He does not hold any shares in the Company.

Mr. P. P. Gupta, aged 63 years holds a Bachelors' degree in Engineering and a Post Graduate diploma in business management from the Indian Institute of Management, Ahmedabad. He was associated with the Planning Commission, Government of India, as a financial analyst; Bharat Heavy Electricals Limited as a Management Consultant and as an advisor in the merchant banking division of the erstwhile ANZ Grindlays Bank, Kolkata. He was the Vice President of Indian Electricals and Electronics Manufacturers Association (IEEMA), and has over 36 years of experience, including 31 years in the present activity. Mr. Gupta is the present Promoter of the Company and holds 1,53,000 shares in the Company.

DISCLOSURE ON RELATIONSHIP BETWEEN DIRECTORS

The Directors have no relationship between themselves except as Board colleagues.

REMUNERATION OF DIRECTORS

The Board has fixed the remuneration by way of sitting fees payable to the Non-executive Directors including Independent Directors, which is within the limits prescribed by the

Companies Act, 1956. There is no other remuneration paid/payable to the Non-executive Directors except the sitting fees.

DIRECTORS' SHAREHOLDING

As on March 31, 2013, Mr. P. P. Gupta, Mr. V. D. Mohile and Mr. K. K. Rai hold 1,53,000, 9,302, and 1,000 equity shares of the Company respectively.

CODE OF CONDUCT

All Board Members and senior management personnel of the Company have affirmed compliance with the Code of Conduct for the year ended March 31, 2013.

AUDIT COMMITTEE

The Audit committee is entrusted with the following powers:

1. To investigate any activity within the terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if considered necessary.

The role of the Audit committee has been defined by the Board, which includes the matters prescribed in Clause 49(II) (D) of the Listing Agreement. The Audit Committee is also empowered to review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions submitted by the management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor.

The Audit Committee comprises four Non-executive Independent Directors having sound financial and accounting knowledge:

Mr. K. Vasudevan	Chairman
Mr. S. N. Roy	Member
Mr. V. D. Mohile	Member
Mr. K. K. Rai	Member

Mr. N. Brahma, Company Secretary acts as the secretary to the committee.



As on March 31, 2013 five meetings of the Audit Committee were held on May 12, 2012; June 30, 2012; August 11, 2012; November 09, 2012 and February 9, 2013. The attendance by members are as follows:

Name	Number of Attendance
Mr. K. Vasudevan, Chairman	5 (Five)
Mr. S.N.Roy, Member	4 (Four)
Mr. V. D. Mohile, Member	4 (Four)
Mr. K. K. Rai, Member	3 (Three)

P. P. Gupta, Managing Director, Mr. P. K. Lohia, President (Finance), Mr. Deepak Bafna, General Manager (Accounts & Finance), representatives of the Statutory Auditors and Internal Auditors of the Company also attended the meetings.

REMUNERATION COMMITTEE:

The Company has constituted a Remuneration Committee comprising of three Independent Directors. The committee shall determine and recommend the remuneration payable to the Non-Executive Directors and the Managing Director among others.

SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE:

The Company has a Shareholders'/Investors' grievance

committee comprising of three Non-Executive Independent Directors. The Committee addresses the grievances of shareholders. During the year, the Company has not received any complaints.

Mr. N. Brahma, Company Secretary is the Compliance Officer.

SHARE TRANSFER COMMITTEE:

To expedite the process of transfer/transmission of physical shares which are very negligible, a Share Transfer Committee is in place. The committee approves the share transfers/transmissions and a summary of transfer/ transmission is placed before the Board at regular intervals.

GENERAL BODY MEETINGS:

Particulars of general body meetings for the last three years:

Financial year ended	Day and date	Venue	Time	No. of special resolutions passed
March 31, 2010 AGM	Saturday, September 18, 2010	Bhartiya Bhasha Parisad, 36, Shakespeare Sarani, Kolkata-17	11.30 a.m.	2
March 31, 2011 AGM	Friday, September 02, 2011	The Calcutta School of Music, 6B, Sunny Park, Kolkata-19	11.30 a.m.	-
March 31, 2012 AGM	Saturday, August 11, 2012	'Rotary Sadan', 94/2, Chowringhee Road, Kolkata -20	10.00 a.m.	1
EGM	Wednesday, March 17, 2010	Bhartiya Bhasha Parisad, 36, Shakespeare Sarani, Kolkata-17	3.30 p.m.	1
EGM	Wednesday, June 30, 2010	P-46A, Radha Bazar Lane, Kolkata - 1	11.30 a.m.	2

POSTAL BALLOT:

No special resolution requiring a postal ballot was passed last year. No special resolution requiring a postal ballot is being proposed for the ensuing Annual General Meeting.

SUBSIDIARY COMPANIES:

The Company has a material non-listed Indian subsidiary company, and an Independent Director of the Company is also a Director of the subsidiary. The financial statement of

the subsidiary was reviewed by the Audit Committee on a quarterly basis. The minutes of the subsidiary was placed before the Board of Directors and perused on regular basis. Further statements of all significant transactions entered into by the unlisted subsidiary company are placed before the Company's Board as and when applicable.

DISCLOSURES:

- There were no materially significant related party transactions i.e. transactions of material nature, with its promoters, directors or the management or their relatives etc (except the payment of remuneration to the Managing Director and a relative of Managing Director), during the year, that may have potential conflict with the interest of the Company at large.
- There was no non-compliance by the Company during the last year on any matter related to the capital markets and no penalties or strictures imposed on the Company by stock exchanges or SEBI or any other statutory authority.
- No treatment different from the prescribed Accounting Standards have been followed in the preparation of the financial statements.
- The Board assesses the risk on a regular basis and advises the steps and procedures for its minimisation.
- The Company has not raised any amount through public issues, rights issues, preferential issue etc during the year.
- The Non-executive Directors have not been paid any remuneration other than sitting fees.

- Management discussion and analysis report forms part of this Annual Report.

MEANS OF COMMUNICATION:

The Company has established systems and procedures to enable its stakeholders to have access to the complete information about the company. The website of the Company (www.techno.co.in) plays a pivotal role by disseminating information to all stakeholders in a convenient manner. The Company has also commenced processing of investor complaints in 'SCORES', a centralised web-based complaints redressal system of SEBI vide SEBI Circular No. CIR/OIAE/2/2011 dated June 3, 2012. Correspondingly an e-mail id - desk.investors@techno.co.in has been designated exclusively for investor servicing.

All information which could have a material bearing on the Company's share price is disseminated to The National Stock Exchange of India Limited (NSE), The BSE Limited (BSE). And all official news releases and presentations are posted on the Company's website www.techno.co.in

Quarterly and annual results of the Company are published in widely circulated national newspapers - The Hindu Business Line and Business Standard and the local vernacular daily Arthik Lipi. The quarterly compliance report on Corporate Governance as prescribed under Clause 49 of the Listing Agreement and the shareholding pattern of the Company as prescribed under Clause 35 of the Listing Agreement executed with the Stock Exchanges are also filed through NSE Electronic Application Processing (NEAP) System.

GENERAL SHAREHOLDER INFORMATION:

- The 8th Annual General Meeting is scheduled to be held on or before 30th September, 2013 and the notice convening the same shall be sent to the shareholders within the time prescribed by the Companies Act, 1956.
- Financial year** : April to March
- Financial calendar**

Financial Year 2013-2014

1	First quarter results	Within 45 days from June 30, 2013
2	Second quarter and half-yearly results	Within 45 days from September 30, 2013
3	Third quarter results	Within 45 days from December 31, 2013
4	Fourth quarter results	Within the time prescribed under the Listing Agreement (as amended).

- Date of book closure** : The date of book closure be intimated through stock exchanges, newspaper and with the notice convening the Annual General Meeting.
- Dividend payment date** : Within 15 days from the date of declaration at the AGM.



6. Listing on Stock Exchanges

Stock Exchange	Stock Code / Symbol
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001.	533281
National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400051.	TECHNO

Note: Annual Listing Fees for the year 2013-14 have been paid to all the Stock Exchanges as mentioned above.

7. Market Price Data

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (Nos.)	High (₹)	Low (₹)	Volume (Nos.)
April, 2012	185.00	144.05	280,718	198.85	165.50	670,518
May, 2012	198.00	163.05	354,771	183.00	157.50	211,866
June, 2012	204.00	178.70	257,233	177.00	157.00	232,111
July, 2012	227.75	173.00	573,854	215.00	163.10	518,044
August, 2012	219.90	181.00	469,907	195.05	170.60	504,132
September, 2012	217.45	175.65	323,778	193.85	165.50	403,604
October, 2012	191.75	160.60	695,959	222.00	179.40	1,350,624
November, 2012	198.50	170.25	405,482	215.00	181.15	816,374
December, 2012	206.00	160.05	651,775	234.90	175.50	2,944,738
January, 2013	175.00	138.70	581,132	203.00	177.50	948,590
February, 2013	189.80	155.10	275,860	192.00	163.25	252,565
March, 2013	197.60	164.00	826,641	173.80	144.60	326,046

8 (i). Comparison of Stock Performance with BSE Sensex:

Month	Price at NSE			NIFTY		
	Opening	Closing	Change (%)	Opening	Closing	Change (%)
April, 2012	167.00	153.40	-8.14	17,430	17,319	-0.64
May, 2012	198.00	167.45	-15.43	17,371	16,219	-6.63
June, 2012	180.00	187.65	4.25	16,217	17,430	7.48
July, 2012	188.75	178.90	-5.22	17,439	17,236	-1.16
August, 2012	203.90	181.65	-10.91	17,244	17,430	1.07
September, 2012	183.00	200.70	9.67	17,466	18,763	7.43
October, 2012	180.00	184.35	2.42	18,785	18,505	-1.49
November, 2012	178.90	177.35	-0.87	18,488	19,340	4.61
December, 2012	166.45	174.70	4.96	19,343	19,427	0.43
January, 2013	175.00	168.60	-3.66	19,513	19,895	1.96
February, 2013	183.50	163.60	-10.84	19,907	18,862	-5.25
March, 2013	189.55	181.85	-4.06	18,877	18,836	-0.22

8 (ii). Comparison of Stock Performance with NSE Nifty:

Month	Price at BSE			BSE Sensex		
	Opening	Closing	Change (%)	Opening	Closing	Change (%)
April, 2012	190.00	181.05	-4.71	5,296	5,248	-0.91
May, 2012	175.00	164.25	-6.14	5,254	4,924	-6.28
June, 2012	173.80	168.25	-3.19	4,911	5,279	7.49
July, 2012	176.90	174.75	-1.22	5,284	5,229	-1.04
August, 2012	175.00	178.65	2.09	5,221	5,259	0.72
September, 2012	177.00	182.75	3.25	5,277	5,703	8.09
October, 2012	187.00	200.65	7.30	5,705	5,620	-1.49
November, 2012	203.00	182.45	-10.12	5,610	5,880	4.81
December, 2012	183.85	178.50	-2.91	5,878	5,905	0.46
January, 2013	180.00	188.10	4.50	5,938	6,035	1.64
February, 2013	189.40	166.60	-12.04	6,041	5,693	-5.76
March, 2013	168.90	151.95	-10.04	5,702	5,683	-0.35

9. Registrar and Transfer Agents : Niche Technologies Pvt. Limited
D-511, Bagree Market
71, B.R.B. Road
Kolkata - 700001
Tel: (033) 22357270 / 22357271
Fax: (033) 22156823
Email: nichetechpl@nichetechpl.com

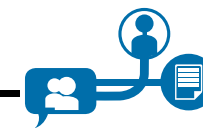
10. Share Transfer System : The share transfers in physical form are processed within 15 days from the date of receipt of the valid documents complete in all respect.

11 (i). Distribution of Shareholding as on March 31, 2013:

Slab	No. of Shareholders		No. of Shares	
	Number	Percentage (%)	Number	Percentage (%)
1 - 500	3319	78.039	374043	0.655
501 - 1000	325	7.642	268078	0.470
1001 - 5000	408	9.593	962493	1.686
5001 - 10000	92	2.163	733326	1.284
10001 - 50000	72	1.693	1587968	2.781
50001 - 100000	13	0.306	851118	1.491
100001 & Above	24	0.564	52314174	91.633
	4253	100.00	57091200	100.00

11 (ii). Shareholding Pattern as on March 31, 2013:

Shareholders (Category)	No. of Shares held	% of Total Shares
Promoters	31382923	54.97
Bodies Corporate	20484429	35.88
Indian Public	3007403	5.27
Foreign Institutional Investors (FIIs)	1162053	2.04
Mutual Funds	681919	1.19
Non-Resident Indians (NRIs)	31088	0.05
Financial Institutions / Banks	2100	0.00
Other (Clearing Member)	339285	0.59
	57091200	100.00



12. The shares of the Company are compulsorily traded in dematerialized form and tradeable with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The ISIN of the Company's shares is INE286K01024.

Details of dematerialization of shares as on March 31, 2013 are given below:

Name of the Depository	No. of Shares held	% of Total Shares
National Securities Depository Limited	47454819	83.12
Central Depository Services (India) Limited	1818343	3.18

13. The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments during the financial year.

14. **Plant Locations** : The Company has 22 wind turbine generator in Tamil Nadu and 8 wind turbine generator in Karnataka with aggregating generating capacity of 45 MW.

15. **Company Details:**

Address for Correspondence : Techno Electric & Engineering Company Ltd.
P-46A, Radha Bazar Lane
Kolkata – 700001.
Tel : (033) 22254671, 22254472,
Fax : (033) 22254478
E-mail : desk.investors@techno.co.in
Website : http://www.techno.co.in

Corporate Identity Number : L40108WB2005PLC139595

COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

(1) **The Board:** The Company does not have a Non-executive Chairman. All the Independent Directors on the Board are experienced professionals with knowledge in their related fields namely technical, financial and accounts. No tenure has been specified for the Independent Directors. At present, none of the Directors on the Board have tenure in aggregate exceeding nine years.

(2) **Remuneration Committee:** Remuneration Committee comprising of three independent directors to determine the remuneration of both Non-executive and Executive Directors.

(3) **Shareholders Rights:** Half-yearly declaration of financial performance including summary of the significant events are presently not being sent to the shareholders, but the Company publishes the financial results and statement of assets and liabilities.

(4) **Audit Qualifications:** During the year under review, there were no audit qualifications in the Company's financial statements and to establish an order of unqualified financial statements, the Company is adopting best possible practices.

(5) **Training of Board Members:** Presently the Company does not have such training program. All the Board Members are vast experienced and have expertise in their respective fields.

(6) **Mechanism for evaluating Non-executive Board Members:** Evaluation of performance of Non-Executive Directors are being done at the Board Meetings.

(7) **Whistleblower Policy Mechanism:** The Company does not have a whistleblower mechanism presently but access to the Audit Committee has not been denied to any executive/ personnel.

CERTIFICATE

To the Members of
Techno Electric & Engineering Company Limited

We have examined the compliance of conditions of code of Corporate Governance by Techno Electric & Engineering Company Limited, for the year ended March 31, 2013 as stipulated in Clause 49 of the Listing Agreement with the BSE Limited and the National Stock Exchange of India Limited.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an express of an 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 aforementioned Listing Agreements.

As required by the Guidance Note issued by The Institute of Chartered Accountants of India, we have to state that based on the report given by the Registrars of the Company and placed before the Investors' Grievance Committee, as on March 31, 2013 there are no investor grievance matters against the Company remaining unattended/pending for more than 30 days.

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

Centre Point
21, Old Court House Street
Kolkata – 700001.

Place: Kolkata
Date: May 18, 2013

For **S.S. KOTHARI & CO.**
Chartered Accountants
Firm Registration No. 302034E

P.K. Bhattachaya
Partner
Membership No. 015899



CERTIFICATE OF MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER ON FINANCIAL STATEMENTS UNDER CLAUSE 49 OF THE LISTING AGREEMENT.

We, P. P. Gupta, Managing Director and P. K. Lohia, President (Finance) of Techno Electric Et Engineering Company Limited hereby certify that:

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended March 31, 2013 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement 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) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that:
 - i. there have been no significant changes in internal control over financial reporting during the year;
 - ii. there have been no significant changes in accounting policies during the year; and
 - iii. there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata
Date: May 18, 2013

P. P. Gupta
Managing Director

P. K. Lohia
President (Finance)

DECLARATION UNDER CLAUSE 49(I) (D) OF THE LISTING AGREEMENT

Pursuant to Clause 49 of the Listing Agreement, it is hereby declared that all the Board Members and senior management personnel of Techno Electric Et Engineering Company Limited have affirmed compliance with the Code of Conduct for the year ended March 31, 2013.

Place: Kolkata
Date: May 18, 2013

P. P. Gupta
Managing Director

INDEPENDENT AUDITORS' REPORT

To the Members of
Techno Electric Et Engineering Company Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying Financial Statements of Techno Electric Et Engineering Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give

the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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 purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the 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 as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For S. S. KOTHARI Et CO.,
Chartered Accountants
Firm's Registration No: 302034E

Centre Point
21, Old Court House Street,
Kolkata - 700 001
The 18th day of May, 2013

(P. K. Bhattacharya)
Partner
Membership No: 015899



Annexure to Independent Auditors' Report

Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of Sub-Section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and the information and explanations given to us, we further report that:

1. a) The Company has maintained proper records of Fixed Assets showing full particulars including quantitative details and situation of fixed assets.
- b) The Company has a phased programme of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its business. In accordance with such programme, the management has physically verified fixed assets during the year and no material discrepancies were noticed on such verification.
- c) Substantial part of fixed assets have not been disposed off during the year.
2. a) The Inventories included under contract work-in-progress have been physically verified by the management during the year at reasonable intervals.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by management are reasonable and adequate in relation to the size of the Company and nature of its business.
- c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of inventories and the discrepancies noticed on the physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
3. a) The Company has granted interest free unsecured loan of ₹ 1542.00 lakhs to its subsidiary company from time to time during the year (balance as on 31st March 2013 NIL) and the terms and conditions of such loan are not prima facie prejudicial to the interest of the Company.

The Company has not granted any other loans, secured

or unsecured, to companies, firms or other parties covered in the Register maintained under section 301 of the Companies Act, 1956.

- b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the Register maintained under section 301 of the Companies Act, 1956. Hence, clauses 4(iii) (f) and 4(iii) (g) of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventories and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in internal control system.
5. In our opinion, and according to the information and explanations given to us, there are no contracts or arrangements that need to be entered in the register required to be maintained under Section 301 of the companies Act, 1956. Accordingly, clause 4(v) (b) of the Order is not applicable to the Company.
6. The Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India and the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under are not applicable.
7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
8. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 in respect of Energy (Power) division of the Company and are of the opinion that, prima-facie, the prescribed accounts and records have

been made and maintained. However, we have not made any detailed examination of cost records, to ascertain the accuracy and completeness thereof.

9. a) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales-tax, custom duty, investor education and protection fund, wealth tax, service tax and any other material statutory dues applicable to it and there is no outstanding as on 31st March, 2013 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no dues in respect of Income-tax, sales-tax, wealth-tax, service-tax, custom duty, excise duty, and cess that have not been deposited with the appropriate authorities on account of any dispute.
10. The Company has neither accumulated losses as at 31st March, 2013 nor incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
11. The Company has not defaulted in repayment of dues to financial institution or bank or debenture holders as may be ascertained from the examination of the books of account and other records of the Company.
12. According to information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund, nidhi, mutual benefit fund or society. Accordingly, clause 4(xiii) of the Order is not applicable.
14. We have broadly reviewed the books of account and records maintained by the Company and state that prima -facie, proper records have been maintained of the transactions and contracts relating to purchase

and sale of shares, securities, debentures and other investments and timely entries have been made therein. All the investments have been held by the Company in its own name.

15. The Company has not given any guarantee to banks and financial institutions for loans taken by others.
16. To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were applied for the purpose for which the loans were obtained.
17. On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, no funds raised on a short-term basis have been used for long-term investment.
18. The Company has not made any preferential allotment of shares during the year to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. Adequate securities have been created in respect of 1,000 number of 10.24% Non-Convertible Debentures of ₹ 10,00,000 each issued by the Company during the year.
20. The Company has not raised any money by public issues during the year.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For S. S. KOTHARI & CO.,
Chartered Accountants
Firm's Registration No: 302034E

Centre Point
21, Old Court House Street,
Kolkata - 700 001
The 18th day of May, 2013

(P. K. Bhattacharya)
Partner
Membership No: 015899



Balance Sheet as at 31st March 2013

Particulars	Note No.	₹ in lacs	
		As at 31st March 2013	As at 31st March 2012
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2	1,141.82	1,141.82
(b) Reserves and Surplus	3	55,963.95	51,907.28
2 Non-current Liabilities			
(a) Long-term Borrowings	4	10,000.00	-
(b) Deferred Tax Liabilities (Net)	5	70.23	73.85
(c) Other Long Term Liabilities	6	8,316.07	10,594.94
(d) Long-term Provisions	7	113.88	104.35
3 Current Liabilities			
(a) Short-term Borrowings	8	11,046.85	15,461.79
(b) Trade Payables	9	8,890.48	9,911.98
(c) Other Current Liabilities	10	1,073.50	3,673.14
(d) Short-term Provisions	11	2,079.43	2,064.58
TOTAL		98,696.21	94,933.73
II. ASSETS			
1. Non-current Assets			
(a) Fixed Assets			
Tangible Assets	12	22,033.77	23,470.00
Capital work-in-progress		66.95	66.95
(B) Non-current Investments	13	39,242.00	39,246.20
(C) Long-term Loans and Advances	14	161.20	159.81
2. Current Assets			
(A) Current Investments	15	-	10.25
(B) Inventories	16	167.34	227.60
(C) Trade Receivables	17	20,556.22	19,744.17
(D) Cash and Cash Equivalents	18	6,183.91	1,445.31
(E) Short-term Loans and Advances	19	10,237.33	10,485.07
(F) Other Current Assets	20	47.49	78.37
TOTAL		98,696.21	94,933.73
Significant Accounting Policies	1		
Other Explanatory Informations	29 to 39		

The Notes referred to above form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our Report of even date

For S. S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

P. P. Gupta
Managing Director
DIN - 00055954

Centre Point
21, Old Court House Street
Kolkata - 700 001
The 18th day of May, 2013

P. K. Bhattacharya
Partner
Membership No. 015899

N. Brahma
Company Secretary

S. N. Roy
Director
DIN - 00408742

Statement of Profit and Loss for the year ended 31st March 2013

Particulars	Note No.	₹ in lacs	
		Year ended 31st March 2013	Year ended 31st March 2012
I. Revenue From Operations	21	55,147.17	73,220.11
II. Other Income	22	1,971.87	1,929.94
III. Total Revenue (I + II)		57,119.04	75,150.05
IV. Expenses:			
Materials and Stores	23	37,405.17	50,688.94
(Increase)/Decrease in Inventories	24	60.26	604.27
Employee Benefits Expense	25	3,097.19	2,799.24
Finance Costs	26	2,145.06	2,447.45
Depreciation and Amortization Expense	12	1,502.52	1,503.32
Other Expenses	27	5,338.25	5,511.80
Total Expenses		49,548.45	63,555.02
V. Profit Before Tax (III - IV)		7,570.59	11,595.03
VI Tax Expense:			
Current Tax		1,514.09	2,319.87
Deferred Tax		(3.62)	9.98
Excess Provision for FBT written back		(0.37)	-
		1,510.10	2,329.85
VII Profit for the period (V - VI)		6,060.49	9,265.18
Earnings per Equity Share:			
Basic and Diluted	28	10.62	16.23
Significant Accounting Policies	1		
Other Explanatory Information	29 to 39		

The Notes referred to above form an integral part of the Statement of Profit & Loss.

This is the Statement of Profit & Loss referred to in our Report of even date

For S. S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

P. P. Gupta
Managing Director
DIN - 00055954

Centre Point
21, Old Court House Street
Kolkata - 700 001
The 18th day of May, 2013

P. K. Bhattacharya
Partner
Membership No. 015899

N. Brahma
Company Secretary

S. N. Roy
Director
DIN - 00408742



CASH FLOW STATEMENT as at 31st March 2013

₹ in lacs

Particulars	As at 31st March 2013	As at 31st March 2012
A. Cash Flow from Operating Activities:		
Net Profit before tax and extraordinary items	7,570.57	11,595.03
Adjustments for :		
Depreciation	1,502.51	1,503.32
(Profit)/Loss on Sale of Fixed Assets	5.11	0.25
Interest/Dividend Income	(1,676.30)	(1,316.20)
(Profit) /Loss on Sale of Investments (Net)	(82.91)	(150.38)
Interest Paid	2,145.06	2,447.45
Operating Profit before Working Capital Changes	9,464.04	14,079.47
Adjustments for :		
Trade and other receivables	(1,156.10)	(4,486.15)
Inventories	60.26	604.27
Trade Payables	(3,017.36)	(2,071.84)
Cash generated from operations	5,350.84	8,125.75
Direct taxes paid (net of refunds)	(1,528.84)	(2,463.01)
Net Cash flow from Operating Activities	3,822.00	5,662.74
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets	(83.77)	(167.63)
Sale of Fixed Assets	12.37	0.43
(Increase)/Decrease in Investments	97.36	153.75
Share application Money refunded by Subsidiary Company	-	1,150.00
Refund of Loan	662.08	710.79
Interest Income	1,646.39	1,284.48
Dividend Income	3.66	1.01
Net Cash Used in Investing Activities	2,338.09	3,132.83
C. Cash Flow from Financing Activities:		
Issue of Debentures	10,000.00	-
Redemption of Debentures	(1,363.64)	(1,818.18)
Proceeds from Borrowings	(6,081.60)	(3,558.04)
Interest Paid	(1,988.41)	(2,502.59)
Dividend Paid	(1,987.84)	(1,324.94)
Net Cash used in Financing activities	(1,421.49)	(9,203.75)
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	4,738.60	(408.18)
Opening Balance of Cash & Cash Equivalents	1,445.31	1,853.49
Closing Balance of Cash & Cash Equivalents	6,183.91	1,445.31
Previous Year's figures have been re-grouped and re-arranged wherever considered necessary.		
This Cash Flow Statement has been prepared under the indirect method prescribed under Accounting Standard 3 notified under the Companies Accounting Standard Rules 2006.		

For S . S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

P. P. Gupta
Managing Director
DIN - 00055954

Centre Point
21, Old Court House Street
Kolkata - 700 001
The 18th day of May, 2013

P. K. Bhattacharya
Partner
Membership No 015899

N. Brahma
Company Secretary

S. N. Roy
Director
DIN - 00408742

Notes on Financial Statements for the Year ended 31st March 2013

NOTE 1 Significant Accounting Policies

a) Accounting Concept:

The Financial Statements are prepared under the historical cost convention. Accounting Policies not referred to otherwise are consistent with Generally Accepted Accounting Principles and comply with the applicable Accounting Standards.

b) Recognition of Income & Expenditure:

The Company follows Mercantile System of Accounting and recognises Income and Expenditure on accrual basis. However, since it is not possible to ascertain with reasonable accuracy, the quantum to be provided in respect of Warranty and Liquidated Damages, Insurance Claims and Export benefits, being indeterminate / insignificant, the same are accounted for on cash basis.

c) Sales :

The Company recognises Revenue for Supply Contracts on the basis of Bills raised against Supplies and for Erection & Construction Contracts on reaching reasonable stage of completion of respective Contracts based on physical proportions of the contracts. However, certain Escalation and other Claims, which are not ascertainable/acknowledged by the customers are not taken into account.

Revenue from Sale of Energy (Power) is recognised on the basis of electrical units generated, net of wheeling and transmission loss as applicable, as stated in the Power Purchase agreement entered into between the Company and the respective State Utilities .

d) Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

e) Earning Per Share:

Basic earning per share is calculated by dividing the net profit/(loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

f) Fixed Assets:

Fixed Assets are stated at their original cost, less accumulated depreciation. Cost includes all expenditure necessary to bring the asset to its working condition for its intended use.

Capital Work-in-progress comprises of cost of fixed assets that are not yet ready for their intended use as at the Balance Sheet date.

(i) Depreciation (except as stated in Note (ii) below) is calculated at the rates specified in Schedule XIV to the Companies Act, 1956 and is provided for on Straight Line Method on all assets except Office Equipments, Furniture & Fixtures which is provided for on Written Down Value Method.

(ii) Depreciation on assets of overseas projects is provided at the rates as per the requirement of laws of respective foreign countries. Such rates of depreciation in each overseas project are higher than the depreciation at prescribed rates under Schedule XIV of the Companies Act, 1956.

Lease hold Land is amortised over the period of lease and the amortisation amount included under Depreciation.

g) Impairment of Assets:

Impairment loss is recognized, where applicable, when the carrying value of the Fixed Assets of a cash generating unit exceeds its market value or value in use, whichever is higher.



Notes on Financial Statements for the Year ended 31st March 2013

NOTE 1 Significant Accounting Policies (Contd.)

h) Investments:

Long Term Investments are carried at cost less provision for diminution other than temporary, in value of such investments determined individually. Current investments are carried at lower of cost or fair value determined individually.

i) Inventories:

Contract Work-in-Progress is stated at cost or market value whichever is lower. However, materials purchased are charged to Statement of Profit and Loss as and when purchased.

j) Foreign Currency Transactions:

Foreign Currency transactions are accounted at the exchange rates prevailing on the date of the transactions .

Foreign currency monetary items remaining unsettled at the reporting date are translated at the rates prevailing on the reporting date. Exchange difference arising on translation of unsettled foreign currency monetary items, which were initially recorded at different rates, are recognized in the Statement of Profit and Loss, except in respect of long term foreign currency monetary items relating to borrowings for acquisition of fixed assets, for which the company has availed the option to adjust such difference to the cost of the depreciable asset and depreciating the same over the balance life of asset.

In case of transactions covered by forward exchange contracts, which are not intended for trading or speculation purpose, premium or discount are amortised as expense or income over the life of the contract.

Any profit or loss arising on settlement or cancellation of foreign currency forward contracts or options are recognised in the Statement of Profit and Loss for the year in which settlement or cancellation takes place.

Translation of overseas jobs/ projects are done as under

- Assets and liabilities at the rates prevailing at the reporting date.
- Income and expenses at the exchange rate prevailing for the month of transaction.

k) Employee Benefits:

Contributions to defined contribution scheme in the form of Provident and other funds are charged to the Statement of Profit and Loss. In respect of certain employees, Provident Fund contributions are made to Trust administered by the Trustees. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Fund and Miscellaneous Provisions Act,1952 and short fall, if any, shall be made good by the Company. The remaining contributions are made to a Government-administered Provident Fund towards which the Company has no further obligations beyond its monthly contribution.

The Company has defined benefit plan for post-employment benefit in the form of gratuity for all employees, which are controlled by a Trust, administered by the Trustees, Liability for above defined benefit plan is provided on the basis of actuarial valuation as at the Balance Sheet date, carried out by an independent Actuary. The actuarial method used for measuring the liability is the projected unit credit method.

In respect of compensated absences benefits to employees, liability is provided for on the basis of actuarial valuation as at the the Balance Sheet date, carried out by an independent Actuary. The actuarial method used for measuring the liability is the projected unit credit method.

l) Taxation:

Current tax is determined on the basis of the amount payable for the year under Income Tax Act. Deferred tax is calculated at current/ substantively enacted Income Tax rate and is recognised on timing differences between taxable income and accounting income. Deferred tax assets, subject to consideration of prudence, are recognised and carried forward only to

Notes on Financial Statements for the Year ended 31st March 2013

NOTE 1 Significant Accounting Policies (Contd.)

the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The Company's business units, engaged in generation of electricity from Wind Mills at various locations, are eligible for 100% tax holiday for a period of 10 consecutive years out of 15 years, from the year in which the generation of power is started. Timing difference between the tax basis and the carrying values of assets and liabilities of the Units, which originate during the year but reverse during the tax holiday period are not recognised in the year in accordance with the requirements of Accounting Standard - 22: Accounting for Taxes of Income.

m) Segment Reporting

The Accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue and expenses are directly attributable to the segment. Revenue and expenses like dividend, interest, profit/loss on sale of assets and investments etc., which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have not been included therein.

All segment assets and liabilities are directly attributable to the segment. Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, sundry debtors, loans and advances and operating cash and bank balances. Segment assets and liabilities do not include investments, miscellaneous expenditure not written off, share capital, reserves and surplus, unpaid dividend, deferred tax liability, provision for tax and proposed dividend.

n) Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed by way of notes to the Financial Statements.

Contingent assets are not recognised.

NOTE 2 Share Capital

Particulars	₹ in lacs	
	As at 31st March 2013	As at 31st March 2012
Authorised Share Capital		
55020000 Preference shares of ₹ 10 each	5,502.00	5,502.00
424900000 Equity Shares of ₹ 2 each	8,498.00	8,498.00
	14,000.00	14,000.00
Issued, Subscribed & Paid up		
57091200 Equity Shares of ₹ 2 each fully paid up	1,141.82	1,141.82
Total	1,141.82	1,141.82



Notes on Financial Statements for the Year ended 31st March 2013

NOTE 2a The reconciliation of the number of shares outstanding is set out below ₹ in lacs

Particulars	Equity Shares	
	As at 31st March 2013	As at 31st March 2012
	Nos	Nos
Shares at the beginning of the year	57,091,200	57,091,200
Shares Issued during the year	Nil	Nil
Shares at the end of the year	57,091,200	57,091,200

NOTE 2b List of share holders in excess of 5% ₹ in lacs

Name of Shareholder	Equity Shares			
	As at 31st March 2013		As at 31st March 2012	
	Nos	% of Holding	Nos	% of Holding
Varanasi Commercial Ltd.	12,194,900	21.36	12,194,900	21.36
Kusum Industrial Gases Ltd.	7,083,000	12.41	7,083,000	12.41
Techno Leasing & Finance Co. Pvt. Ltd.	6,894,000	12.08	6,894,000	12.08
Noble Communication Pvt. Ltd.	5,077,321	8.89	5,077,321	8.89
J.P.Financial Services Pvt. Ltd.	4,989,531	8.74	4,959,531	8.69
Aarkay Investments Pvt. Ltd.	4,335,215	7.59	4,335,215	7.59
Techno Power Project Ltd.	3,204,000	5.61	3,204,000	5.61

NOTE 2c Details of shares allotted otherwise than cash during the previous 5 years ₹ in lacs

Particulars	Aggregate No. of Shares (for last 5 Financial Years)
Equity Shares :	
Fully paid up pursuant to contract(s) without payment being received in cash *	57,091,200
Fully paid up by way of bonus shares	NIL
Shares bought back	NIL

* The shares were allotted without any consideration pursuant to Scheme of Amalgamation.

NOTE 2d Rights, Preferences and Restrictions attached to the Shares

The equity shares of the Company of nominal value of ₹ 2 per share rank pari passu in all respects including voting rights and entitlement to dividend and repayment of share capital.

Notes on Financial Statements for the Year ended 31st March 2013

NOTE 3 Reserve & Surplus ₹ in lacs

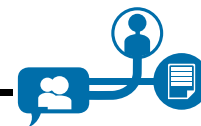
Particulars	As at 31st March 2013	As at 31st March 2012
a. Capital Reserves		
As per Last Balance Sheet	1,572.66	1,572.66
b. Securities Premium Account		
As per Last Balance Sheet	9,642.50	9,642.50
c. Debenture Redemption Reserve		
As per Last Balance Sheet	1,363.64	1,820.00
Add Transfer from Surplus	2,500.00	-
Less Transfer to General Reserve	1,363.64	456.36
Closing Balance	2,500.00	1,363.64
d. General Reserves		
As per Last Balance Sheet	39,253.38	31,597.02
Add Transfer from Surplus	1,600.00	7,200.00
Add Transfer from Debenture Redemption Reserve	1,363.64	456.36
Closing Balance	42,217.02	39,253.38
e. Surplus		
As per Last Balance Sheet	75.10	0.51
Net Profit For the current year	6,060.49	9,265.18
Less Proposed Dividends	1,712.74	1,712.74
Less Tax on Dividends	291.08	277.85
Less Transfer to Debenture Redemption Reserve	2,500.00	-
Less Transfer to General Reserve	1,600.00	7,200.00
Closing Balance	31.77	75.10
Total	55,963.95	51,907.28

NOTE 4 Long Term Borrowings ₹ in lacs

Particulars	As at 31st March 2013	As at 31st March 2012
Secured		
Debentures	10,000.00	-
1000 (Previous Year: NIL) 10.24% Non-Convertible Debentures of ₹ 10 Lakhs each (secured by way of exclusive mortgage and creation of charge in favour of the trustees (IDBI Trusteeship Services Ltd) on the immovable properties and hypothecation of movable properties of 33 MW of Operational Wind Power Plant at Tamil Nadu)		
The debenture are redeemable in three annual instalments as under:		
On 28/01/2016	30%	
On 28/01/2017	40%	
On 28/01/2018	30%	
	10,000.00	-

NOTE 5 Deferred Tax Liabilities (Net) ₹ in lacs

Particulars	As on 31st March 2012	Charge/ (Reversal) during the period	As at 31st March 2013
Deferred Tax Liabilities			
In respect of Fixed Assets	73.85	(3.62)	70.23
Net Deferred Tax Liabilities/ (Assets)	73.85	(3.62)	70.23



Notes on Financial Statements for the Year ended 31st March 2013

NOTE 6 Other Long Term Liabilities			₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012		
Advance received from customers	8,316.07	10,594.94		
Total	8,316.07	10,594.94		

NOTE 7 Long Term Provisions			₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012		
Provision for employee benefits				
Leave Encashment (unfunded)	110.35	104.35		
Gratuity	3.53	-		
Total	113.88	104.35		

NOTE 8 Short Term Borrowings			₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012		
Secured				
Working Capital facilities from Banks				
a) In Foreign Currency	5,846.85	6,965.65		
b) In Indian Rupees	5,200.00	3,996.14		
Above Loans are secured against hypothecation of Components, Raw-Materials, Work-in-Progress, Plant & Machinery, Book Debts of EPC division, ranking pari-passu. Rupee Loans are additionally secured by personal guarantee of the Managing Director of the Company. The Company also enjoys financing facilities with certain other Banks against hypothecation of Components, Raw-Materials, Work-in-Progress, Plant & Machinery, Book Debts of EPC division, equitable mortgage of Land at Rajpur, West Bengal and personal guarantee of the Managing Director of the Company				
	11,046.85	10,961.79		
Unsecured from Banks	-	2,000.00		
Commercial Paper	-	2,500.00		
	-	4,500.00		
Total	11,046.85	15,461.79		

NOTE 9 Trade Payables			₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012		
Sundry Creditors	8,747.00	9,676.78		
Expenses Payable	143.48	235.20		
Total	8,890.48	9,911.98		

Note : To the extent identified from available information, there is no amount due to micro, small and medium size enterprises as on 31st March, 2013

NOTE 10 Other Current Liabilities			₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012		
Current maturities of long-term debt	-	3,030.30		
Interest accrued but not due on borrowings	205.21	48.56		
Unpaid Dividend	20.12	17.38		
Statutory Dues	832.13	562.30		
Employee Benefits payable	16.04	14.60		
Total	1,073.50	3,673.14		

Notes on Financial Statements for the Year ended 31st March 2013

NOTE 11 Short Term Provisions			₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012		
Provision for Employee Benefits	74.99	72.80		
Provision for Dividend	1,712.74	1,712.74		
Tax on Dividend	291.08	277.85		
Provision for FBT	-	0.37		
Provision for Wealth Tax	0.62	0.82		
Total	2,079.43	2,064.58		

NOTE 12 Fixed Assets											₹ in lacs	
Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK			
	Balance as at 1st April 2012	Additions	Deductions/ Adjustments	Balance as at 31st March 2013	Balance as at 1st April 2012	Depriciation charge for the period	On dis-posals	Balance as at 31st March 2013	Balance as at 31st March 2013	Balance as at 31st March 2012		
Tangible Assets												
Freehold Land	563.23	-	-	563.23	-	-	-	-	563.23	563.23		
Leasehold Land	107.37	4.80	-	112.17	6.60	4.03	-	10.63	101.54	100.77		
Buildings	85.59	-	-	85.59	22.31	1.34	-	23.65	61.94	63.28		
Plant and Machinery	585.09	55.38	17.15	623.32	232.19	23.35	13.68	241.86	381.46	352.90		
Plant and Machinery - Wind Mills	26,925.16	-	-	26,925.16	4,827.57	1,421.65	-	6,249.22	20,675.94	22,097.59		
Furniture and Fixtures	70.53	0.24	-	70.77	57.82	2.38	-	60.20	10.57	12.71		
Vehicles	289.56	17.94	27.19	280.31	107.33	22.68	13.72	116.29	164.02	182.23		
Office equipment	397.28	5.41	1.55	401.14	299.99	27.09	1.01	326.07	75.07	97.29		
Total (i)	29,023.81	83.77	45.89	29,061.69	5,553.81	1,502.52	28.41	7,027.92	22,033.77	23,470.00		
Previous Year	28,924.64	100.68	1.51	29,023.81	4,051.32	1,503.32	0.83	5,553.81	23,470.00			

NOTE 13 Non Current Investments					₹ in lacs			
Particulars	NO. OF SHARES		AMOUNT					
	As at 31st March 2013	As at 31 March 2012	As at 31st March 2013	As at 31 March 2012				
Other Than Trade Investments								
Investment in Equity Instruments								
a. (i) Unquoted (Fully paid up of ₹10 each) in Subsidiary Company								
Simran Wind Project Pvt Limited	160775400	160775400	35,401.55	35,401.55				
			35,401.55	35,401.55				
a. (ii) Unquoted (Fully paid up of ₹ 10 each) other than Subsidiary Company								
Tega India Limited (₹ 70 , Previous Year ₹70)	7	7	-	-				
Techno Leasing & Finance Co Pvt Ltd (₹ 100 , Previous Year ₹100)	10	10	-	-				
Techno International Limited	170060	170060	17.01	17.01				
North Dinajpur Power Limited	20000	20000	2.00	2.00				
Rajgarh Bio Power Limited	20000	20000	2.00	2.00				
Techno Ganga Nagar Green Power Generating Co. Limited	20994	20994	2.10	2.10				
Techno Birbhum Green Power Generating Co. Limited	20994	20994	2.10	2.10				
Jhajjar KT Transco Pvt Limited	11092857	11092857	3,760.00	3,760.00				
Bargarh Green Power Generating Co. Limited	19994	49994	2.00	5.00				
			3,787.21	3,790.21				



Notes on Financial Statements for the Year ended 31st March 2013

NOTE 13 Non Current Investments (Contd.) ₹ in lacs

Particulars	NO. OF SHARES		AMOUNT	
	As at 31st March 2013	As at 31 March 2012	As at 31st March 2013	As at 31 March 2012
b. (i) Quoted (Fully paid up of ₹10 each) other than Subsidiary Company				
Spentex Industries Limited	30954	30954	18.52	18.52
GIC Housing Finance Limited	61500	64500	24.60	25.80
Ascu Arch Timber Protection Limited	50617	50617	10.12	10.12
			53.24	54.44
Total			39,242.00	39,246.20
Aggregate market value of quoted investments			74.37	67.86

In the opinion of the management, diminutions in the value of certain Investments of ₹ 18.94 Lakhs (Previous Year ₹17.93 Lakhs) are temporary in nature and hence no provision has been made for the same.

NOTE 14 Long term Loans & Advances ₹ in lacs

Particulars	As at 31st March 2013	As at 31st March 2012
Unsecured, considered good		
Security Deposit	161.20	159.81
Total	161.20	159.81

NOTE 15 Current Investments ₹ in lacs

Particulars	FACE VALUE		AMOUNT	
	As at 31st March 2013	As at 31 March 2012	As at 31st March 2013	As at 31 March 2012
Investments in Debentures or Bonds				
Unquoted (Fully paid up) other than Subsidiary Company				
9.75 % HPFC Bond 2012	-	1000000	-	10.25
			-	10.25

NOTE 16 Inventories ₹ in lacs

Particulars	As at 31st March 2013	As at 31st March 2012
Contract Work-in-progress	167.34	227.60
Total	167.34	227.60

NOTE 17 Trade Receivables ₹ in lacs

Particulars	As at 31st March 2013	As at 31st March 2012
Trade Receivables		
Unsecured, considered good		
Outstanding for a period upto six months	5,665.30	5,912.95
Outstanding for a period exceeding six months	3,409.28	1,667.54
	9,074.58	7,580.49
Retention Money Receivables		
Unsecured, considered good		
Outstanding for a period upto six months	2,597.40	3,225.27
Outstanding for a period exceeding six months	8,884.24	8,938.41
(Receivable on fulfillment of certain conditions as per terms of the contracts)		
	11,481.64	12,163.68
Total	20,556.22	19,744.17

Notes on Financial Statements for the Year ended 31st March 2013

NOTE 18 Cash and Cash Equivalents ₹ in lacs

Particulars	As at 31st March 2013	As at 31st March 2012
a. Balances with banks		
Unpaid dividend accounts	20.12	17.38
Margin money	0.29	0.29
b. Bank Fixed Deposits		
Having maturity of more than twelve months	482.22	432.10
Having maturity between three months and twelve months	233.22	-
Having maturity of less than three months	120.83	432.48
c. Balance with Bank on Current Account	5,271.94	510.22
d. Cash in hand	55.29	52.84
Total	6,183.91	1,445.31

a) Fixed deposit receipts of ₹ 761.47 Lakhs (Previous Year ₹ 798.45 lakhs) are lodged with the Bankers of the Company as Margin against Bank Guarantees issued /to be issued in favour of the company

b) Fixed deposit receipts of ₹ 1.15 Lakhs (Previous Year ₹ 0.65 Lakhs) are lodged with a client/Sales Tax authorities as Security/Registration Deposits.

NOTE 19 Short-term loans and advances ₹ in lacs

Particulars	As at 31st March 2013	As at 31st March 2012
Unsecured, considered good		
a. Loans and advances to Related Parties		
Subsidiary Company		
Loan	-	870.00
	-	870.00
b. Loans and advances to Others		
Loans	999.23	791.31
Other Advances	8,620.38	8,107.72
Prepaid Expenses	378.40	456.80
Interest Receivables	88.17	61.93
Security Deposit	119.58	180.29
Advance Tax and Tax Deducted at Source (Net of Provision of ₹13210.14 Lakhs, Previous Year ₹ 11696.05 Lakhs)	31.57	17.02
	10,237.33	9,615.07
Total	10,237.33	10,485.07

NOTE 20 Other Current Assets ₹ in lacs

Particulars	As at 31st March 2013	As at 31st March 2012
Income Receivable	47.49	78.37
Total	47.49	78.37

NOTE 21 Revenue From Operation ₹ in lacs

Particulars	As at 31st March 2013	As at 31st March 2012
Sales		
EPC (Construction)	51,589.15	70,404.60
Energy (Power)	3,479.87	2,815.51
Other Operating Revenue		
Certified Emission Reduction Receipts	78.15	-
Total	55,147.17	73,220.11



Notes on Financial Statements for the Year ended 31st March 2013

NOTE 22 Other Income		₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012	
Interest Income on Short Term Investment	0.49		
Other Interest Income	1,672.15	1,314.41	
Dividend from Long Term Investment	3.66	1.01	
Net gain on sale of Current investments	79.82	150.38	
Net gain on sale of Non Current investments	3.09	-	
Miscellaneous Receipts *	212.66	463.37	
Total	1,971.87	1,929.94	

* Miscellaneous Receipts include ₹200 lakhs (Previous year ₹399.34 lakhs) being the maturity /surrender value of Keymen Insurance Policy

NOTE 23 Material and Stores		₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012	
Materials and Stores	37,405.17	50,688.94	
Total	37,405.17	50,688.94	

Materials and Stores purchased during the year include Stores ₹ 2592.25 Lakhs (Previous Year ₹ 2567.28 Lakhs). The consumption of such materials included in outlay and contract work-in-progress have been taken by the Auditors as certified.

NOTE 24 (Increase) /Decrease in Inventories		₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012	
Opening Contract Work -in-progress	227.60	831.87	
Closing Contract Work -in-progress	167.34	227.60	
(Increase) /Decrease in Inventories	60.26	604.27	

NOTE 25 Employees Benefit Expenses		₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012	
Salary & Reimbursements	2,494.46	2,311.20	
Contributions to Provident and other Funds	207.21	154.19	
Staff Welfare Expenses	395.52	333.85	
Total	3,097.19	2,799.24	

NOTE 26 Finance Cost		₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012	
Interest Expense			
- Debenture	216.53	172.14	
- Banks and Others	1,917.11	2,275.31	
Other Borrowing Costs	11.42	-	
Total	2,145.06	2,447.45	

NOTE 27 Other Expenses		₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012	
Travelling & Conveyance	863.06	869.39	
Rent	289.03	280.79	
Rates & Taxes	3.54	15.48	
Insurance	171.02	151.08	
Sales Tax (Net)	810.72	795.36	
Service Tax (Net)	923.93	643.80	
Power & Fuel	188.70	67.24	
Repairs to Plant & Machinery	7.06	2.47	
Remuneration to Managing Director	102.50	141.58	

Notes on Financial Statements for the Year ended 31st March 2013

NOTE 27 Other Expenses (Contd.)		₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012	
Directors' Fee	1.75	1.60	
Auditors' Remuneration:			
Audit Fees	1.97	1.97	
Tax Audit	0.28	0.28	
Cost Audit Fees	0.10	-	
Other Services	2.59	2.01	
Loss on Sale of Fixed Assets	5.11	0.25	
Bank Charges	393.25	397.98	
Exchange Rate difference	228.91	598.64	
Miscellaneous expenses	1,344.73	1,541.88	
Total	5,338.25	5,511.80	

Details of Remuneration to Managing Director

Particulars	Year ended 31st March 2013	Year ended 31st March 2012
Salary	22.95	21.60
Contribution to Provident Fund	2.75	2.59
Commission	76.80	117.39
Total	102.50	141.58

NOTE 28 Earnings Per Share		(Amount in ₹ in Lakhs Except No. of Shares)	
Particulars	Year ended 31st March 2013	Year ended 31st March 2012	
Net Profit / (Loss) after tax (a)	6,060.49	9,265.18	
Weighted average number of equity shares of face value of ₹ 2 each (b)	57,091,200	57,091,200	
Basic and diluted earnings per share in ₹ (a) / (b)	10.62	16.23	

NOTE 29
Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances ₹ 64.72 lakhs (Previous Year ₹ 56.00 lakhs).

NOTE 30 Contingent Liabilities and Commitments		₹ in lacs	
Contingent Liabilities		Year ended 31st March 2013	Year ended 31st March 2012
Particulars			
Corporate Guarantee issued for Loans obtained by subsidiary Company	-	-	2,181.82

NOTE 31 Disclosures in Accordance With Revised AS-15 on "Employees Benefits":

Contingent Liabilities		Year ended 31st March 2013	Year ended 31st March 2012
Particulars			
a) Defined Contribution Plans:			
The company has recognised the following amount in the Statement of Profit & Loss for the year :			
Employer's contribution to Provident & Other Funds	197.61	151.31	
b) Defined Benefit Plans :-			
The following figures are as per actuarial valuation as at the Balance Sheet date carried out by an independent actuary:			
i) Present Value of defined benefit obligation:			
Present Value of obligations at beginning of the year	240.79	202.62	
Service Cost	23.52	22.73	



Notes on Financial Statements for the Year ended 31st March 2013

NOTE 31 Disclosures in accordance with revised AS-15 on "Employees Benefits" (Contd.) ₹ in lacs

Particulars	Year ended 31st March 2013	Year ended 31st March 2012
Contingent Liabilities		
Interest Cost	17.96	15.73
Benefit Settled	(32.54)	(11.90)
Actuarial(gain)/loss	9.08	11.61
Present Value of obligations at the end of the year	258.81	240.79
ii) Change in fair value of plan assets:		
Fair Value of Plan assets at beginning of the year	271.85	267.49
Acquisition adjustments	-	-
Expected return on Plan Assets	21.75	21.40
Actuarial(gain)/loss	(5.78)	(5.14)
Benefit Settled	(32.54)	(11.90)
Fair Value of Plan assets at the end of the year	255.28	271.85
iii) Reconciliation of Present Value of the defined obligation plan and the fair value of the plan assets		
Fair Value of Plan assets at the end of the year	255.28	271.85
Present Value of the defined benefit obligations at the end of the year	258.81	240.79
Assets/(Liability)	(3.53)	31.06
iv) Net Gratuity and other cost:		
Service Cost	23.52	22.73
Interest Cost	17.96	15.73
Expected return on Plan Assets	(21.75)	(21.40)
Actuarial(gain)/loss	14.86	16.75
Net Gratuity Cost	34.59	33.81
v) Actuarial Assumptions:		
Discount Rate	8.00%	8.00%
Inflation Rate(Salary escalation rate)	5.00%	5.00%
Return on Assets	8.00%	8.00%
vi) For each major category of plan assets following is the percentage that each major category constitute of the fair value of the plan assets:		
Central Government Securities	23.99%	22.82%
State Government Securities	4.01%	4.56%
PSU Bonds	25.25%	27.51%
Investment with Bank in Special Deposit Scheme	10.95%	10.37%
Administered by Birla Sun Life Insurance Company Limited	35.80%	34.74%
	100.00%	100.00%

Notes on Financial Statements for the Year ended 31st March 2013

NOTE 32 Segment Reporting : ₹ in lacs

a) Based on the guiding principles given in Accounting Standards on "Segment Reporting" (AS-17) notified under the Companies (Accounting Standard) Rules 2006, the Company's primary business segments are EPC (Construction) and Energy (Power). Financial information about the primary business segments are presented in the table given below:

Particulars	FOR THE YEAR ENDED 31ST MARCH 2013				FOR THE YEAR ENDED 31ST MARCH 2012			
	EPC (Construction)	Energy (Power)	Corporate	Total	EPC (Construction)	Energy (Power)	Corporate	Total
A. REVENUE								
1 Sales	51,589.15	3,558.02	-	55,147.17	70,404.60	2,815.51	-	73,220.11
2 Others	-	-	1,971.87	1,971.87	-	-	1,929.94	1,929.94
3 Total Revenue	51,589.15	3,558.02	1,971.87	57,119.04	70,404.60	2,815.51	1,929.94	75,150.05
B. RESULT								
1 Segment result/operating								
Profit before Tax and Interest	5,648.22	2,095.56	1,971.87	9,715.65	11,201.22	1,377.59	1,463.67	14,042.48
2 Interest Expenses	1,993.20	151.86	-	2,145.06	1,893.90	553.55	-	2,447.45
Less Other Unallocable expenses	-	-	-	-	-	-	-	-
3 Provision for Taxation	-	-	1,510.10	1,510.10	-	-	2,329.85	2,329.85
4 Net Profit	3,655.02	1,943.70	461.77	6,060.49	9,307.32	824.04	(866.18)	9,265.18
C. OTHER INFORMATION								
1 Segment Assets	35,494.19	23,908.32	39,293.70	98,696.21	29,128.99	24,869.60	40,935.14	94,933.73
2 Segment Liabilities	28,243.55	0.03	70,452.63	98,696.21	23,257.11	3,051.33	68,625.29	94,933.73
3 Capital Expenditure	83.77	-	-	83.77	100.68	-	-	100.68
4 Depreciation	80.87	1,421.65	-	1,502.52	81.68	1,421.64	-	1,503.32

b) As the revenues from overseas sites does not exceed the minimum threshold limit for such disclosure, no separate disclosure for Geographical segment (Secondary Segment) is applicable.

NOTE 33 Related Party Transactions ₹ in lacs

A. List of related parties and nature of relationships, where control exists :

S.No.	Name of the party	Nature of relationship
1	Simran Wind Project Private Limited	Subsidiary Company
2	Shri Padam Prakash Gupta	Key Management Person
3	Shri Ankit Saraiya	Relative of Key Management Person

B. Disclosure of significant transactions with related parties and the status of outstanding balances as on March 31, 2013:

Particulars	Year ended 31st March 2013	Year ended 31st March 2012
Transactions during the year		
Simran Wind Project Private Limited (Subsidiary Company)		
Loan Given	1,542.00	9,815.15
Loan Recovered	2,412.00	8,948.65
Share Application Refunded	-	1,150.00
Share Allotted by Subsidiary Company	-	3,750.00
Reimbursement claimed against Expenses	15.62	5.50
Shri Padam Prakash Gupta (Key Management Person)		
Remuneration to Managing Director	102.50	141.58
Shri Ankit Saraiya (Relative of Key Management Person)		
Remuneration Paid	0.48	9.21
Outstanding Balances		
Particulars		
Simran Wind Project Private Limited (Subsidiary Company)		
Investment in Shares	35,401.55	35,401.55
Loan	-	870.00
Shri Padam Prakash Gupta (Key Management Person)		
Remuneration Payable to Managing Director	76.80	117.39



Notes on Financial Statements for the Year ended 31st March 2013

NOTE 34 Details of Materials Consumed ₹ in lacs

Particulars	Year ended 31st March 2013	Year ended 31st March 2012
Indigenous	27,656.74	39,838.76
Imported	-	12.79
Total	27,656.74	39,851.55

Particulars	Year ended 31st March 2013	Year ended 31st March 2012
Indigenous	100.00%	99.97%
Imported	0.00%	0.03%
Total	100.00%	100.00%

NOTE 35 CIF Value of Imports ₹ in lacs

Particulars	Year ended 31st March 2013	Year ended 31st March 2012
Materials	-	12.79

NOTE 36 Expenditure in Foreign Currency : ₹ in lacs

Particulars	Year ended 31st March 2013	Year ended 31st March 2012
Travelling	71.52	65.37
Royalty	0.00	206.03
Repairs & Maintenance	3.93	0.00
Employee Benefit expenses	8.02	0.00
Professional & Consultancy Charges	1.91	0.00
Rent	2.17	0.00
Others	0.69	0.39
Total	88.24	271.79

NOTE 37 Deemed Export ₹ in lacs

Particulars	Year ended 31st March 2013	Year ended 31st March 2012
Deemed Export Under Global Tender at Ex- works value	2,796.86	5,097.52
Total	2,796.86	5,097.52

NOTE 38 ₹ in lacs

There is no other information apart from the information already disclosed above required to be disclosed pursuant to the relevant clauses of New Schedule VI as inserted to Companies Act by the Notification No.S.O.447(E), Dated.28-2-2011 (As amended by Notification No.F.NO.2/6/2008-CL-V, Dated 30-3-2011).

NOTE 39 ₹ in lacs

The previous year's figures have been regrouped, rearranged and re-classified to conform to the current year's classification.

For S. S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

P. P. Gupta
Managing Director
DIN - 00055954

Centre Point
21, Old Court House Street
Kolkata - 700 001
The 18th day of May, 2013

P. K. Bhattacharya
Partner
Membership No 015899

N. Brahma
Company Secretary

S. N. Roy
Director
DIN - 00408742

INDEPENDENT AUDITORS' REPORT

To The Board of Directors of
Techno Electric & Engineering Company Limited

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENT

1. We have audited the accompanying financial statements of Techno Electric & Engineering Company Limited ("the Company") and its subsidiary (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including Accounting Standards referred to in section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated

financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit.

OPINION

5. In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the report on the financial statements of the subsidiary company, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;
- in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

OTHER MATTERS

6. We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets of ₹ 104508.51 lakhs as on March 31, 2013, total revenue of ₹ 14952.23 lakhs and total cash flow (inflow) of ₹ 684.44 lakhs for the year then ended. These financial statements have been audited by other auditors whose report has been furnished to us and our opinion, in so far as it relate to the amounts included in respect of the subsidiary, is based solely on the report of such other auditors.

For S. S. KOTHARI & CO.,
Chartered Accountants
Firm's Registration No: 302034E

Centre Point
21, Old Court House Street,
Kolkata - 700 001
The 18th day of May, 2013

(P. K. Bhattacharya)
Partner
Membership No: 015899



Consolidated Balance Sheet as at 31st March 2013

Particulars	Note No.	₹ in lacs	
		As at 31st March 2013	As at 31st March 2012
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(A) Share Capital	2	1,141.82	1,141.82
(B) Reserves and Surplus	3	75,853.60	65,822.27
2 Minority Interest		1,879.47	1,670.44
3 Non-current Liabilities			
(A) Long-term Borrowings	4	51,718.67	41,636.08
(B) Deferred Tax Liabilities (Net)	5	70.23	73.85
(C) Other Long Term Liabilities	6	8,316.07	10,594.94
(D) Long-term Provisions	7	121.34	104.35
4 Current Liabilities			
(A) Short-term Borrowings	8	11,046.85	15,461.79
(B) Trade Payables	9	10,717.41	13,644.30
(C) Other Current Liabilities	10	6,195.46	6,880.67
(D) Short-term Provisions	11	2,282.22	2,064.58
Total		169,343.14	159,095.09
II. ASSETS			
1. Non-current Assets			
(A) Fixed Assets			
Goodwill on Consolidation		1,571.51	1,571.51
Tangible Assets	12	108,725.40	113,419.84
Capital work-in-progress		66.95	66.95
(B) Non-current Investments	13	3,840.45	3,844.65
(C) Long-term Loans and Advances	14	2,328.78	1,090.16
2. Current Assets			
(A) Current Investments	15	2,616.09	1,494.28
(B) Inventories	16	167.34	227.60
(C) Trade Receivables	17	30,601.74	25,034.64
(D) Cash and Cash Equivalents	18	7,180.83	1,757.78
(E) Short-term Loans and Advances	19	10,229.82	9,628.46
(F) Other Current Assets	20	2,014.23	959.22
Total		169,343.14	159,095.09
Significant Accounting Policies	1		
Other Explanatory Information	29 to 39		

The Notes referred to above form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our Report of even date

For S. S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

P. P. Gupta
Managing Director
DIN - 00055954

Centre Point
21, Old Court House Street
Kolkata - 700 001
The 18th day of May, 2013

P. K. Bhattacharya
Partner
Membership No. 015899

N. Brahma
Company Secretary

S. N. Roy
Director
DIN - 00408742

Consolidated Statement of Profit and Loss for the year ended 31st March 2013

Particulars	Note No.	₹ in lacs	
		Year ended 31st March 2013	Year ended 31st March 2012
I. Revenue From Operations	21	70,012.54	81,986.32
II. Other Income	22	2,058.72	2,246.24
III. Total Revenue (I + II)		72,071.26	84,232.56
IV. Expenses:			
Materials and Stores	23	37,405.17	50,688.94
(Increase)/Decrease in Inventories	24	60.26	604.27
Employee Benefits Expense	25	3,244.85	2,826.35
Finance Costs	26	5,217.22	4,114.78
Depreciation and Amortization Expense	12	6,549.26	5,605.12
Other Expenses	27	5,840.19	5,903.42
Total Expenses		58,316.95	69,742.88
V. Profit Before Tax (III - IV)		13,754.31	14,489.68
VI. Tax Expense:			
Current Tax		2,751.32	2,899.04
MAT Credit Entitlement		(1,237.23)	(579.18)
Deferred Tax		(3.62)	9.98
Excess Provision for FBT written back		(0.37)	-
		1,510.10	2,329.84
VII. Profit for the period (V - VI)		12,244.21	12,159.84
VIII. Less Share of Profit transferred to Minority Interest		209.03	70.69
IX. Profit for the year after adjustment for minority interest (VII - VIII)		12,035.18	12,089.15
Earnings per Equity Share:			
Basic and Diluted	28	21.08	21.18
Significant Accounting Policies	1		
Other Explanatory Information	29 to 39		

The Notes referred to above form an integral part of the Statement of Profit & Loss.
This is the Statement of Profit & Loss referred to in our Report of even date

For S. S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

P. P. Gupta
Managing Director
DIN - 00055954

Centre Point
21, Old Court House Street
Kolkata - 700 001
The 18th day of May, 2013

P. K. Bhattacharya
Partner
Membership No. 015899

N. Brahma
Company Secretary

S. N. Roy
Director
DIN - 00408742



CONSOLIDATED CASH FLOW STATEMENT as at 31st March 2013

₹ in lacs

Particulars	Year ended 31st March 2013	Year ended 31st March 2012
A. Cash Flow from Operating Activities:		
Net Profit before tax and extraordinary items	13,754.31	14,489.68
Adjustments for :		
Depreciation	6,549.26	5,605.12
(Profit)/Loss on Sale of Fixed Assets	5.11	0.25
Interest/Dividend Income	(1,705.13)	(1,373.25)
(Profit) /Loss on Sale of Investments (Net)	(140.93)	(173.23)
Interest Paid	5,217.22	4,114.78
Operating Profit before Working Capital Changes	23,679.84	22,663.35
Adjustments for :		
Trade and other receivables	(7,868.71)	(8,153.13)
Inventories	60.26	604.27
Trade Payables	(3,024.64)	(2,043.22)
Cash generated from operations	12,846.75	13,071.27
Direct taxes paid (net of refunds)	(2,535.18)	(3,044.31)
Net Cash flow from Operating Activities	10,311.57	10,026.96
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets	(1,996.48)	(40,344.18)
Sale of Fixed Assets	12.37	0.44
(Increase)/Decrease in Investments	(976.68)	(1,307.43)
Refund of Loan	662.08	710.79
Interest Income	1,669.68	1,341.64
Dividend Income	3.66	1.01
Net Cash Used in Investing Activities	(625.37)	(39,597.74)
C. Cash Flow from Financing Activities:		
Proceeds from Issue of Shares by subsidiary Company	-	2,250.00
Issue of Debentures	10,000.00	-
Redemption of Debentures	(1,363.64)	(4,727.27)
Proceeds from Borrowings	(5,963.42)	35,848.12
Interest Paid	(4,948.25)	(3,207.51)
Dividend Paid	(1,987.84)	(1,324.94)
Net Cash used in Financing Activities	(4,263.15)	28,838.41
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	5,423.05	(732.37)
Opening Balance of Cash & Cash Equivalents	1,757.78	2,490.15
Closing Balance of Cash & Cash Equivalents	7,180.83	1,757.78
Previous Year's figures have been re-grouped and re-arranged wherever considered necessary.		
This Cash Flow Statement has been prepared under the indirect method prescribed under Accounting Standard - 3 notified under the Companies Accounting Standard Rules, 2006		

For S. S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

P. P. Gupta
Managing Director
DIN - 00055954

Centre Point
21, Old Court House Street
Kolkata - 700 001
The 18th day of May, 2013

P. K. Bhattacharya
Partner
Membership No. 015899

N. Brahma
Company Secretary

S. N. Roy
Director
DIN - 00408742

Notes on Consolidated Financial Statements for the Year ended 31st March 2013

NOTE 1 Significant Accounting Policies

A Principles of Consolidation

The Consolidated Financial Statements relate to the Company (Techno Electric & Engineering Company Limited) and its subsidiary., Simran Wind Project Private Limited. The consolidated financial Statements have been prepared on the following basis:

The Financial Statements of the Company and its Subsidiary Company are combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS)21; ' Consolidated Financial Statements'.

The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions except in cases stated in Accounting Policies and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate Financial Statements except as otherwise stated in Notes to the Accounts.

The difference between the cost of investment in the Subsidiary company, over the net assets at the time of acquisition of shares in the Subsidiary Company is recognized in the Financial Statements as Goodwill.

Minority Interest's share of net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and equity of the Company's shareholders.

B Other Accounting Policies

a) Accounting Concept:

The Financial Statements are prepared under the historical cost convention. Accounting Policies not referred to otherwise are consistent with Generally Accepted Accounting Principles and comply with the applicable Accounting Standards.

b) Recognition of Income & Expenditure:

The Company follows Mercantile System of Accounting and recognises Income and Expenditure on accrual basis. However, since it is not possible to ascertain with reasonable accuracy, the quantum to be provided in respect of Warranty and Liquidated Damages, Insurance Claims and Export benefits, being indeterminate / insignificant, the same are accounted for on cash basis.

c) Sales :

The Company recognises Revenue for Supply Contracts on the basis of Bills raised against Supplies and for Erection & Construction Contracts on reaching reasonable stage of completion of respective Contracts based on physical proportions of the contracts. However, certain Escalation and other Claims, which are not ascertainable/ acknowledged by the customers are not taken into account.

Revenue from Sale of Energy (Power) is recognised on the basis of electrical units generated, net of wheeling and transmission loss as applicable, as stated in the Power Purchase agreement entered into between the Company and the respective State Utilities .

REC Income is accounted on accrual basis at the rate sold at the Power Exchanges. At the period end REC Income is recognised at the minimum floor price specified by CERC.

Generation based incentive is recognized on accrual basis i.e. on the basis of units of power generated, as referred above for which necessary claims have been lodged / is in the process of being lodged with the concerned authorities.

d) Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.



Notes on Consolidated Financial Statements for the Year ended 31st March 2013

NOTE 1 Significant Accounting Policies (Contd.)

e) Earning Per Share:

Basic earning per share is calculated by dividing the net profit/(loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

f) Fixed Assets:

Fixed Assets are stated at their original cost, less accumulated depreciation. Cost includes all expenditure necessary to bring the asset to its working condition for its intended use.

Capital Work-in-progress comprises of cost of fixed assets that are not yet ready for their intended use as at the Balance Sheet date.

(i) Depreciation (except as stated in Note (ii) & (iii) below) is calculated at the rates specified in Schedule XIV to the Companies Act, 1956 and is provided for on Straight Line Method on all assets except Office Equipments, Furniture & Fixtures which is provided for on Written Down Value Method.

(ii) Depreciation on assets of overseas projects is provided at the rates as per the requirement of laws of respective foreign countries. Such rates of depreciation in each overseas project are higher than the depreciation at prescribed rates under Schedule XIV of the Companies Act, 1956.

(iii) In respect of subsidiary company depreciation on office equipments including computers is provided on straight line method

Lease hold Land is amortised over the period of lease and the amortisation amount included under Depreciation

g) Impairment of Assets:

Impairment loss is recognized, where applicable, when the carrying value of the Fixed Assets of a cash generating unit exceeds its market value or value in use, whichever is higher.

h) Investments:

Long Term Investments are carried at cost less provision for diminution other than temporary, in value of such investments determined individually. Current investments are carried at lower of cost or fair value determined individually.

i) Inventories:

Contract Work-in-Progress is stated at cost or market value whichever is lower. However, materials purchased are charged to Statement of Profit and Loss as and when purchased.

j) Foreign Currency Transactions:

Foreign Currency transactions are accounted at the exchange rates prevailing on the date of the transactions.

Foreign currency monetary items remaining unsettled at the reporting date are translated at the rates prevailing on the reporting date. Exchange difference arising on translation of unsettled foreign currency monetary items, which were initially recorded at different rates, are recognized in the Statement of Profit and Loss, except in respect of long term foreign currency monetary items relating to borrowings for acquisition of fixed assets, for which the company has availed the option to adjust such difference to the cost of the depreciable asset and depreciating the same over the balance life of asset.

In case of transactions covered by forward exchange contracts, which are not intended for trading or speculation purpose, premium or discount are amortised as expense or income over the life of the contract.

Any profit or loss arising on settlement or cancellation of foreign currency forward contracts or options are recognised in the Statement of Profit and Loss for the year in which settlement or cancellation takes place.

Notes on Consolidated Financial Statements for the Year ended 31st March 2013

NOTE 1 Significant Accounting Policies

Translation of overseas jobs/ projects are done as under

- Assets and liabilities at the rates prevailing at the reporting date
- Income and expenses at the exchange rate prevailing for the month of transaction

f) Employee Benefits:

Contributions to defined contribution scheme in the form of Provident and other funds are charged to the Statement of Profit and Loss. In respect of certain employees, Provident Fund contributions are made to Trust administered by the trustees. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and short fall, if any, shall be made good by the Company. The remaining contributions are made to a Government-administered Provident Fund towards which the Company has no further obligations beyond its monthly contribution.

The Company has defined benefit plan for post-employment benefit in the form of gratuity for all employees. Liability for above defined benefit plan is provided on the basis of actuarial valuation as at the Balance Sheet date, carried out by an independent Actuary. The actuarial method used for measuring the liability is the projected unit credit method. The gratuity as mentioned above is controlled by a Trust, administered by the Trustees, except in case of its subsidiary which is unfunded.

In respect of compensated absences benefits to employees, liability is provided for on the basis of actuarial valuation as at the the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the projected unit credit method.

l) Taxation:

Current tax is determined on the basis of the amount payable for the year under Income Tax Act. Deferred tax is calculated at current/ substantively enacted Income Tax rate and is recognised on timing differences between taxable income and accounting income. Deferred tax assets, subject to consideration of prudence, are recognised and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The Company's business units, engaged in generation of electricity from Wind Mills at various locations, are eligible for 100% tax holiday for a period of 10 consecutive years out of 15 years, from the year in which the generation of power is started. Timing difference between the tax basis and the carrying values of assets and liabilities of the Units, which originate during the year but reverse during the tax holiday period are not recognised in the year in accordance with the requirements of Accounting Standard - 22: Accounting for Taxes of Income.

m) MAT Credit Entitlement :

In respect of the Subsidiary Company, the Minimum Alternate Tax (MAT) paid in accordance with the tax laws give rise to future economic benefits in the form of adjustment of future income tax liability is considered and recognised as an asset in the Balance Sheet when it is probable that such benefits will flow to the Company in future years and the same can be measured reliably.

n) Segment Reporting

The Accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue and expenses are directly attributable to the segment. Revenue and expenses like dividend, interest, profit/loss on sale of assets and investments etc., which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have not been included therein.



Notes on Consolidated Financial Statements for the Year ended 31st March 2013

NOTE 1 Significant Accounting Policies (Contd.)

All segment assets and liabilities are directly attributable to the segment. Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, sundry debtors, loans and advances and operating cash and bank balances. Segment assets and liabilities do not include investments, miscellaneous expenditure not written off, share capital, reserves and surplus, unpaid dividend, deferred tax liability, provision for tax and proposed dividend.

o) Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed by way of notes to the Financial Statements.

Contingent assets are not recognised.

NOTE 2 Share Capital

₹ in lacs

Particulars	As at	
	31st March 2013	31st March 2012
Authorised Share Capital		
55020000 Preference shares of ₹ 10 each	5,502.00	5,502.00
424900000 Equity Shares of ₹ 2 each	8,498.00	8,498.00
	14,000.00	14,000.00
Issued, Subscribed & Paid up		
57091200 Equity Shares of ₹ 2 each fully paid up	1,141.82	1,141.82
Total	1,141.82	1,141.82

NOTE 2a The Reconciliation of the number of shares outstanding is set out below:

₹ in lacs

Particulars	Equity Shares	
	As at	
	31st March 2013	31st March 2012
	Nos	Nos
Shares at the beginning of the year	57,091,200	57,091,200
Shares Issued during the year	Nil	Nil
Shares at the end of the year	57,091,200	57,091,200

Notes on Consolidated Financial Statements for the Year ended 31st March 2013

NOTE 2b List of shareholders in excess of 5% is set out below:

₹ in lacs

Name of Shareholder	Equity Shares			
	As at		As at	
	31st March 2013		31st March 2012	
	Nos	% of Holding	Nos	% of Holding
Varanasi Commercial Ltd.	12,194,900	21.36	12,194,900	21.36
Kusum Industrial Gases Ltd.	7,083,000	12.41	7,083,000	12.41
Techno Leasing & Finance Co. Pvt. Ltd.	6,894,000	12.08	6,894,000	12.08
Noble Communication Pvt. Ltd.	5,077,321	8.89	5,077,321	8.89
J.P.Financial Services Pvt. Ltd.	4,989,531	8.74	4,959,531	8.69
Aarkay Investments Pvt. Ltd.	4,335,215	7.59	4,335,215	7.59
Techno Power Project Ltd.	3,204,000	5.61	3,204,000	5.61

NOTE 2c Details of shares allotted otherwise than cash during the previous 5 years

₹ in lacs

Particulars	Aggregate No. of Shares (for last 5 Financial Years)
Equity Shares :	
Fully paid up pursuant to contract(s) without payment being received in cash *	57,091,200
Fully paid up by way of bonus shares	NIL
Shares bought back	NIL

* The shares were allotted without any consideration pursuant to Scheme of Amalgamation.

NOTE 2d Rights, Preferences and Restrictions attached to the Shares

The equity shares of the Company of nominal value of ₹ 2 per share rank pari passu in all respects including voting rights and entitlement to dividend and repayment of share capital.

NOTE 3 Reserve & Surplus

₹ in lacs

Particulars	As at	
	31st March 2013	31st March 2012
a. Capital Reserves		
As per Last Balance Sheet	2,222.91	1,572.66
Additions during the year	-	650.25
	2,222.91	2,222.91
b. Securities Premium Account		
As per Last Balance Sheet	18,758.19	18,758.19
c. Debenture Redemption Reserve		
As per Last Balance Sheet	1,363.64	1,820.00
Add Transfer from Surplus	2,500.00	-
Less Transfer to General Reserve	1,363.64	456.36
	2,500.00	1,363.64
d. General Reserves		
As per Last Balance Sheet	43,253.38	31,597.02
Add Transfer from Profit & Loss Account	1,600.00	11,200.00
Add Transfer from Debenture Redemption Reserve	1,363.64	456.36
Closing Balance	46,217.02	43,253.38
e. Surplus		
As per Last Balance Sheet	224.15	1,325.59
Net Profit For the current year	12,035.15	12,089.15
Less Proposed Dividends	1,712.74	1,712.74
Less Tax on Dividends	291.08	277.85
Less Transfer to Debenture Redemption Reserve	2,500.00	-
Less Transfer to General Reserve	1,600.00	11,200.00
Closing Balance	6,155.48	224.15
Total	75,853.60	65,822.27



Notes on Consolidated Financial Statements for the Year ended 31st March 2013

NOTE 4 Long Term Borrowings					₹ in lacs	
Particulars	As at		As at			
	31st March 2013		31st March 2012			
Secured						
Debentures	10,000.00		-			
1000 (Previous Year: NIL) 10.24% Non-Convertible Debentures of ₹ 10 Lakhs each (secured by way of exclusive mortgage and creation of charge in favour of the trustees (IDBI Trusteeship Services Ltd) on the immovable properties and hypothecation of movable properties of 33 MW of Operational Wind Power Plant at Tamil Nadu)						
The debenture are redeemable in three annual instalments as under:						
On 28/01/2016	30%					
On 28/01/2017	40%					
On 28/01/2018	30%					
External Commercial Borrowings						
In Indian Rupee						
From International Finance Corporation			13,991.00	13,500.00		
Repayment Schedule/ Rate of interest	8.38%	8.51%	9.40%			
2013-14#	904.50	904.50	-			
2014-15	708.75	708.75	460.00			
2015-16	607.50	607.50	212.75			
2016-17	438.75	438.75	201.25			
2017-18	411.75	411.75	345.00			
2018-19	776.25	776.25	333.50			
2019-20	1,113.75	1,113.75	299.00			
2020-21	1,181.25	1,181.25	241.50			
2021-22	607.50	607.50	207.00			
In Foreign Currency						
DBS Bank Ltd (US \$ 25 million)			13,597.33	12,789.13		
Repayment Schedule/ Rate of interest	4.55%	4.60%				
2014-15	US \$ 4.00 Million	US \$ 1.00 Million				
2015-16	US \$ 4.00 Million	US \$ 1.00 Million				
2016-17	US \$ 4.80 Million	US \$ 1.20 Million				
2017-18	US \$ 4.80 Million	US \$ 1.20 Million				
2018-19	US \$ 2.40 Million	US \$ 0.60 Million				
Standard Chartered Bank (US \$ 25.98 million)			14,130.34	15,346.95		
Repayment Schedule/ Rate of interest	5.05%					
2013-14#	US \$ 4.02 Million					
2014-15	US \$ 3.15 Million					
2015-16	US \$ 2.70 Million					
2016-17	US \$ 1.95 Million					
2017-18	US \$ 1.83 Million					
2018-19	US \$ 3.45 Million					
2019-20	US \$ 4.95 Million					
2020-21	US \$ 5.25 Million					
2021-22	US \$ 2.70 Million					
The above referred External Commercial Borrowings are secured by first ranking pari passu charge / mortgage inter-se all lenders and hedge counterparties on the assets of the Company in relation to the construction and operation of 111.9 MW of wind assets, located in the State of Tamil Nadu, India and spread across three locations in Mutthiampatti, Amudhapuram and Rasta.						
Total	51,718.67		41,636.08			
#Amount payable in 2013-14 is shown under Note No.10 (Current Maturities of Long Term Debt)						

Notes on Consolidated Financial Statements for the Year ended 31st March 2013

NOTE 5 Deferred Tax Liabilities (Net)				₹ in lacs	
Particulars	As on	Charge/ (Reversal)	As at		
	31st March 2012	during the period	31st March 2013		
Deferred Tax Liabilities					
In respect of Fixed Assets	73.85	(3.62)	70.23		
Net Deferred Tax Liabilities/ (Assets)	73.85	(3.62)	70.23		
NOTE 6 Other Long term liabilities				₹ in lacs	
Particulars	As at	As at			
	31st March 2013	31st March 2012			
Advance received from customers	8,316.07	10,594.94			
Total	8,316.07	10,594.94			
NOTE 7 Long term Provisions				₹ in lacs	
Particulars	As at	As at			
	31st March 2013	31st March 2012			
Provision for Employee Benefits		104.35			
Leave Encashment (unfunded)	113.39	-			
Gratuity	7.95	-			
Total	121.34	104.35			
NOTE 8 Short term borrowings				₹ in lacs	
Particulars	As at	As at			
	31st March 2013	31st March 2012			
Secured					
Working Capital facilities from Banks					
a) In Foreign Currency	5,846.85	6,965.65			
b) In Indian Rupees	5,200.00	3,996.14			
Above Loans are secured against hypothecation of Components, Raw-Materials, Work-in-Progress, Plant & Machinery, Book Debts of EPC division, ranking pari-passu. Rupee Loans are additionally secured by personal guarantee of the Managing Director of the Company. The Company also enjoys financing facilities with certain other Banks against hypothecation of Components, Raw-Materials, Work-in-Progress, Plant & Machinery, Book Debts of EPC division, equitable mortgage of Land at Rajpur, West Bengal and personal guarantee of the Managing Director of the Company					
	11,046.85	10,961.79			
Unsecured					
from Banks	-	2,000.00			
Commercial Paper	-	2,500.00			
		4,500.00			
Total	11,046.85	15,461.79			
NOTE 9 Trade Payables				₹ in lacs	
Particulars	As at	As at			
	31st March 2013	31st March 2012			
Sundry Creditors	10,572.93	13,392.65			
Expenses payable	144.48	251.65			
Total	10,717.41	13,644.30			

Note : To the extent identified from available information, there is no amount due to micro, small and medium size enterprises as on 31st March,2013



Notes on Consolidated Financial Statements for the Year ended 31st March 2013

NOTE 10 Other Current Liabilities		₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012	
Current maturities of long-term debt	3,995.45	5,212.12	
Interest accrued but not due on borrowings	1,320.74	1,051.77	
Unpaid Dividend	20.12	17.38	
Statutory Dues	838.63	584.80	
Employee Benefits payable	20.52	14.60	
Total	6,195.46	6,880.67	

NOTE 11 Short Term Provisions		₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012	
Provision for Employee Benefits	74.99	72.80	
Provision for Dividend	1,712.74	1,712.74	
Tax on Dividend	291.08	277.85	
Provision for Income Tax (Net of Advance Tax & TDS of ₹ 14244.59 Lakhs)	202.79	-	
Provision for FBT	-	0.37	
Provision for Wealth Tax	0.62	0.82	
Total	2,282.22	2,064.58	

NOTE 12 Consolidated Fixed Assets		₹ in lacs								
Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	Balance as at 1st April 2012	Additions	Deductions/ Adjustments	Balance as at 31st March 2013	Balance as at 1st April 2012	Depre- ciation charge for the period	On dis- posals	Balance as at 31st March 2013	Balance as at 31st March 2013	Balance as at 31 March 2012
Tangible Assets										
Freehold Land	3,310.16	8.63	-	3,318.79	-	-	-	-	3,318.79	3,310.16
Leasehold Land	107.37	4.80	-	112.17	6.60	4.03	-	10.63	101.54	100.77
Buildings	85.59	-	-	85.59	22.31	1.34	-	23.65	61.94	63.28
Plant and Machinery	585.09	55.38	17.15	623.32	232.19	23.35	13.68	241.86	381.46	352.90
Plant and Machinery - Wind Mills	122,496.29	1,778.04	-	124,274.33	13,196.80	6,468.07	-	19,664.87	104,609.46	109,299.49
Furniture and Fixtures	70.53	1.10	-	71.63	57.82	2.38	-	60.20	11.43	12.71
Vehicles	290.37	17.94	27.19	281.12	107.68	22.75	13.72	116.71	164.41	182.69
Office equipment	398.91	6.41	1.55	403.77	301.07	27.34	1.01	327.40	76.37	97.84
Total (i)	127,344.31	1,872.30	45.89	129,170.72	13,924.47	6,549.26	28.41	20,445.32	108,725.40	113,419.84
Previous Year	68,096.07	59,249.75	1.51	127,344.31	8,320.18	5,605.12	0.83	13,924.47	113,419.84	

Additions in Plant & Machinery - Wind Mills includes ₹ 1778.04 Lakhs (Previous year ₹ NIL) on account of exchange difference during the year

Notes on Consolidated Financial Statements for the Year ended 31st March 2013

NOTE 13 Non Current Investments		₹ in lacs			
Particulars	NO. OF SHARES		AMOUNT		
	As at 31st March 2013	As at 31 March 2012	As at 31st March 2013	As at 31 March 2012	
Other Than Trade Investments					
a. Unquoted (Fully paid up of ₹ 10 each) other than Subsidiary Company					
Tega India Limited	7	7	-	-	
Techno Leasing & Finance Co Pvt Ltd	10	10	-	-	
Techno International Limited	170060	170060	17.01	17.01	
North Dinajpur Power Limited	20000	20000	2.00	2.00	
Rajgarh Bio Power Limited	20000	20000	2.00	2.00	
Techno Ganga Nagar Green Power Generating Co. Limited	20994	20994	2.10	2.10	
Techno Birbhum Green Power Generating Co. Limited	20994	20994	2.10	2.10	
Jhajjar KT Transco Pvt Limited	11092857	11092857	3,760.00	3,760.00	
Bargarh Green Power Generating Co. Limited	19994	49994	2.00	5.00	
			3,787.21	3,790.21	
b. Quoted (Fully paid up of ₹ 10 each) other than Subsidiary Company					
Spentex Industries Limited	30954	30954	18.52	18.52	
GIC Housing Finance Limited	61500	64500	24.60	25.80	
Ascu Arch Timber Protection Limited	50617	50617	10.12	10.12	
			53.24	54.44	
Total			3,840.45	3,844.65	
Aggregate market value of quoted investments			74.37	67.86	

In the opinion of the management, diminutions in the value of certain Investments of ₹ 18.94 Lakhs (Previous Year ₹ 17.93 Lakhs) are temporary in nature and hence no provision has been made for the same.

NOTE 14 Long term Loans Et Advances		₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012	
Unsecured, considered good			
Security Deposit	161.20	159.81	
MAT Credit Entitlement	2,167.58	930.35	
Total	2,328.78	1,090.16	

NOTE 15 Current Investments		₹ in lacs			
Particulars	FACE VALUE		AMOUNT		
	As at 31st March 2013	As at 31 March 2012	As at 31st March 2013	As at 31 March 2012	
Investments in Debentures or Bonds					
Unquoted (Fully paid up) other than Subsidiary Company					
9.75 % HPFC Bond 2012			-	10.25	
Investments in Mutual Funds					
Unquoted (Fully paid up) : at Cost					
Reliance Liquid Fund	24052.693	820148.726	684.08	207.45	
Birla Sunlife Cash Plus	-	96373.942	-	264.92	
BSL Floating Rate Fund	-	712723.942	-	1,011.66	
Birla Sunlife Cash Plus Fund- Growth Regular	5172.665	-	9.52	-	
Birla Sunlife Cash Plus Fund- Growth Direct	453786.746	-	843.72	-	
DSP Back Rock Liquidity Fund	21402.269	-	356.53	-	
IDFC Cash Fund growth	5166.757	-	73.50	-	
Religare Liquid Fund	6403.516	-	101.84	-	
Religare Ultra short term fund	6495.128	-	105.26	-	
JM High Liquidity Fund	139544.039	-	441.64	-	
Aggregate amount of unquoted Investments			2,616.09	1,494.28	



Notes on Consolidated Financial Statements for the Year ended 31st March 2013

NOTE 16 Inventories			₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012		
Contract Work-in-progress	167.34	227.60		
Total	167.34	227.60		

NOTE 17 Trade Receivables			₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012		
Trade Receivables				
Unsecured, considered good				
Outstanding for a period upto six months	10,031.85	8,330.10		
Outstanding for a period exceeding six months	9,088.25	4,540.86		
	19,120.10	12,870.96		
Retention Money Receivables				
Unsecured, considered good				
Outstanding for a period upto six months	2,597.40	3,225.27		
Outstanding for a period exceeding six months	8,884.24	8,938.41		
(Receivable on fulfillment of certain conditions as per terms of the contracts)				
	11,481.64	12,163.68		
Total	30,601.74	25,034.64		

NOTE 18 Cash and Cash Equivalents			₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012		
a. Balances with banks				
Unpaid Dividend accounts	20.12	17.38		
Margin money	0.29	0.29		
b. Bank Fixed Deposits				
Having maturity of more than twelve months	482.22	432.10		
Having maturity between three months and twelve months	233.22	-		
Having maturity of less than three months	617.83	562.48		
c. Balance with Bank on Current Account	5,771.61	692.60		
d. Cash in hand	55.54	52.93		
Total	7,180.83	1,757.78		

- a) Fixed deposit receipts of ₹ 761.47 Lakhs (Previous Year ₹ 798.45 lakhs) are lodged with the Bankers of the Company as Margin against Bank Guarantees issued /to be issued in favour of the company
- b) Fixed deposit receipts of ₹ 1.15 Lakhs (Previous Year ₹ 0.65 Lakhs) are lodged with a client/Sales Tax authorities as Security/Registration Deposits.

NOTE 19 Short-term loans and advances			₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012		
Loans and advances to Other than Related Parties				
Unsecured considered good				
Loans	999.23	791.31		
Other Advances	8,625.95	8,113.43		
Prepaid Expenses	393.17	467.93		
Interest Receivables	88.17	61.93		
Security Deposit	123.30	180.31		
Advance Tax (Net of Provision for Tax ₹ NIL , Previous Year ₹ 12276.10 Lakhs)	-	13.55		
Total	10229.82	9628.46		

Notes on Consolidated Financial Statements for the Year ended 31st March 2013

NOTE 20 Other Current Assets			₹ in lacs	
Particulars	As at 31st March 2013	As at 31st March 2012		
Income Receivable	2,014.23	959.22		
Total	2,014.23	959.22		

NOTE 21 Revenue from Operation			₹ in lacs	
Particulars	Year ended 31st March 2013	Year ended 31st March 2012		
Sales				
EPC (Construction)	51,589.15	70,404.60		
Energy (Power)	17,000.89	10,967.62		
	68,590.04	81,372.22		
Other Operating Revenue				
GBI - Incentive	1,344.35	614.10		
Certified Emission Reduction Receipts	78.15	-		
	1,422.50	614.10		
Total	70,012.54	81,986.32		

NOTE 22 Other Income			₹ in lacs	
Particulars	Year ended 31st March 2013	Year ended 31st March 2012		
Interest Income on short term Investment	0.49	0.77		
Other Interest Income	1,700.98	1,371.57		
Dividend from Long term Investment	3.66	1.01		
Net gain on sale of Current investments	137.84	173.23		
Net gain on sale of Non Current investments	3.09	-		
Miscellaneous receipts *	212.66	699.66		
Total	2,058.72	2,246.24		

* Miscellaneous receipts include ₹ 200 lakhs (Previous year ₹ 399.34 lakhs) being the maturity /surrender value of Keymen Insurance Policy

NOTE 23 Material and Stores			₹ in lacs	
Particulars	Year ended 31st March 2013	Year ended 31st March 2012		
Materials and Stores	37,405.17	50,688.94		
Total	37,405.17	50,688.94		

Materials and Stores purchased during the year include Stores ₹ 2592.25 Lakhs (Previous Year ₹ 2567.28 Lakhs). The consumption of such materials included in outlay and contract work-in-progress have been taken by the Auditors as certified.

NOTE 24 (Increase) /Decrease in Inventories			₹ in lacs	
Particulars	Year ended 31st March 2013	Year ended 31st March 2012		
Opening Contract Work -in-progress	227.60	831.87		
Closing Contract Work -in-progress	167.34	227.60		
(Increase) /Decrease in Inventories	60.26	604.27		

NOTE 25 Employees Benefit Expenses			₹ in lacs	
Particulars	Year ended 31st March 2013	Year ended 31st March 2012		
Salary & Reimbursements	2,634.34	2,338.31		
Contributions to Provident and other Funds	210.22	154.19		
Staff Welfare Expenses	400.29	333.85		
Total	3,244.85	2,826.35		



Notes on Consolidated Financial Statements for the Year ended 31st March 2013

NOTE 26 Finance Cost		₹ in lacs	
Particulars	Year ended 31st March 2013	Year ended 31st March 2012	
Interest expense			
- Debenture	279.75	448.00	
- Banks and others	4,869.36	3,666.78	
Other Borrowing Costs	68.11	-	
Total	5,217.22	4,114.78	

NOTE 27 Other Expenses		₹ in lacs	
Particulars	Year ended 31st March 2013	Year ended 31st March 2012	
Travelling & Conveyance	900.62	878.50	
Rent	295.34	280.95	
Rates & Taxes	3.69	15.56	
Insurance	207.84	182.78	
Sales Tax (Net)	810.72	795.36	
Service Tax (Net)	923.93	643.80	
Power & Fuel	188.70	67.24	
Repairs to Plant & Machinery	7.06	2.47	
Remuneration to Managing Director	102.50	141.58	
Directors' Fee	1.75	1.60	
Auditors' Remuneration:			
Audit Fees	2.81	2.64	
Tax Audit	0.45	0.45	
Cost Audit	0.20	-	
Other Services	3.50	2.12	
Loss on Sale of Fixed Assets	5.11	0.25	
Bank Charges	393.74	398.93	
Exchange Rate difference	228.91	598.64	
Miscellaneous expenses	1,763.32	1,890.55	
Total	5,840.19	5,903.42	

Details of Remuneration to Managing Director		
Salary	22.95	21.60
Contribution to Provident Fund	2.75	2.59
Commission	76.80	117.39
Total	102.50	141.58

NOTE 28 Earnings per share		(Amount in ₹ in Lakhs Except No. of Shares)	
Particulars	Year ended 31st March 2013	Year ended 31st March 2012	
Net Profit / (Loss) after tax (a)	12,035.18	12,089.15	
Weighted average number of equity shares of face value of ₹ 2 each (b)	57,091,200	57,091,200	
Basic and diluted earnings per share in ₹ (a) / (b)	21.08	21.18	

NOTE 29	
Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances ₹ 64.72 lakhs (Previous Year ₹ 56.00 lakhs).	

Notes on Consolidated Financial Statements for the Year ended 31st March 2013

NOTE 30 Disclosures in accordance with revised AS-15 on "Employees Benefits":		₹ in lacs	
Particulars	Year ended 31st March 2013	Year ended 31st March 2012	
a) Defined Contribution Plans:			
The company has recognised the following amount in the Statement of Profit & Loss for the year :			
Employer's contribution to Provident & Other Funds	200.63	151.31	
b) Defined Benefit Plans :-			
The following figures are as per actuarial valuation as at the Balance Sheet date carried out by an independent actuary:			
i) Present Value of defined benefit obligation:			
Present Value of obligations at beginning of the year	240.79	202.62	
Service Cost	25.11	22.73	
Interest Cost	17.96	15.73	
Benefit Settled	(32.54)	(11.90)	
Actuarial(gain)/loss	11.91	11.61	
Present Value of obligations at the end of the year	263.23	240.79	
ii) Change in fair value of plan assets:			
Fair Value of Plan assets at beginning of the year	271.85	267.49	
Acquisition adjustments	-	-	
Expected return on Plan Assets	21.75	21.40	
Actuarial(gain)/loss	(5.78)	(5.14)	
Benefit Settled	(32.54)	(11.90)	
Fair Value of Plan assets at the end of the year	255.28	271.85	
iii) Reconciliation of Present Value of the defined obligation plan and the fair value of the plan assets:			
Fair Value of Plan assets at the end of the year	255.28	271.85	
Present Value of the defined benefit obligations at the end of the year	263.23	240.79	
Assets/(Liability)	(7.95)	31.06	
iv) Net Gratuity and other cost:			
Service Cost	25.11	22.73	
Interest Cost	17.96	15.73	
Expected return on Plan Assets	(21.75)	(21.40)	
Actuarial(gain)/loss	17.69	16.75	
Net Gratuity Cost	39.01	33.81	
v) Actuarial Assumptions:			
Discount Rate	8.00%	8.00%	
Inflation Rate(Salary escalation rate)	5.00%	5.00%	
Return on Assets	8.00%	8.00%	
vi) For each major category of plan assets following is the percentage that each major category constitute of the fair value of the plan assets:			
Central Government Securities	23.99%	22.82%	
State Government Securities	4.01%	4.56%	
PSU Bonds	25.25%	27.51%	
Investment with Bank in Special Deposit Scheme Administered by Birla Sun Life Insurance Company Limited	10.95%	10.37%	
	35.80%	34.74%	
	100.00%	100.00%	



Notes on Consolidated Financial Statements for the Year ended 31st March 2013

NOTE 31 Segment Reporting :

a) Based on the guiding principles given in Accounting Standards on "Segment Reporting" (AS-17) notified under the Companies (Accounting Standard) Rules 2006, the Company's primary business segments are EPC (Construction) and Energy (Power). Financial information about the primary business segments are presented in the table given below:

Particulars	FOR THE YEAR ENDED 31ST MARCH 2013				FOR THE YEAR ENDED 31ST MARCH 2012			
	EPC (Construction)	Energy (Power)	Corporate	Total	EPC (Construction)	Energy (Power)	Corporate	Total
A. REVENUE								
Sales	51,589.15	18,423.39	-	70,012.54	70,404.60	11,581.72	-	81,986.32
Others	-	-	2,058.72	2,058.72	-	-	2,246.24	2,246.24
Total Revenue	51,589.15	18,423.39	2,058.72	72,071.26	70,404.60	11,581.72	2,246.24	84,232.56
B. RESULT								
Segment result/operating								
Profit before Tax and Interest	5,648.22	11,264.59	2,058.72	18,971.53	11,201.22	5,623.27	1,779.97	18,604.46
Interest Expenses	1,993.20	3,224.02	-	5,217.22	1,893.90	2,220.88	-	4,114.78
Less Other Unallocable expenses								
Provision for Taxation	-	-	2,747.33	2,747.33	-	-	2,909.02	2,909.02
MAT Credit Entitlement	-	-	(1,237.23)	(1,237.23)	-	-	(579.18)	(579.18)
Net Profit (before adjustment for minority interest)	3,655.02	8,040.54	548.62	12,244.21	9,307.32	3,402.39	(549.87)	12,159.84
Share of Profit transferred to minority	-	-	209.03	209.03	-	-	70.69	70.69
Profit after tax (after adjustment for minority interest)	3,655.02	8,040.54	339.59	12,035.18	9,307.32	3,402.39	(620.56)	12,089.15
C. OTHER INFORMATION								
Segment Assets	35,494.19	126,249.25	7,599.70	169,343.14	29,128.99	122,804.14	7,161.96	159,095.09
Segment Liabilities	28,243.55	59,721.86	81,377.73	169,343.14	23,257.11	65,092.95	70,745.03	159,095.09
Capital Expenditure	83.77	1,788.53	-	1,872.30	100.68	59,149.07	-	59,249.75
Depreciation	80.86	6,468.40	-	6,549.26	81.68	5,523.44	-	5,605.12

b) As the revenues from overseas sites does not exceed the minimum threshold limit for such disclosure, no separate disclosure for Geographical segment (Secondary Segment) is applicable.

NOTE 32 Related Party Transactions

A. List of related parties and nature of relationships, where control exists :

S.No.	Name of the party	Nature of relationship
1	Shri Padam Prakash Gupta	Key Management Person
2	Shri Ankit Saraiya	Relative of Key Management Person

B. Disclosure of significant transactions with related parties and the status of outstanding balances as on March 31, 2013:

Transactions during the year

Particulars	Year ended 31st March 2013	Year ended 31st March 2012
Shri Padam Prakash Gupta (Key Management Person)		
Remuneration to Managing Director	102.50	141.58
Shri Ankit Saraiya (Relative of Key Management Person)		
Remuneration Paid	15.98	9.21

C. Outstanding Balances

Particulars	Year ended 31st March 2013	Year ended 31st March 2012
Shri Padam Prakash Gupta (Key Management Person)		
Remuneration Payable to Managing Director	76.80	117.39

Notes on Consolidated Financial Statements for the Year ended 31st March 2013

NOTE 33 Details of Materials Consumed

Particulars	Year ended 31st March 2013	Year ended 31st March 2012
Indigenous	27,656.74	39,838.76
Imported	-	12.79
Total	27,656.74	39,851.55
Indigenous	100.00%	99.97%
Imported	0.00%	0.03%
Total	100.00%	100.00%

NOTE 34 CIF Value of Imports

Particulars	Year ended 31st March 2013	Year ended 31st March 2012
Materials	-	12.79

NOTE 35 Expenditure in foreign currency

Particulars	Year ended 31st March 2013	Year ended 31st March 2012
Travelling	71.52	65.37
Interest	1,419.95	225.49
Royalty	-	206.03
Repairs & Maintenance	3.93	-
Employee Benefit expenses	8.02	-
Professional & Consultancy Charges	26.55	114.96
Rent	2.17	-
Others	22.46	0.39
Total	1,554.60	612.24

NOTE 36 Deemed Export

Particulars	Year ended 31st March 2013	Year ended 31st March 2012
Deemed Export Under Global Tender at Ex- works value	2,796.86	5,097.52
Total	2,796.86	5,097.52

NOTE 37

As a result of the deviation in Accounting Policy followed by the Subsidiary Company as compared to that of the Holding Company in relation to depreciation on office equipments including computers, the charge for depreciation in the Statement of Consolidated Profit and Loss stands higher by ₹ 0.17 Lakhs (Previous Year ₹ 0.13 Lakhs), the Reserves as per Consolidated Balance Sheet stands higher by ₹ 0.15 Lakhs (Previous Year ₹ 0.32 Lakhs) and the Net Block as on March 31, 2013 as per Consolidated Balance Sheet stands higher by ₹ 0.15 Lakhs (Previous year ₹ 0.32 Lakhs)

As a result of the deviation in Accounting policy followed by the Subsidiary Company as compared to that of the Holding Company in relation to MAT Credit , the net tax expense in the Statement of Consolidated Profit and Loss stands lower by ₹ 1237.23 Lakhs (Previous Year ₹ 579.18 Lakhs), the amount transferred to minority Interest stands higher by ₹ 41.82 Lakhs (Previous Year ₹ 14.14 Lakhs), Reserves as per consolidated Balance sheet stands higher by ₹ 1599.66 Lakhs (Previous Year ₹ 404.25 Lakhs)



Notes on Consolidated Financial Statements for the Year ended 31st March 2013

NOTE 38 ₹ in lacs

There is no other information apart from the information already disclosed above required to be disclosed pursuant to the relevant clauses of New Schedule VI as inserted to Companies Act by the Notification No.S.O.447(E), Dated.28-2-2011 (As amended by Notification No.F.NO.2/6/2008-CL-V, Dated 30-3-2011).

NOTE 39 ₹ in lacs

The previous year's figures have been regrouped, rearranged and re-classified to conform to the current year's classification.

For S. S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

P. P. Gupta
Managing Director
DIN - 00055954

Centre Point
21, Old Court House Street
Kolkata - 700 001
The 18th day of May, 2013

P. K. Bhattacharya
Partner
Membership No 015899

N. Brahma
Company Secretary

S. N. Roy
Director
DIN - 00408742

Additional Disclosure of Subsidiary Company pursuant to Section 212(8) of the Companies Act, 1956

Name of the Subsidiary Company: Simran Wind Project Private Limited

		₹ in lacs	
		2012-13	2011-12
a)	Capital	16,640.04	16,640.04
b)	Reserves	38,959.12	32,775.42
c)	Total Assets	104,508.51	98,864.90
d)	Total Liabilities	104,508.51	98,864.90
e)	Details of Investment	2,616.08	1,484.03
f)	Turnover	14,865.37	8,766.21
g)	Profit Before Taxation	6,183.71	2,894.64
h)	Provision for Taxation	-	-
i)	Profit after Taxation	6,183.71	2,894.64
j)	Proposed Dividend	-	-

CORPORATE INFORMATION

BOARD OF DIRECTORS

P. P. Gupta	MANAGING DIRECTOR
V. D. Mohile	INDEPENDENT DIRECTOR
K. M. Poddar	INDEPENDENT DIRECTOR
K. Vasudevan	INDEPENDENT DIRECTOR
K. K. Rai	INDEPENDENT DIRECTOR
S. N. Roy	INDEPENDENT DIRECTOR

COMPANY SECRETARY

N. Brahma

BANKERS

Vijaya Bank
State Bank of India
IDBI Bank
ICICI Bank
Standard Chartered Bank
YES Bank
Citibank N.A.
IndusInd Bank
DBS Bank
HSBC

AUDITORS

S. S. Kothari & Co.
Centre Point
21, Old Court House Street
Kolkata- 700001

REGISTERED OFFICE

P-46A, Radha Bazar Lane,
Kolkata- 700001

CORPORATE OFFICE

3F, Park Plaza, 71, Park Street,
Kolkata- 700016

REGISTRAR AND SHARE TRANSFER AGENT

Niche Technologies Private Ltd.
D-5 I I, Bagree Market, 5th Floor
71, B. R. B. Basu Road
Kolkata-700001
Ph.: 2234-2318/3576,
2235-7270/7271/3070
Fax: 2215-6823

GREENOLOGY

At Techno Electric, we asked ourselves what exactly 'Greenology' entailed. A new-fangled term to point out our robust procedural approach that helped construct power sub-stations or a mindset that egged us in investing in renewable energy generation forms?

After considerable brainstorming, we came to the conclusion that Greenology was relevant across the gamut of these interventions. It was simply about EVERYTHING.

For instance, consuming the least amount of paper for this annual report.

- We used recycled paper, saving 60-70% energy, conserving trees and mitigating the release of toxic effluents and pollutants
- We replaced the use of normal petroleum ink with vegetable ink in printing this report
- We saved approximately 0.15 tonnes of paper, 3500 gallons of water and three trees from being uprooted, hacked and pulped through this exercise*

*The above calculations have been made on the basis of 3,000 printed Annual Reports as compared to a conventional approach



**TECHNO ELECTRIC &
ENGINEERING COMPANY LIMITED**

Corporate office
3F, Park Plaza, 71, Park Street, Kolkata- 700016
Visit us at: www.techno.co.in



TECHNO ELECTRIC & ENGINEERING COMPANY LTD.

NOTICE

OF 8TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 8th Annual General Meeting of the Members of Techno Electric & Engineering Company Ltd. will be held at "Bharatiya Bhasha Parishad", 36A, Shakespeare Sarani, Kolkata 700 017 on Saturday, the 03rd day of August, 2013 at 10.30 a.m. to transact the following business :-

ORDINARY BUSINESS:

- 1. Adoption of accounts:**
To receive, consider and adopt the Balance Sheet as at March 31, 2013, the Statement of Profit & Loss for the year ended on that date together with the reports of Directors and Auditors thereon.
- 2. Declaration of dividend:**
To declare dividend for the financial year ended March 31, 2013.
- 3. Re-appointment of Shri K. M. Poddar:**
To appoint a Director in place of Shri K. M. Poddar, who retires by rotation and, being eligible, seeks re-appointment.
- 4. Appointment of auditors:**
To appoint Auditors and fix their remuneration and to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT M/s S. S. Kothari & Co. Chartered Accountants, (Firm Registration No. 302034E) the retiring Auditors of the Company be and are hereby re-appointed as the Auditors of the Company, to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be determined by the Board of Directors in consultation with them".

SPECIAL BUSINESS:

- 5. Re-appointment and fixing of remuneration of Shri Padam Prakash Gupta as Managing Director of the Company:**
To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Special

Resolution:-

"RESOLVED THAT pursuant to provisions of Section 198, 269, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, consent of the Members of the Company be and is hereby accorded to the re-appointment of and the remuneration payable to Shri Padam Prakash Gupta as Managing Director of the Company (not liable to retire by rotation) for a further period of three (3) years from July 01, 2013 on the terms and conditions contained in the draft agreement to be entered into between the Company of the one part and Shri Gupta on the other part, a copy whereof duly initialled by the Chairman as placed before this meeting be and is hereby specifically approved with liberty to the Board of Directors to alter and vary the terms and conditions of the said agreement in compliance with Schedule XIII of the Companies Act, 1956 (including any modifications or re-enactments thereof for the time being in force or any amendments or modifications that may hereafter be made thereto by the Central Government) and as may be agreed to between the Board of Directors and Shri Gupta."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during his tenure, the remuneration and perquisites set out as aforesaid be paid or granted to him as minimum remuneration and perquisites provided that the total remuneration by way of salary, perquisites and other allowances shall not exceed the applicable ceiling limit as stipulated under Section II of Part II of Schedule XIII of the Companies Act, 1956 for the time being in force and any amendment thereof."

Regd. Office : By order of the Board of Directors
P-46A, Radha Bazar Lane
Kolkata - 700 001 (N Brahma)
Dated : May 18 , 2013 *Company Secretary*

NOTES:

1. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote (on a poll) instead of himself / herself and the proxy need not be a member.
Proxy in order to be effective should be duly stamped, completed, signed and deposited at the registered office of the

company not less than 48 hours before the time for holding the meeting.

3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

4. For the convenience of members and for proper conduct of the meeting, entry to the place of meeting will be regulated by attendance slip, which is a part of the Notice. Members are requested to sign at the place provided on the attendance slip and hand it over at the entrance to the venue.

Members / proxies should bring the duly filled Attendance Slip attached herewith to attend the meeting. Duplicate Attendance Slip and / or copies of the Annual Report shall not be issued/ available at the venue of the Meeting.

Members, who hold shares in dematerialised form, are requested to bring their Client ID and DP ID Nos. for easier identification of attendance at the meeting

5. The Register of Directors' Shareholding, maintained under Section 307 of the Companies Act, 1956, will be available for inspection by the members at the AGM.

6. A member desirous of getting any information on the accounts of the Company is requested to send the queries to the Company at least 10 days in advance of the meeting.

7. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, July 16, 2013 to Tuesday, July 23, 2013 (both days inclusive) for determining the shareholders entitled to receive dividend on equity shares, if declared at the meeting. The dividend will be paid to those members whose names shall appear on Company's Register of Members on July 15, 2013. In respect of dematerialised shares, the dividend will be paid to members whose names are furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd. as beneficial owners as on that date. The Company shall provide the facility of remittance of dividend through National Electronic Clearing System (NECS) at various locations identified by Reserve Bank of India (RBI) from time to time for the members holding shares in electronic form and to the Members holding shares in physical form and opted for the said facility.

8. The unpaid/unclaimed amounts in respect of dividends upto the financial year ended March 31, 2005 have been

transferred to the Investor Education and Protection Fund. Shareholders are advised to claim the unpaid dividend for the financial year ended March 31, 2006 onwards, before transfer to the above referred Fund and no claim will be entertained thereafter by the Company. The unpaid/unclaimed dividend for the financial year ended March 31, 2006 can be claimed upto September 30, 2013.

The details of unclaimed dividend in respect of the financial year ended 31st March, 2006 and up to and including the financial year ended 31st March, 2012 are available on the Company's corporate website www.techno.co.in under the section 'Investor'.

9. The brief profile of the Directors proposed to be appointed / re-appointed is given in the section on Corporate Governance.

10. Members holding shares in physical form are requested to intimate change in their registered address mentioning full address in block letters with Pin code of the Post Office and bank particulars to the Company's Registrar and Share Transfer Agent and in case of members holding their shares in electronic form, this information should be given to their Depository Participants immediately.

Members whose shareholding is in the electronic mode are requested to inform change of address and updates of savings bank account details to their respective depository participants. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.

11. In terms of MCA circular No.17/2011 dated April 21, 2011 and circular No.18/2011 dated April 29, 2011, various Notices and Documents, including Annual Report of the Company, be sent to its shareholders through electronic mode to their registered e-mail addresses. All these above mentioned documents will also be available on the Company's website www.techno.co.in for download by the shareholders and the physical copies of the Annual Report will also be available at the Registered Office of the Company for inspection during office hours. We hope, the shareholders will support this initiative and co-operate with the Company.

We request shareholders to update their email address with their depository participant to ensure that the annual reports and other documents reaches them on their preferred email address. Shareholders holding shares in physical form may intimate us their e-mail address along with name, address and folio no. for registration at desk.investors@techno.co.in.

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

Item No. 5

The present term of Shri Padam Prakash Gupta as Managing Director will expire on June 30, 2013. Accordingly, the Board has re-appointed Shri P. P. Gupta as Managing Director of the Company commencing from July 01, 2013 for a further period of three years at remuneration within the prescribed limits of Schedule XIII of the Companies Act, 1956. The terms of re-appointment as approved by the Board at its meeting held on 18th May, 2013 are embodied in the Agreement to be entered into by the Company with Shri. Gupta, the material terms of which are as under :-

A)	Salary	A monthly salary of Rs. 1,95,000/- .
B)	Perquisites	Perquisites shall be allowed, in addition to salary and commission. The perquisites are classified into three categories "A", "B" and "C" as follows :
Category – A :		
i)	Housing I	The expenditure by the Company on hiring unfurnished accommodation for Shri P P Gupta will be subject to the following ceiling: Sixty percent (60%) of the salary, over and above the amount, if any payable by Shri Gupta. However, the amount payable by Shri Gupta shall be fifteen percent (15%) of Salary or the actual amount payable by the Company for such accommodation, whichever is lower.
	Housing II	In case the accommodation is owned by the Company, fifteen percent (15%) of the Salary of Shri Gupta shall be deducted by the Company.
	Housing III	In case no accommodation is provided by the Company, Shri Gupta shall be entitled to House Rent Allowance subject to the ceiling laid down in Housing I above.
The expenditure incurred by the Company on gas, electricity, water and furnishings will be valued as per the Income Tax Rules, 1962. This will, however, be subject to a ceiling of ten percent (10%) of the salary of Shri Gupta.		
ii)	Medical Reimbursement	Expenditure incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
iii)	Leave Travel Concession	For self and family once in a year.
iv)	Club Fees	Fees of Club subject to a maximum of two Clubs. Admission and life membership fees not being allowed
v)	Personal Accident Insurance	Premium not to exceed Rs. 15, 000/- per annum.
Explanation: For the purpose of this part, "Family" means the spouse, the dependent children of Shri Gupta.		
Category – B :		
vi)	Contribution to Provident Fund, Superannuation Fund or Annuity Fund	will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.
vii)	Gratuity payable	shall not exceed half a month's salary for each completed year of service.
viii)	Encashment of leave	at the end of tenure.
Category – C :		
ix)	Provision of car for use on the Company's business and telephone at residence	will not be considered as perquisites. Personal Long distance calls on telephone and use of car for private purpose shall be billed by the Company.
C)	Commission	Apart from salary, perquisites and allowances, Shri P. P. Gupta shall also be entitled to a commission upto 1% of the net profits of the Company per financial year.

Provided however that the total remuneration as mentioned above shall not exceed the limits laid down in Schedule XIII of the Companies Act, 1956.

Minimum Remuneration:

In the event of loss or inadequacy of profits of the Company in any financial year during the currency of tenure of services of Shri P. P. Gupta, he shall for that year receive the above mentioned salary, perquisites and allowances as minimum remuneration as governed by the limits prescribed under Section II of Part II of Schedule XIII of the Companies Act 1956, including any statutory modifications or re-enactment thereof as may be for the time being, in force.

Shri P. P. Gupta, aged about 63 years is a Bachelor in Engineering and a Post Graduate in Business Management from the Indian Institute of Management, Ahmedabad. He was associated with the Planning Commission, Govt. of India as a Financial Analyst and Management Consultant, deputed to Bharat Heavy Electricals Limited and as an Advisor in the Merchant Banking Division of the erstwhile ANZ Grindlays Bank, Kolkata. He was the Vice President of Indian Electricals and Electronics Manufacturers Association (IEEMA) and has more than 36 years of experience including 31 years in the same activity.

The re-appointment and remuneration of Shri Gupta as the Managing Director require the approval of the Members of the Company in General Meeting in terms of Part III of Schedule XIII of the Companies Act, 1956 and the remuneration so payable also require the approval of the Company in General Meeting under Section 309 of the Companies Act, 1956. The re-appointment of Shri Gupta on the terms proposed satisfies the conditions laid down in Part I & II of the Schedule XIII of the Companies Act, 1956. In the interest of the Company, the Board recommends the resolution as set out in Item No. 5 for approval of the Members.

The draft Agreement referred to in the resolution set out in Item No. 5 of the covering notice will be available for inspection by the Members of the Company at its Registered Office at P-46A, Radha Bazar Lane, Kolkata – 700 001 on any working day prior to the date of the Meeting during usual business hours and will be available at the Meeting.

No Director of the Company except Shri P. P. Gupta is deemed to be concerned or interested in this resolution.

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

Regd. Office :
P-46A, Radha Bazar Lane
Kolkata – 700 001
Dated : May 18 , 2013

By order of the Board of Directors

(N Brahma)
Company Secretary



TECHNO ELECTRIC & ENGINEERING COMPANY LTD.
 Registered Office: P46A, Radha Bazar Lane, Kolkata 700 001
 (To be handed over at the entrance of the Meeting Hall)

ATTENDANCE SLIP

Full Name & Address of Member/
 Proxy attending the meeting :

Full Name of First Holder
 (If Joint Holder/Proxy attending) :

Folio No. :

DP ID No. :

Client ID No. :

No. of Shares held :

I hereby record my presence at the 8th ANNUAL GENERAL MEETING of the Company held on Saturday, the 03rd day of August, 2013 at 10.30 a.m. at "Bharatiya Bhasha Parishad", 36A, Shakespeare Sarani, Kolkata 700 017.

 SIGNATURE OF THE MEMBER/REPRESENTATIVE/PROXY*

* Strike out whichever is not applicable



TECHNO ELECTRIC & ENGINEERING COMPANY LTD.
 Registered Office: P46A, Radha Bazar Lane, Kolkata 700 001

FORM OF PROXY

I/We, of being a member / members of TECHNO ELECTRIC & ENGINEERING COMPANY LIMITED hereby appoint of or failing him/her of..... as my / our Proxy to vote for me / us, on my / our behalf at the 8th ANNUAL GENERAL MEETING of the Company held on Saturday, the 03rd day of August, 2013 and at any adjournment thereof.

Signed thisday of2013

Signature :

Folio No. :

DP ID No. :

Client ID No. :

Please Affix
 Re.1 Revenue
 Stamp

NOTE: The Form of Proxy duly completed must be deposited at the Registered Office of the Company at P46A, Radha Bazar Lane, Kolkata-700 001 not later than 48 hours before the time for holding the meeting.



FORM A
Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company:	Techno Electric & Engineering Company Limited
2.	Annual financial statements for the year ended	31 st March, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable

For **S. S. Kothari & Co.**
Chartered Accountants
Firm's Registration No. 302034E

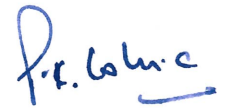


(P. K. Bhattacharya)
Partner
Membership No. 015899

For Techno Electric & Engineering Company Limited



P.P. Gupta
(Managing Director)



P.K. Lohia
(Chief Financial Officer)



K. Vasudevan
Chairman - Audit Committee

Place: Kolkata
Date: July 10, 2013

