



ALFA TRANSFORMERS LIMITED

BHUBANESWAR, ORISSA, INDIA

29th Annual Report

2010 - 2011



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29th Annual General Meeting

*on Friday, the 12th day of August, 2011 at 12.30 P.M.
at Hotel "The New Marrison", 6, Janpath, Bhubaneswar - 751007.*



ALFA TRANSFORMERS LIMITED

BOARD OF DIRECTORS :

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

COMPANY SECRETARY : Mr. Susanta Kumar Satpathy

AUDITORS : A. K. Sabat & Co
A/348, Sahid Nagar, Bhubaneswar - 751 007

SECRETARIAL AUDITOR: M/s Saroj Ray & Associates,
Company Secretaries,
Plot No.N-6/215,IRC Village,
Bhubaneswar-751015.

BANKERS :

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

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

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

NOTICE

NOTICE is hereby given that the **29th Annual General Meeting** of the company will be held at Hotel "The New Marrion", 6, Janpath, Bhubaneswar-751001 on Friday the 12th day of August, 2011 at 12.30 P. M. to transact the following business: -

ORDINARY BUSINESS :

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31st March 2011, the profit and Loss account for the year ended on that date and the reports of the auditors and directors thereon.
2. To appoint a Director in the place of Mr. Subhasish Das, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in the place of Mr. Supratim Basu, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in the place of Mr. L. V. N. Muralidhar, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors who shall hold office from conclusion of the Annual General Meeting till the conclusion of the Next Annual General Meeting and fix their remuneration.

SPECIAL BUSINESS :

6. To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of section 198, 269, 309, and other applicable provisions if any, of the Companies Act, 1956, read with Schedule XIII to the said Act as amended and subject to such permissions, consents & approval from various authorities as may be required, the Company hereby accords its consent and approval for fixing the remuneration, perquisites & commissions payable to Mr. Dillip Kumar Das, the Managing Director of the Company for a period of two years with effect from 1st April, 2011 on the terms and conditions set out below - :

6.1 REMUNERATION:

a. SALARY:

Rs.92,000/- per month.

b. PERQUISITES:

i) MEDICAL REIMBURSEMENT:

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

ii) LEAVE /HOLIDAY TRAVEL EXPENSES :

Reimbursement of all expenses (like Travel fare, lodging, Boarding, Conveyance & other expenses) incurred for self and family during the leave/holiday period for self and family whenever undertaken whether in India or abroad once in a year to a maximum amount of Rs.46,000/- per annum.

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

iv) PERSONAL ACCIDENT INSURANCE :

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

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

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

vi) Gratuity:

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

vii) Leave:

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

c) AMENITIES:

i) Conveyance facilities:

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

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

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

OVERALL ANNUAL SALARY & PERQUISITES:

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

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

d) COMMISSION/PERFORMANCE BONUS :

- i) Performance Bonus/ Commission @ 3% of Net Profit for each Financial Year or part thereof, computed in



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the manner as prescribed under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Act as may for the time being in force.

6.2. MINIMUM REMUNERATION:

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

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

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

“**RESOLVED THAT** pursuant to the provisions of section 198, 269, 309, and other applicable provisions if any, of the Companies Act, 1956, read with Schedule XIII to the said Act as amended and subject to such permissions, consents & approval from various authorities as may be required, the Company hereby accords its consent and approval for fixing the remuneration, perquisites & commissions payable to Mr. Deepak Kumar Das, the Whole-time Director (Finance) of the Company for a period of two years with effect from 1st April, 2011 on the terms and conditions set out below:-

7.1 REMUNERATION:

a. SALARY:

Rs.50,000/- per month.

b. PERQUISITES:

i) MEDICAL REIMBURSEMENT:

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

ii) LEAVE /HOLIDAY TRAVEL EXPENSES :

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

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

iv) PERSONAL ACCIDENT INSURANCE :

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

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

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

vi) Gratuity:

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

vii) Leave:

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

c) AMENITIES:

i) Conveyance facilities:

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

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

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

OVERALL ANNUAL SALARY & PERQUISITES:

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

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

d) COMMISSION/PERFORMANCE BONUS:

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

7.2. MINIMUM REMUNERATION:

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

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

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

“RESOLVED THAT pursuant to the provisions of section 198, 269, 309, and other applicable provisions if any, of the Companies Act, 1956, read with Schedule XIII to the said Act as amended and subject to such permissions, consents & approval from various authorities as may be required, the Company hereby accords its consent and approval for fixing the remuneration, perquisites & commissions payable to Mr. Debasis Das, the Whole-time Director (Marketing) of the Company for a period of two years with effect from 1st April, 2011 on the terms and conditions set out below-:

8.1. REMUNERATION:

a. SALARY:

Rs. 50,000/- per month

b. PERQUISITES:

i) MEDICAL REIMBURSEMENT:

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

ii) LEAVE /HOLIDAY TRAVEL EXPENSES :

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

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

iv) PERSONAL ACCIDENT INSURANCE :

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

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

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

vi) Gratuity:

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

vii) Leave:

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

c) AMENITIES:

i) Conveyance facilities:

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

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

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

OVERALL ANNUAL SALARY & PERQUISITIES :

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

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

d) COMMISSION/PERFORMANCE BONUS:

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

8.2 .MINIMUM REMUNERATION:

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

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

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

“RESOLVED THAT pursuant to the provisions of section 198, 269, 309, and other applicable provisions if any, of the Companies Act, 1956, read with Schedule



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XIII to the said Act as amended and subject to such permissions, consents & approval from various authorities as may be required, the Company hereby accords its consent and approval for fixing the remuneration, perquisites & commissions payable to Mr. Santosh Kumar Patnaik, the Whole-time Director (Technical Services) of the Company for a period of two years with effect from 1st April, 2011 on the terms and conditions set out below:-

9.1. REMUNERATION:

a. SALARY:

Rs.50,000/- per month.

b. PERQUISITES:

i) MEDICAL REIMBURSEMENT:

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

ii) LEAVE /HOLIDAY TRAVEL EXPENSES :

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

iii) CLUB MEMBERSHIP:

Annual subscription fees for One Club in India.

iv) PERSONAL ACCIDENT INSURANCE:

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

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

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

vi) Gratuity:

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

vii) Leave:

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

c) AMENITIES:

i) Conveyance facilities:

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

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

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

OVERALL ANNUAL SALARY & PERQUISITES:

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

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

d) COMMISSION/PERFORMANCE BONUS:

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

9.2. MINIMUM REMUNERATION:

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

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

BY ORDER OF THE BOARD
FOR ALFA TRANSFORMERS LIMITED

Sd/-
COMPANY SECRETARY

PLACE : BHUBANESWAR
Date: 28th May, 2011

NOTES FOR MEMBER'S ATTENTION:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. An Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956 in respect of the businesses under item No.6 to 9 of the Notice as set out above, are annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday, the 3rd August, 2011 to Friday, 12th August, 2011 (both days inclusive)** in terms of provisions of section 154 of the Companies Act, 1956.
4. The Company had declared Dividend @10% i.e. Re.1/- per equity shares of the Company for the Financial Year 2008-2009 and 2009-10 in the 27th & 28th Annual General Meeting held on 30th July, 2009 and 6th August, 2010 respectively. All the equity shareholders of the Company are requested to contact the Company/ Share Transfer Agent i.e. MCS Limited, 77/2A, Harza Road, 5th Floor, Kolkata-700029 for payment of their dividend amount, if they have not been paid. The un-paid dividend for the Financial Year 2008-09 and 2009-10 as on 31.03.2011 are Rs.1,87,087.45 and Rs.1,44,096.00. Members are requested to note that dividends not en-cashed or claimed within seven years from the date of transfer to the Company's Un-paid Dividend Account will as per Section 205A of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund. The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the bank account details furnished by the depositories for depositing dividends. As per the recent RBI guidelines, effective from September 30, 2009, ECS credit will be moved completely on National Electronic Clearance System (NECS) platform through core banking system. Accordingly, dividend will be credited to the shareholders' bank account through NECS where complete core banking details are available with the Company. In the event any branch of a Bank has not migrated to core banking system, or where the core banking account number is not furnished by the shareholder to the Depository/Company as the case may be, the Company will print the details available in its records on the dividend warrants to be issued to the shareholders. The Company is complying with SEBI's directive in this regard.
5. Non-Resident Indian Shareholders are requested to inform Share Transfer Agent immediately :
 - i. the change in the residential status on return to India for Permanent Settlement.
 - ii. the particulars of NRE Account with Bank in India, if not furnished earlier.
6. (a) Members are requested to notify immediately any change of address :
 - (i) to their Depository participants(DPs) in respect of their electronic share accounts; and
 - (ii) to the Company/Share Transfer Agent in respect of their physical share folio, if any.(b) In case the mailing address on this Annual Report is without the PINCODE, Members are requested to kindly inform their PINCODE immediately.
7. A member desirous of getting any information on the accounts or operations of the company is required to forward his/her queries to the company at least seven days prior to the meeting so that the required information can be made available at the meeting.
8. Members/Proxies are requested to bring their copies of Annual Report to the meeting and the attendance slip duly filled in for attending the meeting.
9. Trading in the equity shares of the company is compulsorily in dematerialized form for all investors. The ISIN (International Securities Identification Number) allotted to the company's equity share is INE 209C01015.
10. All the physical shareholders of the Company are requested to dematerialize their shares.
11. The members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.



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12. Members are requested to send all communications relating to shares to the company's Share Transfer Agent. (Physical and Electronic) to MCS Limited, 77/2A, Harza Road, 5th Floor, Kolkata-700029.
13. The names and address of the stock exchanges where at the company's Share are listed, are given below :
14.
 - a) Bombay Stock Exchange Limited, Phiroze JeeJeebhoi Tower, Dalal Street, Mumbai-400001.
 - b) The Bhubaneswar Stock Exchange Limited, **(Applied for De-listing)** Stock Exchange Bhavan, P-2, Jayadev Vihar, Chandrasekhar, Bhubaneswar-751023.
 - c) The Calcutta Stock Exchange Association Limited, **(Applied for De-listing)** 7, Lyons Range, Kolkata-700001.

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with MCS Limited, 77/2A, Hazra Road, 5th Floor, Calcutta-700029. Phone: (033) 2476 -7350, 2454-1892/93, Fax: (033) 2454-1961/2474-7674. RTA of the Company. Please furnish the data as per the format given in this Annual Report at Page No. 91.

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

ITEM No.6:

Mr. Dillip Kumar Das was re-appointed as Managing Director of the Company with effect from 7th August, 2007 for a period of five years by the Board of Directors ("the Board") at its meeting held on 29th May, 2007 upon the terms and conditions set out in the agreement

entered in to by the Company with Mr. Dillip Kumar Das and the said appointment and remuneration of Mr. Dillip Kumar Das was approved by the members of the Company at annual general meeting held on 28th July, 2007. After the expiry of the above remuneration period on 31.03.2009, the Board in its meeting held on 27.05.2009 approved the remuneration of the Managing Director for a period of two years w.e.f. 01.04.2009 which was approved by the members in the 27th Annual General Meeting held on 30.09.2009. The period of remuneration of Mr. Dillip Kumar Das has expired on 31st March, 11. However, the Remuneration Committee in its meeting on 25.03.2011 had recommended to keep the same salary & perquisites to Whole-time Directors and Managing Director to the Board and the same was accepted by the Board in its meeting held on 28.05.2011 & are to be placed before the shareholders for adoption. According to section 269,309 and schedule XIII of the Companies Act, 1956, the fixation of remuneration of Managing Director is subject to the approval of the shareholders at the Annual General Meeting. The resolution is proposed for this purpose.

Your Directors recommend that the resolution be passed.

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

ITEM No.7:

Mr. Deepak Kumar Das has been re-appointed as Whole-time Director (Finance) of the Company for a period five years w.e.f. 2nd January, 2009 by the Board of Directors in its Meeting held on 20th October, 2008 which was approved by the members in the 27th Annual General Meeting held on 30.09.2009. His remuneration was also approved by the members in the 27th Annual General Meeting held on 30.09.2009 for a period of two years w.e.f. 01.04.2009, which has already been expired on 31.03.2011. However, the Remuneration Committee in its meeting on 25.03.2011 had recommended to keep the same salary & perquisites to Whole-time Directors and Managing Director to the Board and the same was accepted by the Board in its meeting held on 28.05.2011 & are to be placed before the shareholders for adoption.

According to section 269,309 and schedule XIII of the Companies Act, 1956, the re-appointment and remuneration of Whole-time Director is subject to the

approval of the shareholders at the Annual General Meeting. The resolution is proposed for this purpose. Your Directors recommend that the resolution be passed.

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

ITEM No.8:

Mr. Debasis Das was re-appointed as Whole-time Director (Marketing) of the Company with effect from 1st April,2010 for a period of five years by the Board of Directors ("the Board") at its meeting held on 29th May,2010 upon the terms and conditions set out in the agreement entered in to by the Company with Mr. Debasis Das and the said re-appointment of Mr. Debasis Das was approved by the members of the Company at 28th annual general meeting held on 6th August, 2010. Further, in the 27th Annual General Meeting held on 30th July,2009 the tenure of remuneration of Sri Das was approved for a period of two years w.e.f. 1st April,2009, which has expired on 31st March,2011. However, the Remuneration Committee in its meeting on 25.03.2011 had recommended to keep the same salary & perquisites to Whole-time Directors and Managing Director to the Board and the same was accepted by the Board in its meeting held on 28.05.2011 & are to be placed before the shareholders for adoption.

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

Your Directors recommend that the resolution be passed.

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

ITEM NO.9:

Mr. Santosh Kumar Patnaik, was re-appointed as a Whole-time Director (Technical Services) of the Company for a period of two years w.e.f. 1st July, 2010 in the 28th Annual General Meeting held on 6th August,2010. Further, in the 27th Annual General Meeting held on 30th July,2009 the tenure of remuneration of Mr. Santosh Kumar Patnaik was approved for a period of two years w.e.f. 1st April,2009, which has expired on 31st March,2011. However, the

Remuneration Committee in its meeting on 25.03.2011 had recommended to keep the same salary & perquisites to Whole-time Directors and Managing Director to the Board and the same was accepted by the Board in its meeting held on 28.05.2011 & are to be placed before the shareholders for adoption.

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

Your Directors recommend that the resolution be passed.

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

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

(Pursuant to Clause 49 of the Listing Agreement)

Item No.2 of Notice of AGM

Brief Profile of Mr. Subhasish Das:

Mr. Subhasish Das aged 33years is a graduate in commerce from Utkal University and has a Post Graduate Degree in Business Management from Xaviers Institute of Management, Bhubaneswar. He is Young, Dynamic and energetic person. He is associated with one of promoter's group company namely Galaxy Medicare Limited since 1999. He was inducted in its Board in the Year 2004. Presently He is Responsible for Entire marketing activities of Galaxy Medicare Limited with his team.

He is also a Director of Industrial Design & Services Limited and Oricon Industries Limited.

Item No.3 of Notice of AGM

Brief Profile of Mr. Supratim Basu :

Mr. Supratim Basu, aged 41 years, is a Bachelors of Science (Statistics & Operation Research) from Mumbai University and Masters in Management Studies (Finance) from Jamnalal Bajaj Institute, Mumbai. Mr. Supratim Basu is also Director of Frontline Venture Services Pvt. Ltd., a firm based in Mumbai and providing private equity advisory services, Nimbus Communications Pvt. Ltd., and Shriram SEPL Composites Pvt. Ltd. He has over 16 years of quality equity research experience with top tier foreign brokerage firms operating in India. He has extensive knowledge of the technology sector, having tracked the Indian Technology sector for over 12 years. He



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has also tracked the Indian Telecom Sector (both operators and equipment providers) for 8 years besides looking in depth at the automobile, power and consumer sectors at different points in time.

Mr. Supratim Basu has previously worked with top rated foreign brokerage houses like Deutsche Equities, ICICI Securities, Indosuez WI Carr Securities and ABN AMRO Securities. He has wide experience in negotiating and structuring sophisticated investment transactions, besides being well versed in financial modeling and valuation techniques.

Item No.4 of Notice of AGM

Brief Profile of Mr. L.V.N. Muralidhar :

Mr. L. V. N. Muralidhar, aged about 48 years is an Associate Member of Institute of Company Secretaries of India, New Delhi. He is also a Law Graduate from Osmania University, Hyderabad and is a Certified Associate of Indian Institute of Bankers, Mumbai. He started his career in year 1986 with Canara Bank and was shifted to Can Bank Investment Management Services Limited, (a 100% subsidiary of Canara Bank) in 1991. He served in different capacities in Can Bank Investment Management Services Limited till 2001. Presently, he is a Director of nine companies including M/s Lastaki Advisors (P) Limited and operates from Hyderabad.

Item No.6 of Notice of AGM

Brief Profile of Mr. Dillip Kumar Das :

Mr. Dillip Kumar Das, 63 years of age, is Graduate in Electrical Engineering from University College of Engineering, Burla, Sambalpur. He is a member of IEEE, USA; Institute of Standard Engineers and Fellow of Institute of Engineers India and also life member of Indian Council of Management Executives, Mumbai. He graduated in 1969 and worked under Government of Orissa as Assistant Engineer till August, 1973 & then resigned to start his proprietorship business for manufacture and repair of distribution Transformers. He is the promoter & managing Director of your company since 1982. He has 39 years of rich experience over manufacturing and repairing of transformers. He is responsible for overall technical & commercial activities including designing, production planning, marketing, import & export etc.

Item No.7 of Notice of AGM

Brief Profile of Mr. Deepak Kumar Das :

Mr. Deepak Kumar Das, aged about 61 years of age, is Post Graduate in Chemistry from Utkal University. He

started his carrier as Lecturer in Chemistry in Government College and resigned there from to join in his brother in promoting M/s Alfa Transformers Limited. He has over 29 years of experience in business including Finance and Management functions. Presently, he is Director (Finance) of your Company. He is the Director of Industrial Designs & Services Limited and Alfa Infraventures Private Limited, and nominee Director of Phoenix Surgicare Private Limited.(A 100% Subsidiary Company of Alfa Transformers Limited). He is also a member of Share Transfer and Investor Grievance Committee of your Company.

Item No.8 of Notice of AGM

Brief Profile of Mr. Debasis Das :

Mr. Debasis Das, aged about 37 years of age, is a graduate from Utkal University and also hold the professional qualification of M.B.A. from X.I.M.B. He is a young, dynamic, energetic and positive esteemed person. He has been associated with the Company since 1997. He has started his carrier as an Assistant Manager (Marketing) in your Company. Due to his sincere and dedicated efforts, the Company could able to increase its sales in domestic market. He was appointed as Additional Director in the Board in their meeting held on 28.06.2004.

He is a Director of Phoenix Surgicare Private Limited, (A 100% Subsidiary Company of Alfa Transformers Limited). He is also member of Remuneration Committee & Share Transfer and Investor Grievance Committee of your Company.

Item No.9 of Notice of AGM

Brief Profile of Mr. Santosh Kumar Patnaik :

Mr. Santosh Kumar Patnaik, aged 62 years, holds a Graduate Degree in Mechanical Engineering from Sambalpur University. He served with Larsen & Tubro Limited, Orient Paper Mills Limited and Fertilizer Corporation of India for 10 years. He resigned from the service in order to start a small-scale unit named as Oriental Insulated Conductors private Limited, which has already been amalgamated with Oricon Industries Limited. He has rich experience in the fields of Engineering, Technology, Project Consultancy, Administration and Management etc.

He is a Director of Oricon Industries Limited. He is not a member of any committee of your Company.

DIRECTORS' REPORT

DEAR SHAREHOLDERS :

Your Directors are pleased to present the Twenty-ninth Annual Report and the Audited Accounts of your Company for the financial year ended 31st March, 2011, together with the Auditors' Report thereon.

FINANCIAL RESULTS:

The financial performance of your Company for the year under review in comparison to previous year are given below in a summarized format:

Particulars	(Rs.in lakhs)		
	2010-11	2009-10	Increase/ (Decrease) in %
Net Sales/Income from operations (a+b+c)	2057.55	2052.19	0.26
(a) Export Sales	243.63	371.82	(34.47)
(b) Domestic Sales	1752.54	1556.92	12.56
(c) Income from operations	61.38	123.45	(50.27)
(d) Other Income	25.17	99.91	(74.81)
Total Income (a+b+c+d)	2082.72	2152.10	(3.22)
Less: Total Expenditure	1855.04	1771.58	4.71
Profit before interest & Depreciation	227.68	380.52	(40.16)
Interest & Finance charges	206.67	185.14	11.62
Depreciation	82.92	77.77	6.62
Profit Before Tax	(61.91)	117.60	(152.64)
Income Tax/Fringe Benefit Tax	—	(15.03)	(100)
Deferred Tax	19.10	(26.81)	(28.76)
Net Profit after Tax	(42.81)	75.76	(156.51)

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

FINANCIAL PERFORMANCE:

The Company's financial position during the year has been badly affected due to global economic meltdown and recession of 2008-09 and subsequent political turmoil during 1st quarter of 2011 in Libya.

The company had procured order worth of 650 lakhs alongwith L.C. during the year, from ECCO (Joint venture Company of Govt. India & Govt. of Libya) for the 1st time after recession of 2008. About 1/3rd of ordered quantity under final shape of completion and were to be shipped out during March 2011 after inspection by ECCO officials. But due to recent disturbances of Libya the materials could not be inspected nor dispatched. A lot of raw materials procured for the on going manufacturing process of above Export order and due to above situation the manufacturing of above export order was completely stopped. Similarly the balance payment against providing Technical Services to ECCO was held up due to disturbances in Libya.

However during the year under review, company has procured domestic order worth of about 1800 Lakhs during 3rd quarter. Since the order was received late it could not be executed fully during the current year.

During the current year, the overall financial results hence reduced. Some of the financial parameters are given hereunder:

Particulars	2010-11	2009-10	Variance +/-
Net Sales:-			
Export Sales	243.63	371.82	(34.47)
Domestic Sales	1752.54	1556.92	12.56
Other Income	25.17	99.91	(74.81)
Profit Before Tax	(61.91)	117.60	(152.64)
Profit after Tax	(42.81)	75.76	(156.51)
EPS	(0.80)	1.41	(156.73)

VALUATION :

The Profit before tax & Profit after tax have been decreased by 152.64% and 156.51% respectively from last year. The EPS has decreased for the accounting year to Rs(0.80) from Rs 1.41 of 2009-10.

FUTURE PROSPECTS :

With effect from 9th January 2010, all distribution transformers purchased by Govt. Electricity Utilities are of Star rated transformer. Your company has already received following ratings from Bureau of Energy efficiency (BEE) :

5 Star rating for 16 KVA, 25KVA,63 KVA,100 KVA.
4 Star rating for 16 KVA, 25KVA,63 KVA,100 KVA and 200 KVA.
3 Star rating for 25KVA (copper and wound core CRGO as per NHPC), 63 KVA (CRGO).



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All other Transformers are AMDT Transformers. The states like Gujarat, Rajasthan & Maharashtra patronizes Energy Efficient Transformers and regularly buying Amorphous Metal Distribution Transformers in large quantities. Recently Gujarat Electricity Utilities have floated tenders for the requirement for the distribution transformers of about 360 Cores. Hence your company is expecting a good part of above orders during next financial year.

In Baroda Unit company has got a small order of about 1.75 Cores AMDT transformers from Gujarat & this is the 2nd year of supply to Gujarat Utility. We are participating in Tender in June, 2011, orders against these are expected during 4th quarter. Hence, operation is expected to be improved during current year.

The performance of the company is not satisfactory during this financial year in the challenging business environments. Export orders received from Libya could not be executed. In process goods worth of 2 crores meant for export to Libya by end of 31st March, 2011 which could not be effected due to war in Libya. This is an unforeseen situation beyond control.

However the company is optimistic of improvement of over all business during 2011-12.

SUBSIDIARY COMPANY :

Phoenix Surgicare Private Limited (previously Jashoda Trades Private Limited) is the only wholly owned Subsidiary Company of your Company. The Company has not started any business activities till the end of this financial year.

Audited Statements of accounts of the Company's Subsidiary :

As required under Section 212 of the Companies Act, 1956, the audited statements of accounts, alongwith the report of the Board of Directors relating to the Company's Subsidiary i.e. Phoenix Surgicare Private Limited, together with the Auditors' Report thereon for the year ended 31st March, 2011 are annexed.

ACHIEVEMENTS:

Your Company continues to enjoy "Star Export House" status from the Government of India and ISO 9001-2008 certification for quality. During the year under review, the Company has got the award of **STAR PERFORMER FOR THE YEAR 2008-09** from EEPICINDIA (Eastern Region). Your Company has achieved Star Rating from Bureau of Energy Efficiency for 16KVA(4&5 star), 25KVA(3,4&5 Star), 63KVA(3,4&5 Star), 100KVA(4,5 Star), 200KVA(4 Star). 25KVA- 3 star is copper and wound core CRGO as per NHPC, 63KVA- 3 star is CRGO and all other transformers are AMDT.

DEPOSITS:

The Company has not accepted any deposits so far.

DIRECTORS :

Pursuant to provisions of Section 256 of the Companies Act, 1956, Mr. Subhasish Das, Mr. Supratim Basu and

Mr. L.V.N. Muralidhar retire by rotation at the ensuing Annual General meeting and, being eligible, may offer themselves for reappointment.

Your Directors recommend their reappointment.

AUDITORS' OBSERVATION:

During the financial year 2010-2011 there is no audit qualification in the Company's financial statements. The company will continue to adopt best practices to ensure the regime of unqualified financial Statements.

AUDITORS AND AUDITORS' REPORT:

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

The Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

DIRECTOR'S RESPONSIBILITY STATEMENT:

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

- i) In the preparation of the annual accounts for the year ended March 31, 2011, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;
- ii) The accounting policies adopted are consistent and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts have been on a going concern basis.

DIVIDEND :

Your Directors has not recommended any Dividend during this financial year.

The un-paid dividend for the Financial Year 2008-09 & 2009-10 is Rs.1,87,087.45 & Rs.1,44,096.00 as on 31.03.2011 respectively. All the shareholders who have not received the dividend warrant/not yet en-cashed the same, are requested to apply to the Company or its Registrar and Share Transfer Agent i.e. M/s MCS Limited, 77/2A, Hazra Raad, 5th Floor, Kolkata-700029. Members are requested to note that dividends not en-cashed or claimed within seven years from the date of transfer to the Company's Un-paid Dividend Account will as per Section 205A of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund.

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TRANSFER TO GENERAL RESERVE:

During the financial year ending on 31st March, 2011, no amount has been transferred to General Reserve in accordance with the provisions of Companies (Transfer of profits to Reserves) Rules, 1975.

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

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

PERSONNEL:

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

DISCLOSURE AS PER LISTING AGREEMENT:

Cash Flow:

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

Related Party Transactions:

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

Listing:

The Company's shares are listed on the 'The Bombay Stock Exchange Limited'. The Annual listing fees to the 'The Bombay Stock Exchange Limited' for the year 2011-12 have been paid.

Voluntary Delisting from Bhubaneswar and Calcutta Stock Exchanges.

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

CORPORATE GOVERNANCE:

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

QUALITY SYSTEM:

After expiry of ISO 9001:2000 accredited by NQA QSR, the company has been ISO 9001-2008 accredited by TUV SUD South Asia Private Limited with effect from 26.05.2010. The company successfully established and applies the quality systems. The quality management systems are applicable to "Design, Manufacture, Repair and sale of Power Transformers & Distribution Transformers".

INDUSTRIAL RELATIONS:

Your Company has had harmonious industrial relations throughout the year under review at all levels of the organization, and would endeavor to maintain this cordial relationship. The existing agreement with the Union was expired on 30.04.2011 and discussions

are being held with the representative of the Union to have an amicable settlement for further period of 5 years.

MANAGEMENT'S DISCUSSION AND ANALYSIS:

Management's Discussion and Analysis for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section as **Annexure 'C'** forming part of the Annual Report.

ACKNOWLEDGEMENTS:

Your Directors wish to express their grateful appreciation for the assistance and co-operation received from financial institutions.

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

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

FOR AND ON BEHALF OF THE BOARD

PLACE: BHUBANESWAR
DATE: 28th May, 2011

Sd/-
DILLIP KUMAR DAS
CHAIRMAN

ANNEXURE "A" TO THE DIRECTORS' REPORT

Disclosure of particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required under Companies (Disclosure of particulars in the Report of directors) Rules, 1988 and forming part of the Report of the Board of Directors for the period ended 31st March, 2011:

A. CONSERVATION OF ENERGY:

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

B. TECHNOLOGY ABSORPTION:

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

C. FOREIGN EXCHANGE EARNINGS & OUTGO:

(Rs in Lakhs)

Year	2010-2011	2009-2010
Expenditure	518.85	436.13
Earning	212.49	340.60

FOR AND ON BEHALF OF THE BOARD

PLACE: BHUBANESWAR
DATE: 28th May, 2011

Sd/-
DILLIP KUMAR DAS
CHAIRMAN



**ANNEXURE “B” TO THE DIRECTORS’ REPORT
REPORT ON CORPORATE GOVERNANCE**

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

Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target and your Company has been doing its business within the framework of a good Corporate Governance. It is the mechanism to ensure, adopt and practice transparency, accountability, developing an internal system encompassing policies, process and people which serves best interest of the stakeholders by directing and controlling the management activities with good business law, objectivity and integrity. This emanates from our strong belief that strong governance is integral to creating value on a sustainable basis. Sound corporate governance is reliant on external market place commitment and legislation including a healthy board culture which safeguards policies and process and enhances the value system of the Organization. Hence, your Company believes in implementing the system of good corporate governance, as it is the key driver for sustainable growth and long-term value addition to the investments made by all shareholders. Your Company therefore is committed to the highest standards of corporate governance and follows the basic tenets of integrity, transparency, accountability and responsibility in all its activities and put in place a system of good Corporate Governance.

2) BOARD OF DIRECTORS :

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

2.1)Composition:

The Board has an optimum combination of Executive and non-Executive Directors and is in conformity with Clause 49 of the listing agreement entered into with the stock exchanges, in which the Company’s Shares are listed. The composition of the Board as on 31st March, 2011 consists of twelve Directors, among which four are Executive Directors and eight are non-Executive Directors. The Chairman being Executive Director, at-least half of the Board should comprise of Independent Directors as per the Listing Agreement. The Board is classified broadly as follows:

Sl. No	Name of the Director	Status	Category	Shareholding in the Company
1	Mr. Dillip Kumar Das	Chairman & Managing Director	Promoter and Executive Director	791202
2	Mr. Deepak Kumar Das	Whole-time Director (Finance)	Promoter and Executive Director	57000
3	Mr. Debasis Das	Whole –time Director	Executive and Non-independent Director. (Relative of Promoters)	121940
4	Mr.Santosh Kumar Patnaik	Whole-time Director	Executive and Non independent Director.	200
5	Mr.Subhasish Das	Director	Non-executive and Non-independent Director. (Relative of Promoters)	40639
6	Mr.Supratim Basu	Director	Non-Executive and Non-independent Director	-
7	Mr. Santosh Kumar Nanda	Director	Non-Executive and Independent Director	-
8	Dr. Nitai Chandra Pal	Director	Non-Executive and Independent Director	-
9	Mr. Sambit Mohanty	Director	Non-Executive and Independent Director	-
10	Mr. Niranjana Mohanty	Director	Non-Executive and Independent Director	-
11	Mr. B.N.R.Patnaik.	Director	Non-Executive and Independent Director	-
12	Mr.L.V.N Muralidhar	Director	Non-Executive and Independent Director	-

Board's Definition of Independent Director:

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

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

2.2) Code of Conduct:

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

2.3) Board Meetings & Procedures:

The Board meets in executive session at least four times in a year at quarterly intervals and more frequently if deemed necessary, to transact its business. The Company Secretary, in consultation with the Chairman and Managing Director, prepares the agenda for the meeting. Information and data that are important to the Board's understanding of the business in general and relating to matters tabled for discussion. The Agenda and relevant enclosures are distributed to the members of the Board sufficiently in advance of the meeting. Sensitive material, however, is presented for discussion at the meeting only. The meetings of the Board of Directors are generally held at Company's registered office at Bhubaneswar, and are generally scheduled well in advance. The Company Secretary records the minutes of the proceedings of each Board Meeting and Committee Meeting. Draft minutes are circulated to all the members of the Board/Board Committee for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting. The important decision taken in the Board/Committee Meetings are communicated to the concerned departments/persons for taking necessary actions and a action taken report is placed in the next meeting of the Board/Committee for noting the same.

Numbers & Dates of Board Meetings held during the year :

- (i) During 2010-11, the Board of Directors met 4 times on the following dates:

Sl.No	Date of Board Meeting	Total Members	Attendance by number of members
1	29 th May,2010	12	9
2	06 th August ,2010	12	8
3	12 th November,2010	12	11
4	11 th Febuary,2011	12	10

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

Name of the Director	Attendance Particulars			Directorship in other Companies
	No of Board Meetings held	No of Board Meetings attended	Last AGM	
Mr. Dillip Kumar Das	4	4	Present	4
Mr. Deepak Kumar Das	4	4	Present	3
Mr.Santosh Kumar Patnaik	4	3	Absent	1
Mr. S. K.Nanda	4	4	Present	2
Dr. N.C.Pal	4	4	Present	None
Mr. Sambit Mohanty	4	2	Absent	1
Mr.Debasis Das	4	3	Absent	1



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Mr. Niranjn Mohanty	4	4	Present	6
Mr. L.V.N Muralidhar	4	2	Present	9
Mr.Subhasis Das	4	2	Absent	3
Mr. Supratim Basu	4	2	Present	3
Mr. B.N.R.Patnaik.	4	4	Present	None

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

3) COMMITTEES OF BOARD:

The Board has constituted various committees for smooth and efficient operation of the activities and is responsible for constituting, assigning, co-opting and fixing the term of reference of the committees in line with the laws of the land. The chairman, quorum and the terms of reference of each committee has been approved by the Board. The draft minutes of the proceedings of each committee meeting duly initialed by the Chairman of the respective committee meeting are circulated to the members of that committee for their comments and thereafter, confirmed by the respective committee in its next meeting. The Board also takes note of the minutes of the meetings of the committees duly approved by their respective Chairman and material recommendations/decisions of the committees are placed before the Board for approval.

3. 1) AUDIT COMMITTEE:

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

The Audit Committee met four times during the year 2010-11.

The composition and attendance of the committee are given below :

Composition:

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

Attendance :

Sl. No.	Date of Meeting	Total Members	Attendance by Members
1	29 th May,2010	4	3
2	06 th August,2010	4	3
3	12 th November,2010	4	3
4	11 th Febuary,2011	4	3

Audit Committee Charter:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and removal of external auditor, fixation of audit fee and also approval for payment of any other services.
- Reviewing with management the annual financial statements before submission to the Board, focusing primarily on :
 - Any change in the Accounting policies and practices.
 - Major accounting entries based on exercise of judgment by the management.
 - Qualification on draft Audit Report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.

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- Compliance with accounting standards.
 - Compliance with Stock Exchange and legal requirements concerning financial statements.
 - Any related party transactions i.e. transaction of the company of material nature, with promoters or the management, their subsidiaries or relatives etc that may have potential conflict with the interest of the company at large.
- d) Reviewing with management, external and internal auditor, adequacy of internal controls systems.
- e) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- f) Discussion with internal auditors any significant findings and follow up thereon.
- g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- h) Discussion with external auditors before the audit commences on the nature and scope of audit as well as has post audit discussion to ascertain any area of concern.
- i) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- j) To approve un-audited Quarterly Financial Results and publish the same as required in the Listing Agreement.

The meetings of the Audit Committee were also attended by Internal Auditor, Accounts Executive of the company and representatives of the Statutory Auditors as invitees for the relevant meetings. The recommendations of audit committee are usually accepted and implemented by the Board.

3.2) REMUNERATION COMMITTEE :

The purpose of the Remuneration committee of the company shall be to discharge the Board's responsibilities relating to remuneration of the Company's Executive Directors. The committee has overall responsibility for approving and evaluating and recommending plan, policies and programs relating to remuneration of Executive Directors of the Company.

The Committee consists of majority of Independent Directors and non-Executive Director and has met one time on 25th March, 2011 during the year ended 31st March 2011 and the composition of the Committee is given below :

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

Terms of Reference:

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

REMUNERATION TO DIRECTORS:

The Company does not remunerate the non-Executive Directors of the Company except for the payment of sitting fees for attending each meeting of the Board or Committee thereof. Remuneration to Executive Directors is recommended by the Remuneration Committee and approved by the Board of Directors subject to the approval of



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the shareholders in the General Meeting and such authorities, as the case may be. Particulars of their remuneration for the year ended 31st March, 2011 are given below.

Name of Director	Remuneration for the year 2010 - 2011				
	Sitting Fees Rs	Salary Rs	Perquisites Rs	Commission Rs	Total Rs
Executive Directors :					
Mr. Dillip Kumar Das	Nil	1104000	331135	NIL	1435135
Mr. Deepak Kumar Das	Nil	600000	200000	NIL	800000
Mr. Debasis Das	Nil	600000	195057	NIL	795057
Mr. Santosh Kumar Patnaik.	Nil	600000	167703	NIL	767703
Non-Executive Directors					
Mr. S.K. Nanda	16000	Nil	Nil	Nil	16000
Dr. N.C. Pal	16000	Nil	Nil	Nil	16000
Mr. Sambit Mohanty	8000	Nil	Nil	Nil	8000
Mr. B.N.R. Patnaik	8000	Nil	Nil	Nil	8000
Mr. Niranjana Mohanty	8000	Nil	Nil	Nil	8000

3.3) SHARE TRANSFER AND INVESTOR GRIEVANCE COMMITTEE :

The "Share Transfer and Investor Grievance Committee" comprising Two Executive Directors and one Independent non-Executive Director headed the committee of the company. The functioning and terms of reference of the Committee, inter-alia, approves issue of duplicate certificates and overseas and reviews all matters connected with securities transfers. The Committee also looks into redressing of investor's grievance pertaining to transfer/transmission of shares, dividends, dematerialization/re-materialization, replacement of lost/stolen/mutilated share certificates, splitting, conversion and other related issues and to strengthen investor relation. In addition to the above, the Committee also addresses to complaints like non-transfer of shares, non-receipt of declared dividends, etc.

During the year, the Committee has met 14 times for consideration of share transfers, issue of duplicate shares, re-materialization of shares and other investors' grievances. The constitution of the Committee and the attendance of each member of the Committee are given below :

Name of the Director	Designation	Status	Committee Meetings Attended
Mr. B.N.R. Patnaik	Chairman	Independent and Non-Executive Director.	14
Mr. Deepak Kumar Das	Member	Promoter and Executive Director.	14
Mr. Debasis Das	Member	Relative of Promoter and Executive Director.	14

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

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

Sl.No	Nature of Complaint	Total No. of Complaints	Resolved	Not Resolved	Reason for pending
1	Non-receipt of Dividend Warrant	5	5	Nil	-

4. GENERAL BODY MEETINGS :

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

Annual General Meeting :

Financial Year	Venue	Date	Day	Time	Special Resolution passed
2007-08	Hotel "The New Marrion", 6, Janpath, Bhubaneswar-751001	25.07.2008	Friday	11.30 A.M.	One
2008-09	Hotel " The New Marrion", 6, Janpath, Bhubaneswar-751001	30.07.2009	Thursday	4.00 P.M.	One
2009-10	Hotel " The New Marrion", 6, Janpath, Bhubaneswar-751001	06.08.2010	Friday	12.30 P.M.	None

Extra-Ordinary General Meeting:

Financial Year	Venue	Date	Day	Time	Special Resolution passed
2007-08	No Extra-ordinary General Meeting was held during the last three years.				
2008-09					
2009-10					

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

5) DISCLOSURES :

5.1) Disclosure regarding materially significant related party transactions :

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

5.2) Disclosure of non-compliance by the company:

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

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

- Pursuant to the Articles of Association of the company, all the Directors for the time being except Mr. Dillip Kumar Das (Managing Director), Mr. Deepak Kumar Das (Executive Director), Mr. Debasis Das (Executive Director), Mr. Santosh Kumar Patnaik (Executive Director) of the company, shall retire and, if eligible, offer themselves for re-election at the ensuing Annual General Meeting. Accordingly, Mr. Subhasish Das, Mr. Supratim Basu and Mr. L.V.N. Muralidhar retire at the ensuing Annual General Meeting. The Board has recommended the appointment of above three directors. The abbreviated resume of all these Directors being appointed/re-appointed and other relevant information is given elsewhere in this Annual Report, which form part of the Corporate Governance Report.

6) NON-MANDATORY REQUIREMENT:

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

- The company has setup a remuneration Committee pursuant to Clause 49 of the listing Agreement.
- During the financial year 2010-2011 there is no audit qualification in the Company's financial statements. The company will continue to adopt best practices to ensure the regime of unqualified financial Statements.



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7) MEANS OF COMMUNICATION :

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

- | | |
|----------------------------------|---------------------------------|
| a. Financial Express (English) | b. The Economic Times (English) |
| c. The Samaj (Regional language) | d. Khabara (Regional language) |

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

8) MANAGEMENT DISCUSSION AND ANALYSIS :

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

9) GENERAL SHAREHOLDERS INFORMATION :

9.1) Annual General Meeting :

The Twenty-ninth Annual General Meeting ("the AGM") of the company will be held on Friday, the 12th day of August of 2011 at 12.30 P.M. at Hotel " The New Marrison ", 6, Janpath, Bhubaneswar-751001".

9.2) Financial Calendar for the year 2011-12 :

The Company follows April to March as its financial year. The financial Calendar for the year 2011-12 (Provisional) as follows :

Sl.No.	Financial Calendar	Tentative Schedule
a)	Results for the first quarter ending 30 th June'11.	By 14 th August,2011
b)	Results for the second quarter ending 30 th September'11.	By 14 th November, 2011.
c)	Results for the third quarter ending 31 st December,2011	By 14 th February ,2012
d)	Results (Audited) for the financial year ending 31 st March, 2012.	By 30 th May, 2012.
e)	Annual General Meeting for the year ending 31 st March,2012	By the end of September, 2012.

9.3) Dates of Book Closure :

The Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday, the 3rd August, 2011 to Friday the 12th August, 2011 (both days inclusive)** for purpose of Annual General Meeting and for declaration of Dividend.

9.4) Dividend:

The Board of Directors has decided not to declare dividend for the year under review due to bad financial condition of the Company.

The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the bank account details furnished by the depositories for depositing dividends. As per the recent RBI guidelines, effective from September 30, 2009, ECS credit will be moved completely on National Electronic Clearance System (NECS) platform through core banking system. Accordingly, dividend will be credited to the shareholders' bank account through NECS where complete core banking details are available with the Company. In the event any branch of a Bank has not migrated to core banking system, or where the core banking account number is not furnished by the shareholder to the Depository/Company as the case may be, the Company will print the details available in its records on the dividend warrants to be issued to the shareholders. The Company is complying with SEBI's directive in this regard.

Details of dividend paid in the last Five Years:

Dividend of Rs. 53,60,000/- paid during the Financial Year 2008-09 and 2009-10.

Dividend of 10% (i.e. Re.1/- per share) for the Financial Year 2008-09 and 2009-10 was declared in the 27th Annual General Meeting held on 30th July, 2009 and 28th Annual General Meeting held on 6th August, 2010 and paid within 30 days of declaration of dividend as per the provisions of the Companies Act, 1956. Those who have not received the dividend amount, may contact the company or its RTA i.e. M/s MCS Limited, 77/2A, Hazra Road, 5th Floor, Kolkata-700029.

Members are requested to note that dividends not en-cashed or claimed within seven years from the date of transfer to the Company's Un-paid Dividend Account will as per Section 205A of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund. The dividend of the financial year 2008-09 and 2009-10 was declared on 30.07.2009 and 06.08.2010 respectively. Hence, the due date of transfer to Investor Education and Protection Fund as per the Section 205 A of the Companies Act, 1956 is 28.08.2016 for 2008-09 and 04.09.2017 and for 2009-10.

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9.5) Listing on Stock Exchanges :

The Company's shares are presently listed with The Bombay Stock Exchange Limited (BSE), Phiroze Jee Jeebhoy Towers, Dalal Street, Mumbai-400001, which has nationwide trading terminals. The Annual Listing fees for the year 2011-12 have been paid to The Bombay Stock Exchange Limited (BSE).

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

9.6) Company Stock code:

The Mumbai Stock Exchange Scrip Code '517546'.

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

9.7) Stock Market Data :

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

Month	High(Rs.)	Low(Rs.)	Volume(Nos)
April, 2010	47.65	34.40	707199
May, 2010	37.95	32.00	86516
June, 2010	38.30	31.05	175752
July, 2010	41.00	35.60	104802
August, 2010	41.75	35.25	111942
September, 2010	43.65	35.50	183956
October, 2010	41.95	34.00	118641
November, 2010	37.00	30.50	70914
December, 2010	37.40	31.00	142997
January, 2011	37.20	27.10	50191
February, 2011	32.90	24.60	15780
March, 2011	30.75	21.25	56830

9.8) CIN Number :

The Corporate identity Number ("CIN") of the company, as allotted by Ministry of Company Affairs is **L31102OR1982PLC001151**.

9.9) Registrar and Share Transfer Agents :

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

M/s MCS Limited.

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

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

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

9.10) Share transfer systems:

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

9.11) Shares held in physical and dematerialized form :

As on 31st March 2011, 93.833 % of shares of the company were held in dematerialized form and the rest in physical form. Out of this dematerialized, promoter and their associates own 44.111 % and non-promoters held 55.889 % of these Shares. The details of shares held in Physical and dematerialized form is given below :

Details of Shares	Position as on 31.03.2011	% of holding
NSDLACCOUNT	4413947	82.349
CDSLACCOUNT	615491	11.484
TOTAL DEMAT A/C	5029438	93.833
PHYSICAL HOLDING	330562	6.167
TOTAL SHARES	5360000	100



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9.12) Distribution of Shareholdings as on 31st March 2011:

As of 31st March, 2011 the distribution of company share holding were as follows:

No of Equity Shares held	No of shareholders	% of shareholders	No. of shares	% of shareholding
1-500	3077	83.1846	524283	9.7814
501-1000	326	8.8132	268331	5.0062
1001-2000	141	3.8118	219586	4.0968
2001-3000	33	0.8921	84290	1.5726
3001-4000	22	0.5948	79677	1.4865
4001-5000	26	0.7029	120285	2.2441
5001-10000	32	0.8651	235459	4.3929
10001-50000	30	0.811	727248	13.5681
50001-100000	6	0.1622	361660	6.7474
100001 & ABOVE	6	0.1622	2739181	51.1041
TOTAL	3699	100	5360000	100

9.13) Shareholding Pattern as on 31st March, 2011 :

Category	No of Shares	% of Shares Capital
Indian Promoters	2256758	42.1037
Private Corporate Bodies	237868	4.4378
Indian Public	1972349	36.7976
NRIs/OCBs	893025	16.6609
Total	5360000	100

9.14)GDRs/ADRs/Warrants :

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

9.15) Details of Shares held more than 1% as on 31st March, 2011 :

Name of Shareholders	No of Shares held	% of Shareholding
Dillip Kumar Das	791202	14.761
Strategic Ventures Fund (Mauritius) Ltd.	800000	14.925
Galaxy Medicare limited	380256	7.094
Industrial Designs & Services Limited	477883	8.916
Oricon Industries Limited	167900	3.132
Debasis Das	121940	2.275
K Shiva Kumar	78971	1.473
Dillip Kumar Das, HUF	62445	1.165
Deepak Kumar Das	57000	1.063
Geetishree Das	56825	1.06

9.16) Factory Locations of the Company :

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

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

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

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

9.17) Address for Correspondence:

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

Mr. Susanta Kumar Satapathy

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

DECLARATION

I, Dillip Kumar Das, Managing Director of Alfa Transformers Limited, hereby declare that all the members of the board of Directors and the Senior Management personnel have affirmed compliance with the code of conduct, for the year ended 31st March, 2011.

FOR AND ON BEHALF OF THE BOARD

**PLACE: BHUBANESWAR
DATE: 28th MAY, 2011**

**Sd/-
DILLIP KUMAR DAS
CHAIRMAN**

CEO AND CFO CERTIFICATION

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

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2011 and to the best of our knowledge and belief :
 - i) these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2011 are fraudulent, illegal or violative of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the designs or operation of such internal controls, if any of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
 - i) There has not been any significant change in internal control over financial reporting during the year under reference;
 - ii) There has not been any significant change in accounting policies during the year requiring disclosures in the notes to the financial statements; and
 - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**PLACE : BHUBANESWAR
DATE : 28th MAY, 2011**

**Sd/-
MANAGING DIRECTOR**

**Sd/-
DIRECTOR (FINANCE)**



ANNEXURE “C” TO DIRECTORS’ REPORT MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS

Forward-Looking Statements:

Statements in this “Management’s Discussion and Analysis” describing the Company’s objective, projections, estimates and expectations may be “forward looking statements” within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include global and Indian demand supply conditions, changes in the government regulations, tax regimes, economic developments within India and the countries within which the company conducts business and other factors such as litigation and labour relations. Forward-looking statements are based on certain assumptions and expectations of future events. The company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company’s actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

Industry Structure and Developments:

The Transformer Industry in India has been in the forefront for over 50 years. We have a strong base over 500 transformer industries in India with an overall manufacturing capacity of 800,000 MVA per annum. The contribution towards domestic utilities is over 500,000 MVA, the rest are being exported to more than 50 countries covering USA, Europe, South Africa, Cyprus, Syria, Iraq and other Middle East and Far East countries all over the world. The present economic and business scenario alongwith rapid technological innovation are creating an increasingly competitive market environment, which has changed the operations of Transformers Industries. Power is a significant input to the economy and plays a critical role for a sustained economy growth. The transformer is major and indispensable machinery/ equipment for generation, transmission and distribution of electricity in

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

The power sector is growing at a reasonable pace and the reforms in the sector have started yielding results. In the international market transformers manufacturers are reportedly closing shop and relying more and more on imports from countries like India, which have the technological base, technical capability and economic advantage.

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

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

Opportunities and Threats :

A number of opportunities exist for Transformer Industry. The need of the hour is to take proactive steps both internal and external to the organization and Management of your Company is planning for the same. In the recent past,

Indian economy has decisively moved to a higher growth target marked by GDP growth of above 9% during the 2003-2007. During the XI Plan Period (2007-2012) a growth target of 9% has been set by National Development Council, which requires commensurate infrastructure in power, roads ports etc. We are all aware that the demand for power has consistently outstripped the supply. In order to bridge this demand supply gap, Govt. of India's National Electricity Policy stipulates 'Power For All by 2012' and aims to achieve a per capita consumption of 1,000 Kwh by the end of XIth Plan, by adding a capacity of over 1,00,000 MW. This requires massive investment of over Rs. 10,00,000 crore during this Plan period including establishment of requisite transmission and distribution system. A large number of opportunities in Power Sector is there in our Country. The Government of India has taken many policy initiatives in the recent past like:- a) Setting up of Central Electricity Regulatory Commission in 1998, b) The Electricity Act, 2003, c) The National Power Policy, 2005, d) Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY), e) Clean-up of State Electricity Board losses, f) Guidelines for private investment in transmission, 2006. The demand for smaller size of Distribution Transformers like 16KVA to 100KVA has grown in a very big way particularly due to thrust given by Central & State Governments for the rural electrification under AREP schemes. However transformers ranging from 250KVA to 630KVA have not registered up ward trend but maintained the normal growth. The transformers at UHV level shall assume priority due to upcoming National grid and interlinking of trunk lines for inter-transfer of bulk power from surplus to deficit states.

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

policies of the Government of the Countries wherein these Exports are made and the present global economic condition may affect the business of the Company. The impact of the present global economic condition has reflected in the financial position of current year.

Outlook :

In the present scenario of Transformer Industry (both India & abroad), the demand of AMDT Transformers increasing rapidly. Your Company has adopted the new technology of AMDT for manufacturing its Transformers of different capacities. As per the thrust and policy of Government of India to electrify all Villages by 2020, the demand of Energy Efficient Transformers is likely to grow exponentially in coming year. Some of the Electrical Utilities Companies in the Western India are regularly buying Energy Efficient Transformers i.e. AMDT Transformers. Recently, Government of India has constituted an Organization named as "Bureau of Energy Efficiency" who have issued a mandate that all Distribution Transformers to be purchased shall be of minimum of '3-Star' Rating.

Your company has already received following ratings from Bureau of Energy efficiency (BEE):

5 Star rating for 16 KVA, 25KVA, 63 KVA, 100 KVA.

4 Star rating for 16 KVA, 25KVA, 63 KVA, 100 KVA and 200 KVA.

3 Star rating for 25KVA (copper and wound core CRGO as per NHPC), 63 KVA (CRGO)

and all other transformers are AMDT. Keeping-in-view the huge demand of AMDT transformers in the Western India and other parts of the Country, your Company has set-up its new Plant at Vodadara, which will full-fill the same. We hope to get a good number of orders in the coming years.

Risks and Concerns :

Risk includes interest rates and credit availability risk, Exchange rates risk, Freight rates risk, manufacturing risk etc. Risk is intrinsic to any business and is an essential ingredient to growth. Efficient management of risk is vital for any business organization in order to achieve its business goal. The industry in which your Company is a part, risk management assumes even more significance. Hence optimal risk management strategies are indispensable part of your company's business.

Your company is exposed to foreign exchange risk due to imports of raw material mainly and export of finished goods. Hence the company's revenue and its profitability depend



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on Rupees Euro/Dollar convertibility factors. Government rules for duty (import duty on raw material & duty on export of finished products) also have greater impact on the business of the company. Apart from those other economic factors like subdued demand, political uncertainty, social upheavals and acts of God may affect the business of the company as also the industry at large.

Internal Control Systems and Their Adequacy:

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

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

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

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

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

Financial Condition:

(Rs in Lakh)

	2010-2011	2009-2010
Share Capital		
<i>Authorized:</i>	1200.00	1200.00
Issued, Subscribed & Paid-up	536.00	536.00
Reserve & Surplus:	1819.53	1873.29
Secured Loans	1474.63	1676.95
Un-Secured Loans	6.49	11.08
Fixed Assets	1949.83	1851.26
Investments:		
Long Term Investments	100.99	147.34
Current Assets	2520.13	2856.39
Current Liabilities & provisions	640.51	644.79

Results of operation:

The performance of the company for the Financial Year 2010-11 has been reviewed. The company could able to achieved total sales of Rs.2082.72 lakhs, which includes Export Sales of Rs.243.63 lakhs (including export consultancy) and Domestic Sales of Rs.1752.54 lakhs and income from operation Rs. 61.38 lakhs. The profit before tax and profit after tax has been decreased to (152.64)% and (156.51)% respectively.

Human Resources:

Your Company always gives importance to its human resources. In order to enhance the skills, knowledge, efficiencies of employees, it continues to place great emphasis on imparting required training to all the employees of the Company. Every area of work is taken care of with standard operating procedures, checklists, inspection schedules, and other related studies. Relations were cordial across all Plants and Offices of Alfa Transformers Limited during the year.

Conclusion:

The performance of the company is not satisfactory during this financial year in the challenging business environments. Export orders received from Libya could not be executed. In process goods worth of 2 crores were to be supplied to Libya by end of 31st March,2011 which could not occurred due to war in Libya. This is an unforeseen situation beyond control. We hope the situation in Libya will improve during current year.

However the company is optimistic of improvement of overall business during 2011-12.

AUDITOR'S REPORT ON CORPORATE GOVERNANCE

To
The Members,
Alfa Transformers Limited.

We have examined the compliance of conditions of Corporate Governance by Alfa Transformers Limited for the year ended on 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

Bhubaneswar
Date : 28th May, 2011

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

Sd/-
(S. CHAND)
PARTNER
Membership No.050063
Firm Registration No.321012E (ICAI)



ALFA TRANSFORMERS LIMITED

AUDITOR'S REPORT

To
The Members of Alfa Transformers Limited

We have audited the attached Balance Sheet of ALFA TRANSFORMERS LIMITED as at 31st March, 2011, the Profit and Loss Account and also Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

1. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in Paragraphs 4 & 5 of the said Order.
2. Further to our comments in the Annexure referred to above, we report that :
 - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of 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, Profit and Loss Account and Cash Flow Statement dealt with by this report, are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report have been drawn in accordance with Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (e) on the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (f) Accounting Policy No.1 L of Schedule 14 and Note No.2 M Schedule 14 relating to impairment of assets are based on Management's estimate / evaluation, which we have relied upon; and
 - (g) in our opinion, and to the best of our information and according to the explanations given to us, the said accounts read together with Significant Accounting Policies and other notes appearing in Schedule 14 forming part of the accounts give the information required by the Companies Act, 1956 in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - (ii) in the case of the Profit and Loss Account, of the Loss for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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

Bhubaneswar
Date : 28th May, 2011

(S.CHAND)
PARTNER
Membership No.050063
Firm Registration No.321012E (ICAI)

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

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



ALFA TRANSFORMERS LIMITED

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

Name of the Statute	Period	Dispute (in brief)	Disputed Amount Rs.	Forum where dispute is pending
Central Excise and Salt Act,1944	2002-03	Disallowance of CENVAT on inputs purchased from 100% EOU	1,06,711	Commissioner (Appeals)
Income Tax Act,1961	1994-95	Deduction U/S 80 I disallowed in assessment	2,77,227	High Court of Orissa
Income Tax Act,1961	1995-96	Deduction U/S 80 I disallowed in assessment	2,71,209	High Court of Orissa
Income Tax Act,1961	2005-06	Unutilized CENVAT Credit, Loss on discarded assets and Deposits/ advances written off.	11,85,069	Income Tax Appellate, Tribunal, Cuttack
Income Tax Act,1961	2006-07	Disallowance of Deposit/ advances written off, loss on discarded assets .	3,19,707	Income Tax Appellate Tribunal, Cuttack
Employee' State Insurance Act, 1948	1999-00	Contribution towards omitted wages	21,320	District Judge Court-cum-ESI Court, Khurda, BBSR
Central Sales Tax,1956	1989-90	Disallowance of CST exemption	2,51,039	High Court of Orissa
Central Sales Tax,1956	1990-91	Disallowance of CST exemption	1,08,000	Addl. Commissioner of Sales Tax
Central Sales Tax,1956	1991-92	Disallowance of CST exemption	15,50,740	Sales Tax Tribunal
Central Sales Tax,1956	2000-01	Surcharge on Central Sales Tax	71,399	Asst. Commissioner of Sales Tax
Central Sales Tax,1956	2002-03	For D Form Transaction	31,837	Asst. Commissioner of Sales Tax.
The Orissa Sales Tax Act, 1947	1996-97	Disallowance of Price Variation Bill	73,008	Sales Tax Tribunal
The Orissa Sales Tax Act, 1947	2001-02	Wanting Form IV & XXXIV	1,29,736	Assistant Commissioner of Sales Tax
The Orissa Sales Tax Act, 1947	2002-03	Wanting Form IV & XXXIV	2,66,710	Assistant Commissioner of Sales Tax
The Orissa Sales Tax Act, 1947	2003-04	Wanting Form IV & XXXIV	6,62,384	Assistant Commissioner of Sales Tax
Central Sales Tax,1956	2005-06	C Form Wanting	38,850	Assistant Commissioner of Sales Tax
The Orissa Entry Tax Act, 1999	2001-02	Demand on Purchase of Raw Materials	54,539	Assistant Commissioner of Sales Tax
The Orissa Entry Tax Act, 1999	2002-03	Demand on Purchase of Raw Materials	1,16,787	Assistant Commissioner of Sales Tax
The Orissa Entry Tax Act, 1999	2004-05	Demand on Purchase of Raw Materials	2,77,791	Assistant Commissioner of Sales Tax
The Orissa Entry Tax Act, 1999	2005-06	Demand on Purchase of Raw Materials	20,71,761	Assistant Commissioner of Sales Tax

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- (x) The Company has no accumulated losses at the end of the financial year ending 31st March, 2011 and the Company has not incurred cash losses during the financial year covered by our audit or in the immediately preceding financial year.
- (xi) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions or banks.
- (xii) In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, clause 4 (xiii) of the Order is not applicable to the Company.
- (xiv) The Company has not dealt or traded in shares, securities, debentures and other investments during the year except investing surplus funds in units of certain mutual funds. However, it has maintained proper records in respect of shares/units of mutual funds held in the name of the Company.
- (xv) The Company has not given any guarantee for loans taken by others from Banks or Financial Institutions.
- (xvi) In our opinion and according to the explanations given to us, the term loan taken by the Company has been applied for the purpose for which it was raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the funds raised on short-term basis have not been used for long-term investment.
- (xviii) During the year the Company has not made any preferential allotment of shares.
- (xix) No debentures have been issued by the Company and hence commenting on creation of security or charges does not arise.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) During the course of our examination of books of account carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company nor have we been informed of such case by the Management.

Bhubaneswar
Date : 28th May, 2011

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

Sd/-
(S. CHAND)
PARTNER

Membership No.050063
Firm Registration No.321012E (ICAI)



ALFA TRANSFORMERS LIMITED

BALANCE SHEET AS AT 31ST MARCH 2011

Figures in Rupees

SOURCES OF FUNDS :	Schedule Number	As at	
		31st March'2011	31st March'2010
1. SHAREHOLDERS' FUNDS			
Share Capital	1	53600000	53600000
Reserves & Surplus	2	181953373	187328756
		235553373	240928756
2. LOAN FUNDS			
Secured Loans	3	147462683	167694867
Unsecured Loans	4	649401	1108063
		148112084	168802930
		9379325	11289383
3. Deferred Tax Liability(Net) (Ref. Note 2 K of Sch-14)			
TOTAL		393044782	421021069
APPLICATION OF FUNDS :			
4. FIXEDASSETS	5		
Gross Block		246716918	233876265
Less: Depreciation		63809732	54710216
Net Block		182907186	179166049
Capital Work-in-progress		12076046	5960195
		194983232	185126244
5. INVESTMENTS :	6	10099215	14734398
6. CURRENTASSETS, LOANS & ADVANCES:	7		
Inventories		123470127	121775407
Sundry Debtors		78216806	115395693
Cash & Bank Balances		14667979	18723531
Loans and Advances		35658434	29744796
		252013347	285639427
Less : CURRENT LIABILITIES & PROVISIONS	8		
Current Liabilities		63662244	57945771
Provisions		388768	6533229
		64051012	64479000
Net Current Assets		187962335	221160427
TOTAL		393044782	421021069

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS 14
ADDITIONAL INFORMATION 15

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

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO
CHARTERED ACCOUNTANTS

S.CHAND
PARTNER
Membership No. 50063
BHUBANESWAR
DATED : 28th May 2011

DILLIP KUMAR DAS

DEEPAK KUMAR DAS

SUSANTA KU. SATAPATHY

MANAGING DIRECTOR

DIRECTOR

COMPANY SECRETARY

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PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

Figures in Rupees

I INCOME	Schedule Number	For the Period ended 31st March'2011		For the Period ended 31st March'2010	
Sales & Services	9	216714525		209338615	
Less: Excise Duty		17097534		16464378	
			199616991		192874237
Other Operating Income	9		6138401		12345034
Other Income	9		2517001		9991542
TOTAL I			208272393		215210813
II EXPENDITURE					
(Accretion)/Depletion of Stocks	10		(24416783)		(6187334)
Operating and Other Expenses	11		208956933		183401914
Interest and Finance Charges	12		20667524		18514049
Depreciation	5	9386558		8975345	
Less: Transferred from Revaluation Reserve		1094786		1198048	
			8291772		7777297
TOTAL II			213499446		203505926
III PROFIT FOR THE YEAR (I-II)			(5227053)		11704887
Add: Prior Year Adjustments(Net)	13		(963602)		55574
IV PROFIT BEFORE TAXATION			(6190655)		11760461
Provision for Taxation					
— Current Tax- MAT			—		(1393069)
— Deferred Tax Assets/(Liabilities) (Net)			1910058		(2681347)
— Income Tax of Earlier Years			—		(109832)
V PROFIT AFTER TAXATION			(4280597)		7576213
Add:Balance of Profit brought forward			15528285		19202301
Balance available for appropriation			11247688		26778514
Transfer to General Reserve			—		5000000
Proposed Dividend			—		5360000
Tax on Proposed Dividend			—		890229
VI Balance Profit carried to Balance Sheet			11247688		15528285
VII Earnings Per Share (Rs) Basic			(0.80)		1.41
(Face value of Rs. 10/- each)					

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS 14

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FOR A.K.SABAT & CO

CHARTERED ACCOUNTANTS

S.CHAND

PARTNER

Membership No. 50063

BHUBANESWAR

DATED : 28th May 2011

DILLIP KUMAR DAS

DEEPAK KUMAR DAS

SUSANTA KU. SATAPATHY

MANAGING DIRECTOR

DIRECTOR

COMPANY SECRETARY



ALFA TRANSFORMERS LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 1

SHARE CAPITAL	As at 31-03-2011 Rupees	As at 31-03-2010 Rupees
Authorised : 1,20,00,000 (Previous Year - 1,20,00,000) Equity Shares of Rs.10/- each.	120000000	120000000
Issued , Subscribed & Paid-up : 53,60,000 (Previous year 53,60,000) Equity Shares of Rs.10/- each fully paid up Out of the above shares : (i) 9,04,530 shares are issued as fully paid up Bonus Shares by capitalisation of general reserve. (ii) 2,60,000 Shares of Rs. 10/- each are allotted as fully paid up pursuant to a contract for consideration other than cash	53600000	53600000
	53600000	53600000

SCHEDULE 2

RESERVES AND SURPLUS				
Share Premium Account - Opening Balance		98370000		98370000
Capital Reserve : State Investment Subsidy		991700		991700
General Reserve: Opening Balance	60000000		55000000	
Add: Transferred from Profit and Loss Account	-		5000000	
		60000000		60000000
Revaluation Reserve: On Revaluation of Fixed Assets Opening Balance	12438771		14421819	
Less: Reversal on Sale of Land	-		785000	
Less: Transferred to Profit & Loss Account	1094786		1198048	
		11343985		12438771
Profit & Loss Account Balance		11247688		15528285
	TOTAL	181953373		187328756

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 3

	As at 31-03-2011 Rupees	As at 31-03-2010 Rupees
SECURED LOANS :		
Term Loan from State Bank of India	20473582	32715080
Term Loan from Axis Bank Ltd	14106577	20908734
Cash Credit from State Bank of India (*)	36458136	94858005
E.P.C from State Bank of India	64912186	11819821
Cash Credit from Axis Bank Ltd.	11512202	7393227
TOTAL	147462683	167694867

NOTES :

1. The Cash Credit, Export Packing Credit(E.P.C) & Term Loan availed from State Bank of India are secured by :
 - i) Hypothecation of Raw Materials, Stock-in-Progress, Finished Goods, Consumables, Book Debts and other Liquid Assets of Unit-1 and Unit-2 situated at Bhubaneswar.
 - ii) First Charge over Land and Building, Plant & Machinery of factory at Unit - 1 and Unit - 2 situated at Bhubaneswar.
 - iii) Equitable mortgage of Company's Properties at Plot No. 445, Kalinga Vihar, Bhubaneswar and Flat No. A/7, Lord Gunjan Palace, Bhubaneswar.
 2. The Cash Credit & Term Loan facilities from Axis Bank Limited are secured by :
 - i) Hypothecation of Raw Materials, Stock-in-Progress, Finished Goods, Consumables, Book Debts and other Liquid Assets at Unit-4, Vadodara.
 - ii) First Charge over Land and Building, Plant & Machinery of the Unit-4,Vadodara.
- (*) Cash Credit from State Bank of India includes Foreign Currency Deman Loan of Rs.3,63,08,936/- (Previous Year Rs. 3,92,76,026/-)

SCHEDULE 4

	As at 31-03-2011 Rupees	As at 31-03-2010 Rupees
UNSECURED LOANS :		
Kotak Mahindra Bank Vehicle Loan	—	115441
Axis Bank Ltd- Vehicle Loan	649401	992622
TOTAL	649401	1108063



SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE - 5

FIXED ASSETS

(Figures in Rupees)

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NETBLOCK			
	Cost as at 31-03-2010	Additions during the year	Sale/ adjustment during the year	Cost as at 31-03-2011	Up to 31-03-2010	For the Year	On Sale/ adjustment during the year	Up to 31-03-2011	As at 31-03-2011	As at 31-03-2010
Land	26915577			26915577					26915577	26915577
Office Building	6950016			6950016	773872	215557		989429	5960587	6176144
Factory Shed	46568598	873747		47442345	13863662	1821525		15685187	31757158	32704936
Main Plant & Machinery	113101612	8223937		121325549	24168147	5419434		29587581	91737968	88933465
Testing Equipments	7809493	2895078		10704571	3436041	356035		3792076	6912495	4373452
Material Handling Equipments	13344522	948041		14292563	5186180	439942		5626122	8666441	8158342
Electrical Installations	7783373	302646		8086019	2514816	287108		2801924	5284095	5268557
Energy saving Devices	200000			200000	189998	7145		197143	2857	10002
Auxiliary Equipments	1180236			1180236	1013139	42573		1055712	124524	167097
Office Equipments	1485179	6500		1491679	879950	56073		936023	555656	605229
Computers	1875266	74799		1950065	1024171	234391		1258562	691503	851095
Furniture & Fixture	1232544	77008		1309552	572155	44499		616654	692898	660389
Vehicle	5333562		561103	4772459	1071632	453384	287042	1237974	3534485	4261930
Motor-Cycle & Cycle	96287		96287	96287	16453	8892		25345	70942	79834
TOTAL- CURRENT YEAR	233876265	13401756	561103	246716918	54710216	9386558	287042	63809732	182907186	179166049
Previous year	217859050	17170171	1152956	233876265	45734871	8975345		54710216	179166049	
Capital Work-in-Progress (including advance payment)	5960195	13256671	7140820	12076046					12076046	5960195

**SCHEDULES FORMING PART OF THE BALANCE SHEET
SCHEDULE 6**

	As at 31-03-2011 Rupees		As at 31-03-2010 Rupees	
INVESTMENTS (At cost)				
(A) Long Term Investments :(Unquoted)				
a) 15,000 Equity Shares of Rs.10/- each in Taloja Conductors Pvt. Ltd. Less: Written off / Provision for permanent diminution of value	150000		150000	
	135000	15000	135000	15000
b) Shares in Subsidiary Companies-Unquoted 1,24,200 Equity Shares of Rs. 10/- each (Previous Year-1,24,000) in Phoneix Surgicare Pvt. Limited.		1267000		1267000
c) Shares in Other Company-Unquoted 5000 Equity Shares of Rs.10/- each with a premium of Rs.3/- each in Utkal Infrastructure Consortium (P) Ltd		65000		65000
d) National Savings Certificates (*)		2000		2000
e) Bonds 6.25% Rural Electrification Corporation Limited Capital Gain Bonds (500 Units of Rs.10000/- each)		5000000		5000000
(B) Current Investment :				
Investment in Mutual Funds :(Dividend Equity)				
i) Birla Mid Cap Fund-Growth (7192.966 Units of Rs.100.130 each)	720232		720232	
(6334.601 Units of Rs.100.130 each)	634284		634284	
(6334.601 Units of Rs.100.130 each)	634284		634284	
(7209.013 Units of Rs.100.130 each)	721839		721839	
ii) Birla Sunlife Frontline Equity Fund-Growth (8243.873 Units of Rs. 76.940 each)	-		634284	
(8243.873 Units of Rs. 76.940 each)	-		634284	
Birla Sunlife Dividend Yield Plus- Growth (11914.383 Units of Rs. 67.870 each)	-		808629	
iii) DSP Blackrock Equity Fund-Growth (7371.847 Units (Previous Year-13871.847) of Rs. 13.973 each)	103006		193831	
iv) Sundaram BNP Financial Services Opp. Fund (11135.977 Units of Rs. 15.755 each)	175447		175447	
v) Tata Equity P/E Fund-Growth (8711.377 Units of Rs. 42.1199 each)	366922		366922	
vi) ICICI Prudential Discovery Fund-Growth (6192.246 Units of Rs. 37.66 each)	-		233200	
ICICI Prudential Dynamic Fund-Growth (3149.2 Units of Rs. 87.069 each)	-		274198	
vii) Reliance Diversified Power Sector Fund-Growth (5206.315 Units(Previous Year-11706.315) of Rs. 75.7159 each)	394201		886354	
viii) SBI Magnum Balance Fund-Growth (31500.544 Units of Rs. 46.59 each)	-		1467610	
TOTAL		3750215		8385397
Value of Unquoted Investment in Mutual Funds at NAV		10099215		14734398
		3998066		8871293

(*) Lodged with Sales Tax authorities as securities.



SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 7

CURRENT ASSETS , LOANS & ADVANCES :	As at 31-03-2011 Rupees		As at 31-03-2010 Rupees	
	A. CURRENT ASSETS			
INVENTORIES :#				
Indigenous Raw materials & Components		33923328		33715617
Imported Raw materials & Components		23112652		42004007
Semi-finished goods		52198201		30674933
Finished goods		9294428		6400913
Raw-Materials in Transit		4874276		8912695
Discarded Assets		67242		67242
		123470127		121775407
(#) As certified by the Management and Valued as per Accounting Policy No. F				
SUNDRY DEBTORS				
(Unsecured , considered good unless otherwise stated)				
Debts outstanding for a period exceeding six months				
Unsecured - Considered Good	28242291		45487	
- Considered Doubtful	307515		307515	
	28549806		353002	
Less: Provision for Doubtful Debts	307515		307515	
Other Debts		28242291		45487
		49974515		115350206
		78216806		115395693
CASH AND BANK BALANCES :				
Cash in hand		128048		58548
Balance with Scheduled Banks :				
In Current Accounts	379133		600021	
In Unpaid Dividend Account	331183	710317	194497	794518
In Fixed Deposit Accounts (*)		13829615		17870465
		14667979		18723531
		216354913		255894631

(*) Lodged with Banks as margin money deposit against Guarantees and Letter of Credit.

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

B. LOANS AND ADVANCES : (Unsecured, considered good unless otherwise stated)	As at 31-03-2011 Rupees	As at 31-03-2010 Rupees
Interest Accrued on Term Deposits	544342	2603862
(#) Advances recoverable in Cash or kind or value to be received.	2954086	3532022
Prepaid expenses	2073923	406290
Export Benefit Receivable	–	82758
Advance Income tax/ refundable (Net of Provisions)	6171372	2191234
Earnest Money and Security Deposits	4380311	3038720
Deposits with Excise & Customs Authority	40095	39889
Claims Recoverable from Excise Authority	16915312	15438152
Deposit with Sales Tax Authority	2578994	2411869
	35658434	29744796
	252013348	285639427

Includes due from :

(i) Companies in which directors are interested	NIL	368125
Maximum amount outstanding at any time during the year	498702	1260217
(ii) Directors	132449	Nil
Maximum amount outstanding at any time during the year (for expenses)	182449	Nil

SCHEDULE 8

	As at 31-03-2011 Rupees	As at 31-03-2010 Rupees
CURRENT LIABILITIES AND PROVISIONS :		
Current Liabilities :		
Sundry Creditors	46218349	45812049
Advance from Customers	9173956	7332442
Other liabilities	7938756	4606783
Unpaid Dividend	331183	194497
	63662244	57945771
Provisions :		
Provision for Leave Encashment	388768	283000
Proposed Dividend	–	5360000
Tax on Proposed Dividend	–	890229
	388768	6533229
TOTAL	64051012	64479000

**ALFA TRANSFORMERS LIMITED****SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT****SCHEDULE 9**

SALES & OTHER INCOME	For the Year ended 31-03-2011 Rupees	For the Year ended 31-03-2010 Rupees
(A) SALES & SERVICES		
Sales (Domestic)	186409710	165307341
Sales (Export)	12115341	10252634
Project Export/ Consultancy Services	12247865	26929670
Repairing/Service Charges	5941608	6848970
	216714525	209338615
Less: Excise Duty	17097534	16464378
	199616991	192874237
(B) OTHER OPERATING INCOME :		
Export Incentives Received	17242	5472754
Exchange Variation Gain	4313319	2349733
Other Interest Received (Gross)	58961	1352527
(Tax Deducted at Source Rs.7,775/- (Previous Year-Rs.1880/-)		
Miscellaneous Receipt	111248	104261
Insurance Claim Received	-	49746
Discount received	47031	110686
Provision for Doubtful Debt Written Back	-	1722571
Balance Written back	1590600	1182756
	6138401	12345034
(C) OTHER INCOME :		
Interest received on deposits(Gross)	1856989	2238234
(Tax Deducted at Source Rs.1,32,704/- (Previous Year-2,08,319/-)		
Dividend Received	4583	1021264
Profit on Sale of Assets/Investments	655429	6732044
	2517001	9991542
	208272393	215210813

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT
SCHEDULE 10

	For the Year ended 31-03-2011 Rupees	For the Year ended 31-03-2010 Rupees
(ACCRETION)/ DEPLETION OF STOCKS		
CLOSING STOCKS		
Finished goods	9294428	6400913
Work-in-Progress	52198201	30674933
	61492629	37075846
Less : OPENING STOCKS :		
Finished goods	6400913	16822782
Work-in-Progress	30674933	14065730
	37075846	30888512
(Accretion)/ Depletion	(24416783)	(6187334)

SCHEDULE 11

OPERATING EXPENSES	For the Year ended 31-03-2011 Rupees		For the Year ended 31-03-2010 Rupees	
a) RAW MATERIALS CONSUMED				
Indigenous: -				
— Opening Stock	33715617		16045686	
— Purchases	93512374		88992691	
	127227991		105038377	
— Closing Stock	33923328	93304663	33715617	71322760
Imported: -				
— Opening Stock	42004007		58308484	
— Purchases	48682107		40947237	
	90686114		99255721	
— Closing Stock	23112652		42004007	
		67573462		57251714
Total (a)		160878125		128574474
b) MANUFACTURING EXPENSES :				
Job Work Expenses		8737030		8417471
Power & Fuel		3862360		3545480
Testing Expenses		1915500		678397
Excise Duty on increase/decrease of Stock		295006		562825
Research & Development Expenses		146948		218330
Total (b)		14956844		13422503


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	For the Year ended 31-03-2011 Rupees	For the Year ended 31-03-2010 Rupees
c) EMPLOYEE COST :		
Salaries, Wages & Bonus	7173812	7725914
Directors' Salaries & Perquisites	3449415	3539463
Employer's contribution to Provident Fund	792868	846750
Employer's contribution to E.S.I.C.	201160	207440
Contribution to Group Gratuity Insurance	174322	312086
Workmen and staff welfare expenses	140359	141190
Total (c)	11931936	12772843
d) REPAIRS & MAINTENANCE		
— Plant & Machinery	1033763	1140633
— Buildings	746931	383446
— Vehicles	839215	727938
— Other Assets	170343	144535
Total (d)	2790252	2396552
e) ADMINISTRATIVE EXPENSES		
Travelling and Conveyance	2519912	2872964
Printing and Stationery	261917	216367
Insurance charges	638108	715224
Advertisement expenses	214014	279474
Postage, Telegram, Telephone	604824	605568
Auditors' Remuneration (Excluding Service Tax)	130000	130000
General Expenses	250859	283377
Fees and subscription	638173	696757
Legal and Professional expenses	905828	737868
Books and periodicals	10499	25278
Security service charges	943031	805457
Meeting Expenses	116277	82957
Advances Written off	20447	120289
Registrar's fees	90710	90551
Rent Paid	736500	660000
Loss on Sale of assets	24061	—
Loss on Sale of Investment (Mutual Funds)	—	5416989
Exchange Variation Loss	2522998	3319271
Total (e)	10628158	17058391
f) SELLING EXPENSES		
Selling Expenses	1740774	2779706
Sales Commission	1375726	72338
Carriage Outward	3290742	3195381
Sales Tax	289951	69359
Project Export Expenses	1074426	3060366
Total (f)	7771619	9177150
Total (a+b+c+d+e+f)	208956933	183401914

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

SCHEDULE 12

INTEREST & FINANCE CHARGES	For the Year ended 31-03-2011 Rupees	For the Year ended 31-03-2010 Rupees
Interest on Term Loans	5073038	6155192
Interest on Cash Credit	8236457	8023062
Interest on Export Credit	2141068	727146
Interest on Usance bills & Others	742688	497002
ECGC Premium	118892	–
Finance and Other Charges	4355381	3111647
	20667524	18514049

SCHEDULE 13

PRIOR YEAR ADJUSTMENTS	For the Year ended 31-03-2011 Rupees	For the Year ended 31-03-2010 Rupees
Expenses (Short) /Excess accounted in earlier years(Net)	(966888)	(19820)
Income Short /(Excess) accounted in earlier years(Net)	3286	75394
INCOME/ (EXPENSES)	(963602)	55574



SCHEDULE – 14

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

(Annexed to and forming part of the Accounts for the year ended 31st March 2011)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES.

A. REVENUE RECOGNITION

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

B. FIXED ASSETS

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

C. DEPRECIATION

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

D. BORROWING COST :

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

E. INVESTMENT

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

F. INVENTORIES

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

G. FOREIGN CURRENCY TRANSACTION

- (i) Receipts and Payments are recorded at actual rates prevailing on the date of transaction.
- (ii) Balances in the form of Current Assets and Current Liabilities (including for procurement of Fixed Assets) in foreign currency, outstanding at the close of the year, are converted (in Indian Currency) at the appropriate rates of exchange prevailing on the date of Balance Sheet and the resultant loss or gain is taken to exchange variation account which gets charged in or credited to the Profit and Loss Account.
- (iii) Forward Exchange Contracts not intended for trading or speculation purpose : The premium or discount arising at the inception of forward exchange contracts is amortized as expenses or income over the life of the respective contracts. Exchange differences on such contracts are recognized in the statement of profit and loss on the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or expense for the year.

H. RESEARCH AND DEVELOPMENT

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

I. EMPLOYEE BENEFITS

(i) Short Term Employee Benefits:

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

(ii) Defined Contribution Plans.

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

(iii) Defined Benefits Plans

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

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

J. LIQUIDATED DAMAGES

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

K. TAXATION :

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

L. IMPAIRMENT OF ASSETS

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

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

M. PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS.

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

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

(c) Contingent assets are not recognized.

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

2. NOTES ON ACCOUNTS :

A) Contingent Liabilities not provided for :

PARTICULARS	Rs. In Lakhs	
	As at 31.03.2011	As at 31.03.2010
- Un expired Letters of Credit	357.13	295.91
- Counter Guarantees for Bank Guarantees issued	394.12	235.10
- Claims against the Company not acknowledged as Debt.		
(i) Income Tax	15.04	43.58
(ii) Sales Tax (*)	31.84	31.84
(iii) Entry Tax (#)	25.21	4.49
(iv) Excise	1.06	1.06
(v) ESI	0.21	0.21
Total	824.61	612.19

(*) Advance against the demands amounting to Rs.21.14 lakhs has been paid under protest which is shown under "Loans and Advances".

(#) Advance against the demands amounting to Rs.3.68 lakhs has been paid under protest which is shown under "Loans and Advances".

B) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs 1,42,052/- (net of advances) [Previous year- Rs 8,12,036/-]



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- C) Capital Work in Progress of Rs. 1,20,76,046/- (Previous Year- Rs. 59,60,195/-) disclosed under Schedule-5 includes Rs.1,78,183/- (Previous Year- Rs.1,11,059/-) being the borrowing cost/ Up-front Charges on Bank Borrowings for the Qualifying Assets in line with Accounting Standard 16 issued by The Institute of Chartered Accountants of India.
- D) The Company had revalued its Land-Leasehold and freehold Buildings, Plant & Machinery, Testing Equipments, Material handling equipments, Electrical Installations, Computers, Office equipment, Vehicle, Furniture & Fixtures as on 31.10.1999. The increase on revaluation has been transferred to Fixed Assets Revaluation Reserve. The decrease in revaluation has been charged off to profit and loss account.
- E) The Company has transferred Rs. 3,68,43,045/- to Revaluation Reserve (Shown under Reserves & Surplus) on revaluation of Fixed Assets as on 31.10.1999 and transferred the additional charge of depreciation on revalued assets for the year amounting to Rs.10,94,786/- (Previous Year- Rs. 11,98,048/-) from Revaluation Reserve to Profit and Loss Account [Read with Accounting Policy 1 (c) (vi)].
- F) Directors' Remuneration :
- a) Break up: Rs. In Lakhs

PARTICULARS	Current Year	Previous Year
- Salary of Managing Director	11.04	11.04
- Salary of Whole time Directors	18.00	18.00
- Commission	—	—
- Contribution to Provident and other fund (*)	7.60	7.82
- Other Perquisites	1.33	2.01
Total	37.97	38.87

(*) Includes provision for Gratuity based on fifteen days salary for each completed year of service in line with terms of appointment.

- b) Manner of Computation of Net Profit :

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

Rs. In Lakhs

PARTICULARS	Current Year	Previous Year
Profit / (Loss) before Taxation	(61.91)	117.6
Add: Depreciation as per SLM debited to Profit and Loss Account	82.92	77.77
Add: Loss on sale of Assets	0.24	—
Add: Loss on sale of Investments	—	54.17
Add: Provision for Doubtful Debts	—	—
Add: Directors' Remuneration	37.97	38.87
Add: Directors' Commission	—	—
	59.22	288.41
Less: Depreciation as per Sec-350	82.92	77.77
Less: Profit on Sale of Assets	—	67.32
Less: Profit on Sale of Investment	6.55	—
Less: Doubtful Debts Written Back	—	17.23
Net Profit u/s 349 of the Companies Act, 1956	(23.70)	126.09
i) to the Chairman and Managing Director @ 3% (Previous year -@2%) of said Net Profit*	—	—
ii) to the two Whole time Directors @ 1.5% (Previous Year- 1%) of said Net Profit*	—	—
iii) to the one Whole time Directors @ 1.5% (Previous Year- 0.75%) of said Net Profit*	—	—
* Commission NIL for the year due to inadequacy Profits. Only minimum remuneration payable as per approval within ceiling provided by Law.		

- G) Auditors' Remuneration including Service Tax :

PARTICULARS	Current Year (Rs)	Previous Year (Rs)
As Auditor		
— Audit Fees	60,000	60,000
— Tax Audit Fees	20,000	20,000
— In other capacity-Certification charges	50,000	50,000
	1,30,000	1,30,000
— Service Tax	13,390	13,390
Total	1,43,390	1,43,390

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- H) Sundry Debtors, deposits and advance to parties include some old balances pending reconciliation/ adjustment/ confirmation. Efforts are being made for recovery/ reconciliation of such balances and resultant effect will be accounted for in the year of such adjustments.
- I) Under the Micro, Small and Medium Enterprises Development Act, 2006, which came into force on October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The Company is in the process of compiling relevant information from its suppliers about their coverage under the Act which have been relied upon by the Auditors.
- J) As required by Accounting Standard 20 issued by the Institute of Chartered Accountants of India, the reporting in respect of Earnings per Share (EPS) is as follows :

Particulars		Current Year	Previous Year
Profit/ (Loss) available to Equity Share holders	Rs.	(42,80,597)	75,76,213
Weighted Average no. of equity share for Basic EPS	Nos	53,60,000	53,60,000
Normal Value of Equity Shares	Rs.	10.00	10.00
Basic earning per Equity Share	Rs.	(0.8)	1.41

- K) The Company has been recognizing in the financial statements the deferred tax assets/ liabilities, in accordance with Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. During the year, the Company has charged to the Profit and Loss Account with Deferred Tax Asset(Net) of Rs.19.10 lakhs (Previous Year Deferred Tax Liability (Net) - Rs. 26.81 lakhs)
- Major Components of Deferred Tax Assets and Liabilities:

Particulars	As at 31 st March,2011 Rupees	As at 31 st March,2010 Rupees
I) Deferred Tax Liability :		
Related to Fixed Assets (Depreciation)	(24,25,569)	(32,49,460)
Total –(A)	(24,25,569)	(32,49,460)
II) Deferred Tax Assets :		
Timing Difference:		
a) Disallowance u/s 43B of Income Tax Act, 1961		
i) Provision for Gratuity	23,036	23,584
ii) Provision for Doubtful Debts	—	—
iii) Provision for Leave Encashment	51,949	54,241
b) Carried forward business loss as per Income Tax Act, 1961	42,60,262	4,90,288
Total –(B)	43,35,247	5,68,113
III) Deferred Tax Assets/ (Liability) (Net)(A+B)	19,10,058	(26,81,347)
IV) Opening Deferred Tax Liability (Net)	(1,12,89,383)	(86,08,036)
V) Closing Deferred Tax Liability (Net)	(93,79,325)	(1,12,89,383)

- L) The Company is mainly engaged in only one product i.e Transformer which is considered the Primary reportable business segment as per Accounting standard (AS-17) "Segment Reporting" issued by the Institute of Chartered Accountants of India. Business outside India and within India are considered to be Secondary Segment based on geographical segmentation. Details of expenses, assets and liabilities of the respective segments have not been ascertained. Details of income as per geographical segments are given below:

Rs. in Lacs

Details	Within India		Outside India		Total	
	Current Yr.	Previous Yr.	Current Yr.	Previous Yr.	Current Yr.	Previous Yr.
Transformer	1864.09	1653.07	121.15	102.53	1985.24	1755.60
Project Export/Consultancy	—	—	122.48	269.29	122.48	269.29
Repairing/Service Charges	59.42	68.49	—	—	59.42	68.49
Total	1923.51	1721.56	243.63	371.82	2167.14	2093.38



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

N) Related Party Disclosures :

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

Name	Nature of Transactions	For the Year ended 31 st March, 2011 Rupees	For the Year ended 31 st March, 2010 Rupees
<i>a) Related Companies</i>			
Industrial Designs & Services Ltd.	Job Work	15,93,075	21,21,461
Oricon Industries Limited	Job Work	16,07,911	20,15,656
Galaxy Medicare Limited	Purchase of Raw materials and others	63,567	5,56,947
Phoenix Surgicare Private Limited (has become wholly owned Subsidiary Company)	Investment in Subsidiary Company/ Expenses	5,500	92,000
<i>b) Key Management Personnel</i>			
Dillip Kumar Das Deepak Kumar Das Debasis Das Santosh Kumar Patnaik	Remuneration to all Directors Rs. 37.97 (Previous Year Rs. 38.87) (Refer Note No.F(a) above)		
Santosh Kumar Patnaik	Adjustment of advances made towards expenses for the Company Rs.1.34 (Previous Year- Nil)		

O) (1) Disclosure relating to Leave Encashment- As per Actuarial Valuation on 31st March, 2011.

a) Table Showing Changes in Present Value of Obligations :

Particulars	Current Year	Previous Year
Present value of obligation as at beginning of the year	2,83,000	1,44,054
(i) Acquisition Adjustments	—	—
(ii) Interest cost	20,466	8,647
(iii) Past Service cost	—	—
(iv) Current Service cost	70,193	25,251
(v) Curtailment cost	—	—
(vi) Settlement cost	—	—
(vii) Benefits Paid	54,346	1,24,332
(viii) Actuarial gain/ loss on Obligation	69,455	57,027
Present value of obligation as at end of the year	3,88,768	2,83,000

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

Particulars	Current Year	Previous Year
(i) Current Service Cost	70,193	1,50,659
(ii) Past Service Cost	—	—
(iii) Interest Cost	20,466	10,550
(iv) Expected Return on Plan Asset	—	—
(v) Curtailment cost	—	—
(vi) Settlement cost	—	—
(vii) Actuarial gain/ loss on Obligation	69,455	2,080
Expenses Recognized in Statement of Profit and Loss Account	1,60,114	90,926

c) Table Showing Actuarial Assumptions :

Particulars	Current Year	Previous Year
(i) Mortality Table	LICI 1994-1996	LICI 1994-1996
(ii) Superannuation Age	58	58
(iii) Early Retirement & Disablement	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29
(iv) Discount Rate	8.00	8.00
(v) Inflation Rate	5.00	5.00
(vi) Return on Asset	0.00	0.00
(vii) Remaining Working Life	13.00	13.00
(vii) Formula used	Projected Unit Credit Method	Projected Unit Credit Method

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

Particulars	Current Year	Previous Year
(i) Opening Net Liability	—	—
(ii) Expenses as above	1,60,114	1,63,290
(iii) Contributions	—	—
(iv) Closing Net Liability	1,60,114	1,63,290
Closing Fund/ Provision at the year end	3,88,768	1,44,054

(2) Disclosure relating to Gratuity, as certified by Life Insurance Corporation of India, (Pension and Group Scheme Department) for the year ended 31st March, 2011 have been made as below :

- i) In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering certain categories of employees.
- ii) The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC). Under the plan, the settlement obligation remains with the Company, although the Life Insurance Corporation of India administers the plan and determines the contribution premium required to be paid by the Company.
- iii) Disclosures as required by AS-15 (Revised) are made as per the details submitted by LIC.
Annual premium payable to LIC amounting to Rs. 3,02,130/- (Previous Year- Rs. 3,36,432/-) have been shown under "Employees Cost" in Schedule-11.

a) Assumptions:

Particulars	31-03-2011	31-03-2010
Discount Rate	8%	8%
Salary Escalation	7%	7%

b) Table Showing changes in present value of Obligation

Particulars	31-03-2011	31-03-2010
Present value of obligation as at beginning of the year	14,79,289	13,82,586
(i) Interest cost	1,18,343	88,545
(ii) Current Service cost	1,32,118	1,12,053
(iii) Benefits Paid	(307828)	—
(iv) Actuarial gain/(loss) on obligation	(159477)	75,178
Present value of obligation as at end of the year	12,62,455	14,79,289

c) Table showing changes in the fair value of plan assets

Particulars	31-03-2011	31-03-2010
Fair value of plan assets at beginning of year	15,86,674	13,15,941
(i) Expected return on plan assets	1,38,499	97,259
(ii) Contributions	1,64,605	3,36,432
(iii) Benefits Paid	(307828)	—
(iv) Actuarial gain/(loss) on plan assets	—	—
Fair value of plan assets at end of year	15,81,950	15,86,674

d) Actuarial Gain/Loss recognised as on

Particulars	31-03-2011	31-03-2010
(i) Actuarial (gain)/loss on obligations	1,59,477	(19,139)
(ii) Actuarial (gain)/loss for the year- plan assets	—	—
(iii) Total Actuarial (gain)/loss	(1,59,477)	19,139
(iv) Actuarial (gain)/loss recognized in the year	(1,59,477)	19,139

e) The amounts to be recognized in the balance sheet and statements of profit and loss account

Particulars	31-03-2011	31-03-2010
(i) Present value of obligation at the end of year	12,62,445	14,79,289
(ii) Fair value of plan assets as at the end of the year	15,81,950	15,86,674
(iii) Fund status	3,19,505	1,07,385
(iv) Net asset/(liability) recognized in balance sheet	(3,19,505)	(1,07,385)



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f) Expenses Recognized in statement of Profit and Loss account

Particulars	31-03-2011	31-03-2010
(i) Current Service Cost	1,32,118	1,38,226
(ii) Interest Cost	1,18,343	1,10,607
(iii) Expected return on plan assets	(1,38,499)	(1,39,872)
(iv) Net Actuarial (gain)/ loss recognized in the year	(1,59,477)	19,139
(v) Expenses recognized in statement of Profit and loss	(47,515)	1,28,100

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

a) Capacities		
(i) Licenced Capacity	Not Applicable to this Company	
(ii) Installed Capacity	Current Year	Previous Year
Unit - 1	1000 MVA	1000 MVA
Unit - 4	500000 Nos	500000 Nos
b) Production	Current Year	Previous Year
Unit - 1	99.36 MVA(1529 Nos)	103.641 MVA(1743 Nos)
Unit - 4	15.12 MVA(1160 Nos)	16.22 MVA (1622 Nos)

c) Turnover during the period	Current Year		Previous Year		
	Qty (Nos)	Value Rs. In lakhs	Qty (Nos)	Value Rs. In lakhs	
Finished Transformer	Unit-1	1562	1290.17	1719	1334.35
	Unit-4	1157	300.16	1618	421.24
Others	Unit-1		529.02		324.22
	Unit-4		47.79		13.57
Total		2167.14		2093.38	

d) Stock of Goods produced	Current Year		Previous Year	
	Qty (Nos)	Value Rs. In lakhs	Qty (Nos)	Value Rs. In lakhs
Finished Transformers	10	92.94	40	64.00
Total		92.94		64.00

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e) Raw Materials and Components Consumed :

Items	Current Year		%	Previous Year		%
	Qty (MT)	Value (Rs. In lacs)		Qty (MT)	Value (Rs. In lacs)	
Indigenous :						
Conductors	111.652	246.52	13	97.398	141.45	11
Steel Materials	205.875	63.16	3	195.705	59.25	5
Core Lamination	55.802	109.69	6	73.470	127.20	10
Others	—	513.65	40	—	385.33	30
	373.329	933.02	63	366.573	713.23	55
Imported						
CRGO Steel	33.987	71.17	4	87.023	147.75	11
AMDT CORE	308.606	479.07	26	163.802	325.05	25
Conductors	32.584	122.26	7	25.302	88.39	7
Others	—	3.25	1	—	11.32	1
	375.177	675.75	37	276.127	572.51	45
TOTAL	748.506	1608.77	100	642.700	1285.74	100

f) CIF VALUE OF IMPORTS

Particulars	Current Year Rs. In lakhs	Previous Year Rs. In lakhs
Raw material and components	445.71	340.99
Capital Goods	69.65	87.80

g) Expenditure in Foreign Currency (on Cash Basis)

Particulars	Current Year Rs. In lakhs	Previous Year Rs. In lakhs
Travelling	3.49	7.34

h) Earning in foreign Currency

Particulars	Current Year Rs. In lakhs	Previous Year Rs. In lakhs
Export on FOB Basis (Direct)	90.00	71.31
Project Export/Consultancy Services	122.49	269.29

i) Previous Year's Figures have been regrouped and rearranged wherever necessary.



ALFA TRANSFORMERS LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE - 15

ADDITIONAL INFORMATION

BALANCE SHEET ABSTRACT & COMPANY'S GENERAL PROFILE

1. REGISTRATION DETAILS

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

State Code : 1 5

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

2. CAPITAL RAISED DURING THE YEAR

(Figures in Rupees thousand)

Public Issue N I L

Bonus Issue N I L

Right Issue N I L

Private Placement N I L

3. MOBILISATION AND DEPLOYMENT FUNDS :

Total Liabilities 4 5 7 0 9 5

Total Assets 4 5 7 0 9 5

SOURCES OF FUNDS

Paid – up Capital 5 3 6 0 0

Reserves & Surplus 1 8 1 9 5 3

Secured Loans 1 4 7 4 6 2

Unsecured Loans 6 4 9

Deferred Tax Liabilities 9 3 7 9

APPLICATION FUNDS

Net Fixed Assets 1 9 4 9 8 3

Investments 1 0 0 9 9

Net Current Assets 1 8 7 9 6 2

Misc. Expenditure N I L

4. PERFORMANCE OF COMPANY

Total Revenue (Net of E.D)

2 0 8 2 7 2

Total Expenditure

2 1 4 4 6 2

Profit / (Loss) before tax

- 6 1 9 0

Profit after Tax

- 4 2 8 0

Earning per share (in Rs.)

- 0 . 8 0

Dividend rate (%)

N I L

5. GENERAL NAMES OF PRINCIPAL PRODUCTS

Item Code No.

Product description

8 5 0 4 2 1

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

8 5 0 4 2 2

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

7 4 0 8 1 1

C O P P E R W I R E

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

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO
CHARTERED ACCOUNTANTS
S.CHAND
PARTNER
Membership No. 50063
BHUBANESWAR
DATED : 28th May 2011

DILLIP KUMAR DAS
DEEPAK KUMAR DAS
SUSANTA KU. SATAPATHY

MANAGING DIRECTOR
DIRECTOR
COMPANY SECRETARY

CASH FLOW STATEMENT FOR THE ENDED 31ST MARCH, 2011

PARTICULARS	CURRENT YEAR (Rs. in Lakhs)	PREVIOUS YEAR (Rs. in Lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Interest, Taxes & Extraordinary Items	144.77	302.19
Add :		
Depreciation	82.92	77.77
Bad Debts Written off/Provisions & Liquidated Damages etc.	0.20	1.20
Loss on Sale of Investment	–	54.17
	227.89	435.33
Less :		
Interest Income	19.16	35.91
Foreign Exchange Gain/ (Loss) (Net)	16.85	(14.25)
Profit/ (Loss) on Sale of Assets & Discarded (Net)	(0.24)	67.32
Balance written back	15.91	29.05
Profit on Sale of Investment	6.55	–
Dividend Income	0.05	10.21
	58.28	128.24
Operating Profit / (Loss) before Working Capital Changes	169.61	307.09
Adjustment for ;		
Inventories- Decrease/(Increase)	(16.95)	(114.65)
Trade & Other Receivables- Decrease/(Increase)	368.09	(381.25)
Trade Payables & Provisions- Decrease/ (Increase)	73.77	351.90
Cash Generated From Operations	594.52	163.09
Cash Outflow before Prior Year Adjustment	594.52	163.09
Less: Income Tax and FBT Paid	(39.80)	(38.40)
NET CASH FLOW FROM OPERATING ACTIVITIES	554.72	124.69
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions of Fixed Assets and Capital Work-in-Progress	(195.18)	(212.54)
Proceeds on Sale of Fixed Assets	2.50	71.00
Interest Received	19.16	35.91
Addition to Investments	–	(71.57)
Proceeds on Sale of Mutual Fund	52.90	21.98
Dividend Received	0.05	10.21
(Increase)/ Decrease in Fixed Deposit	40.41	62.11
NET CASH FLOW FROM INVESTING ACTIVITIES	(80.16)	(82.90)



ALFA TRANSFORMERS LIMITED

PARTICULARS	CURRENT YEAR Rs. In Lakh	PREVIOUS YEAR Rs. In Lakh
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(52.23)	(51.66)
Dividend Tax paid	(8.90)	(9.32)
Net Increase/ (decrease) in secured borrowings	(202.32)	185.60
Unsecured Loan Received/(Payment)	(4.59)	7.85
Payment of Interest	(206.68)	(185.14)
NET CASH FLOW FROM FINANCING ACTIVITIES	(474.72)	(52.67)
Net Increase in cash and cash equivalents(A+B+C)	(0.16)	(10.88)
Cash and cash equivalents as on 31-03-2010	8.54	19.42
CASH & CASH EQUIVALENTS AS ON 31-03-2011	8.38	8.54
Cash and Cash Equivalents comprises		
— Cash	1.28	0.59
— Balance with Schedule Banks	7.10	7.95
	8.38	8.54

Note :

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

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

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO
CHARTERED ACCOUNTANTS
S.CHAND
PARTNER
Membership No. 50063
BHUBANESWAR
DATED : 28th May 2011

DILLIP KUMAR DAS

DEEPAK KUMAR DAS

SUSANTA KU. SATAPATHY

MANAGING DIRECTOR

DIRECTOR

COMPANY SECRETARY

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

1	The extent of the Holding Company's interest in the Subsidiary Company at the end of the financial year ended March 31,2011	100%
2	The net aggregate amount of Profit/(Loss) of the Subsidiary Company so far have been dealt with in the Accounts of Phoneix Surgicare Private Limited.	
	a) Profit/(Loss) for the year ended March 31, 2011	(25,589,60)
	b) Profit/(Loss) for the Previous year ended March 31, 2010	(1,43,764)

FOR AND ON BEHALF OF THE BOARD

DILLIP KUMAR DAS
MANAGING DIRECTOR

DEEPAK KUMAR DAS
DIRECTOR

SUSANTA KU. SATAPATHY
COMPANY SECRETARY

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To The Board of Directors of Alfa Transformers Limited

We have audited the attached consolidated Balance Sheet of Alfa Transformers Limited and its subsidiary as at 31st March, 2011, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of the material misstatements. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
2. We did not audit the financial statements of the subsidiary namely, Phoenix Surgicare Private Limited, Bhubaneswar whose financial statements reflect total assets(net) of Rs.8,17,037.40 as at 31st March, 2011, total revenues of Rs. NIL and net cash outflows of Rs.25,636.60 for the year ended on that date. These financial statements have been audited by another auditor whose report has been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of this subsidiary is based solely on the report of the other auditor.
3. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of the Accounting Standard (AS)21 Consolidated Financial Statements specified by the Companies (Accounting Standards) Rules, 2006 and as notified by the Central Government.
4. In our opinion and to the best of our information and explanations given to us and on consideration of the separate audit report on individual audited financial statements of the Alfa Transformers Limited, we are of the opinion that the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Consolidated Balance Sheet, of the Consolidated state of affairs of the Alfa Transformers Limited group as at 31st March, 2011;
 - b) in the case of the Consolidated Profit and Loss Account, of the consolidated results of operations of the Alfa Transformers Limited group for the year ended on that date; and
 - c) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Alfa Transformers Limited group for the year ended on that date.

Bhubaneswar
Dated 28th May , 2011

For A. K. Sabat & Co.,
Chartered Accountants
Sd/-
(S.CHAND)
PARTNER
Membership No.050063
Firm Registration No.321012E (ICAI)



CONSOLIDATED FINANCIAL STATEMENTS

BALANCE SHEET AS AT 31ST MARCH, 2011

Figures in Rupees

SOURCES OF FUNDS :	Schedule Number	As at 31st March 2011		As at 31st March 2010	
1. SHAREHOLDERS' FUNDS					
Share Capital	1	53600000		53600000	
Reserves & Surplus	2	181503409		186904382	
			235103409		240504382
2. LOAN FUNDS					
Secured Loans	3	147462683		167694867	
Unsecured Loans	4	649401		1108063	
			148112084		168802930
3. Deferred Tax Liability(Net) (Ref. Note 2 K of Sch-14)			9379325		11289383
TOTAL			392594818		420596695
APPLICATION OF FUNDS :					
4. FIXED ASSETS					
Gross Block	5	247533716		234693063	
Less: Depreciation		63809732		54710216	
Net Block		183723984		179982847	
Capital Work-in-progress		12076046		5960195	
			195800030		185943042
5. INVESTMENTS :	6		8832215		13467398
6. CURRENT ASSETS, LOANS & ADVANCES :					
Inventories	7	123470127		121775407	
Sundry Debtors		78216806		115395693	
Cash & Bank Balances		14678218		18759407	
Loans and Advances		35658434		29744796	
		252023585		285675303	
Less : CURRENT LIABILITIES & PROVISIONS					
Current Liabilities	8	63672244		57955818	
Provisions		388768		6533229	
		64061012		64489047	
Net Current Assets			187962573		221186255
TOTAL			392594818	TOTAL	420596695

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ADDITIONAL INFORMATION 15

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

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO
CHARTERED ACCOUNTANTS

S.CHAND
PARTNER
Membership No.50063
BHUBANESWAR
DATED : 28th May 2011

DILLIP KUMAR DAS
DEEPAK KUMAR DAS
SUSANTA KU. SATAPATHY

MANAGING DIRECTOR
DIRECTOR
COMPANY SECRETARY

Annual Report 2011

CONSOLIDATED FINANCIAL STATEMENTS

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

Figures in Rupees

I INCOME	Schedule Number	For the Year ended 31-03-2011		For the Year ended 31-03-2010	
Sales & Services	9	216714525		209338615	
Less: Excise Duty		17097534		16464378	
			199616991		192874237
Other Operating Income	9		6138401		12345034
Other Income	9		2517001		9991542
TOTAL I			208272393		215210813
II EXPENDITURE					
(Accretion) / Depletion of Stocks	10		(24416783)		(6187334)
Operating and Other Expenses	11		208981199		183609532
Interest and Finance Charges	12		20668847		18514049
Depreciation	5	9386558		8975345	
Less: Transferred from Revaluation Reserve		1094786		1198048	
			8291772		7777297
TOTAL II			213525035		203713544
III PROFIT FOR THE YEAR (I-II)			(5252642)		11497269
Add: Prior Year Adjustments(Net)	13		(963602)		55574
IV PROFIT BEFORE TAXATION			(6216245)		11552843
Provision for Taxation					
— Current Tax- MAT			—		(1393069)
— Deferred Tax (Net)			1910058		(2681347)
— Income Tax of Earlier Years			—		(109832)
V PROFIT AFTER TAXATION			(4306187)		7368595
Add: Balance of Profit brought forward			15103911		18985545
Balance available for appropriation			10797724		26354140
Transfer to General Reserve			—		5000000
Proposed Dividend			—		5360000
Tax on Proposed Dividend			—		890229
VI Balance Profit carried to Balance Sheet			10797724		15103911
VII Earnings Per Share (Rs) Basic			(0.80)		1.39
(Face value of Rs. 10/- each)					

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS 14
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 THE SCHEDULES REFERRED ABOVE FORM PART OF ACCOUNTS
 AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO
 CHARTERED ACCOUNTANTS
 S.CHAND
 PARTNER
 Membership No.50063
 BHUBANESWAR
 DATED : 28th May 2011

DILLIP KUMAR DAS
 DEEPAK KUMAR DAS
 SUSANTA KU. SATAPATHY

MANAGING DIRECTOR
 DIRECTOR
 COMPANY SECRETARY



SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 1

SHARE CAPITAL	As at 31-03-2011 Rupees	As at 31-03-2010 Rupees
Authorised : 1,20,00,000 (Previous Year - 1,20,00,000) Equity Shares of Rs.10/- each.	120000000	120000000
Issued, Subscribed & Paid-up : 53,60,000 (Previous year 53,60,000) Equity Shares of Rs.10/- each fully paid up Out of the above shares :	53600000	53600000
(i) 9,04,530 shares are issued as fully paid up Bonus Shares by capitalisation of general reserve.		
(ii) 2,60,000 Shares of Rs. 10/- each are allotted as fully paid up pursuant to a contract for consideration other than cash		
	53600000	53600000

SCHEDULE 2				
RESERVES AND SURPLUS				
Share Premium Account - Opening Balance		98370000		98370000
Capital Reserve : State Investment Subsidy		991700		991700
General Reserve :				
Opening Balance	60000000		55000000	
Add: Transferred from Profit and Loss Account	-		5000000	
		60000000		60000000
Revaluation Reserve:				
On Revaluation of Fixed Assets Opening Balance	12438771		14421819	
Less: Reversal on Sale of Land	-		785000	
Less: Transferred to Profit & Loss Account	1094786		1198048	
		11343985		12438771
Profit & Loss Account Balance		10797724		15103911
Total		181503409		186904382

CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 3

SECURED LOANS :	As at 31-03-2011 Rupees	As at 31-03-2010 Rupees
Term Loan from State Bank of India	20473582	32715080
Term Loan from Axis Bank Ltd	14106577	20908734
Cash Credit from State Bank of India (*)	36458136	94858005
E.P.C from State Bank of India	64912186	11819821
Cash Credit from Axis Bank Ltd.	11512202	7393227
TOTAL	147462683	167694867

NOTES :

1. The Cash Credit, Export Packing Credit(E.P.C) & Term Loan availed from State Bank of India are secured by :
 - i) Hypothecation of Raw Materials, Stock-in-Progress, Finished Goods, Consumables, Book Debts and other Liquid Assets of Unit-1 and Unit-2 situated at Bhubaneswar.
 - ii) First Charge over Land and Building, Plant & Machinery of factory at Unit-1 and Unit-2 situated at Bhubaneswar.
 - iii) Equitable mortgage of Company's Properties at Plot No. 445, Kalinga Vihar, Bhubaneswar and Flat No. A/7, Lord Gunjan Palace, Bhubaneswar.
 2. The Cash Credit & Term Loan facilities from Axis Bank Limited are secured by :
 - i) Hypothecation of Raw Materials, Stock-in-Progress, Finished Goods, Consumables, Book Debts and other Liquid Assets at Unit-4, Vadodara.
 - ii) First Charge over Land and Building, Plant & Machinery of the Unit-4, Vadodara.
- (*) Cash Credit from State Bank of India includes Foreign Currency Deman Loan of Rs. 3,63,08,936/- (Previous Year Rs. 3,92,76,026/-)

SCHEDULE 4

UNSECURED LOAN	As at 31-03-2011 Rupees	As at 31-03-2010 Rupees
Kotak Mahindra Bank Vehicle Loan	-	115441
Axis Bank Ltd- Vehicle Loan	649401	992622
TOTAL	649401	1108063



SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE - 5
FIXED ASSETS

(Figures in Rupees)

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	Cost as at 31-03-2010	Additions during the year	Sale/ adjustment during the year	Cost as at 31-03-2011	Up to 31-03-2010	FOR THE YEAR	On Sale/ adjustment during the year	Up to 31-03-2011	As at 31-03-2011	As at 31-03-2010
Land	27732375	-	-	27732375	-	-	-	-	27732375	27732375
Office Building	6950016	-	-	6950016	773872	21557	-	989429	5960587	6176144
Factory Shed	46568598	873747	-	47442345	13863662	1821525	-	15685187	31757158	32704936
Main Plant & Machinery	113101612	8223937	-	121325549	24168147	5419434	-	29587581	91737968	88933465
Testing Equipments	7809493	2895078	-	10704571	3436041	356035	-	3792076	6912495	4373452
Material Handling Equipments	13344522	948041	-	14292563	5186180	439942	-	5626122	8666441	8158342
Electrical Installations	7783373	302646	-	8086019	2514816	287108	-	2801924	5284095	5268557
Energy saving Devices	200000	-	-	200000	189998	7145	-	197143	2857	10002
Auxiliary Equipments	1180236	-	-	1180236	1013139	42573	-	1055712	124524	167097
Office Equipments	1485179	6500	-	1491679	879950	56073	-	936023	555656	605229
Computers	1875266	74799	-	1950065	1024171	234391	-	1258562	691503	851095
Furniture & Fixture	1232544	77008	-	1309552	572155	44499	-	616654	692898	660389
Vehicle	5333562	-	561103	4772459	1071632	453384	287042	1237974	3534485	4261930
Motor-Cycle & Cycle	96287	-	-	96287	16453	8892	-	25345	70942	79834
TOTAL - CURRENT YEAR	234693063	13401756	561103	247533716	54710216	9386558	287042	63809732	183723984	179982847
Previous year	218739702	17170171	1216810	234693063	45734871	8975345	-	54710216	179982847	
Capital Work-in-Progress (including advance payment)	5960195	13256671	7140820	12076046					12076046	5960195

CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE FORMING PART OF THE BALANCE SHEET
SCHEDULE 6

INVESTMENTS (At cost)	As at 31-03-2011 Rupees		As at 31-03-2010 Rupees	
	(A) Long Term Investments :(Unquoted)			
a) 15,000 Equity Shares of Rs.10/- each in Talaja Conductors Pvt. Ltd.	150000		150000	
Less: Written off / Provision for permanent diminution of value	135000	15000	135000	15000
b) Shares in Other Company-Unquoted 5000 Equity Shares of Rs.10/- each with a premium of Rs.3/- each in Utkal Infrastructure Consortium (P) Ltd		65000		65000
c) National Savings Certificates (*)		2000		2000
d) Bonds 6.25% Rural Electrification Corporation Limited Capital Gain Bonds (500 Units of Rs.10000/- each)		5000000		5000000
(B) Current Investment : Investment in Mutual Funds :(Dividend Equity)				
i) Birla Mid Cap Fund-Growth (7192.966 Units of Rs.100.130 each)	720232		720232	
(6334.601 Units of Rs.100.130 each)	634284		634284	
(6334.601 Units of Rs.100.130 each)	634284		634284	
(7209.013 Units of Rs.100.130 each)	721839		721839	
ii) Birla Sunlife Frontline Equity Fund-Growth (8243.873 Units of Rs. 76.940 each)	–		634284	
(8243.873 Units of Rs. 76.940 each)	–		634284	
Birla Sunlife Dividend Yield Plus- Growth (11914.383 Units of Rs. 67.870 each)	–		808629	
iii) DSP Blackrock Equity Fund-Growth (7371.847 Units (Previous Year-13871.847)of Rs. 13.973 each)	103006		193831	
iv) Sundaram BNP Financial Services Opp. Fund (11135.977 Units of Rs. 15.755 each)	175447		175447	
v) Tata Equity P/E Fund-Growth (8711.377 Units of Rs. 42.1199 each)	366922		366922	
vi) ICICI Prudential Discovery Fund-Growth (6192.246 Units of Rs. 37.66 each)	–		233200	
ICICI Prudential Dynamic Fund-Growth (3149.2 Units of Rs. 87.069 each)	–		274198	
vii)Reliance Diversified Power Sector Fund-Growth (5206.315 Units(Previous Year-11706.315) of Rs. 75.7159 each)	394201		886354	
viii) SBI Magnum Balance Fund-Growth (31500.544 Units of Rs. 46.59 each)	–		1467610	
		3750215		8385397
TOTAL		8832215	Total	13467398
Value of Unquoted Investment in Mutual Funds at NAV		3998066		8871293

(*) Lodged with Sales Tax authorities as securities.



SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 7

CURRENT ASSETS, LOANS & ADVANCES :	As at 31-03-2011 Rupees		As at 31-03-2010 Rupees	
	A. CURRENT ASSETS			
INVENTORIES :#				
Indigenous Raw materials & Components		33923328		33715617
Imported Raw materials & Components		23112652		42004007
Semi-finished goods		52198201		30674933
Finished goods		9294428		6400913
Raw-Materials in Transit		4874276		8912695
Discarded Assets		67242		67242
		123470127		121775407
(#) As certified by the Management and Valued as per Accounting Policy No. F				
SUNDRY DEBTORS				
(Unsecured, considered good unless otherwise stated)				
Debts outstanding for a period exceeding six months				
Unsecured - Considered Good	28242291		45487	
- Considered Doubtful	307515		307515	
	28549806		353002	
Less: Provision for Doubtful Debts	307515		307515	
		28242291		45487
Other Debts		49974515		115350206
		78216806		115395693
CASH AND BANK BALANCES :				
Cash in hand		128348		69548
Balance with Scheduled Banks :				
In Current Accounts	389072		624896	
In Unpaid Dividend Account	331183	720256	194497	819393
In Fixed Deposit Accounts (*)		13829615		17870465
		14678218		18759407
		216365152		255930507

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

CONSOLIDATED FINANCIAL STATEMENTS

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

B. LOANS AND ADVANCES : (Unsecured, considered good unless otherwise stated)	As at 31-03-2011 Rupees	As at 31-03-2010 Rupees
Interest Accrued on Term Deposits	544342	2603862
(#) Advances recoverable in Cash or kind or value to be received.	2954086	3532022
Prepaid expenses	2073923	406290
Export Benefit Receivable	–	82758
Advance Income tax/ refundable (Net of Provisions)	6171372	2191234
Earnest Money and Security Deposits	4380311	3038720
Deposits with Excise & Customs Authority	40095	39889
Claims Recoverable from Excise Authority	16915312	15438152
Deposit with Sales Tax Authority	2578994	2411869
	35658434	29744796
	252023587	285675303

Includes due from :

(i) Companies in which directors are interested	NIL	368125
Maximum amount outstanding at any time during the year	498702	1260217
(ii) Directors	132449	Nil
Maximum amount outstanding at any time during the year (for expenses)	182449	Nil

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 8	As at 31-03-2011 Rupees	As at 31-03-2010 Rupees
CURRENT LIABILITIES AND PROVISIONS :		
Current Liabilities :		
Sundry Creditors	46218349	45812049
Advance from Customers	9173956	7332442
Other liabilities	7948756	4616830
Unpaid Dividend	331183	194497
	63672244	57955818
Provisions :		
Provision for Leave Encashment	388768	283000
Proposed Dividend	–	5360000
Tax on Proposed Dividend	–	890229
	388768	6533229
TOTAL	64061012	64489047



SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

SCHEDULE 9

SALES & OTHER INCOME	For the Year ended 31-03-2011 Rupees	For the Year ended 31-03-2010 Rupees
(A) SALES & SERVICES		
Sales (Domestic)	186409710	165307341
Sales (Export)	12115341	10252634
Project Export/ Consultancy Services	12247865	26929670
Repairing/Service Charges	5941608	6848970
	216714525	209338615
Less: Excise Duty	17097534	16464378
	199616991	192874237
(B) OTHER OPERATING INCOME:		
Export Incentives Received	17242	5472754
Exchange Variation Gain	4313319	2349733
Other Interest Received (Gross)	58961	1352527
(Tax Deducted at Source Rs.7,775/- (Previous Year-Rs.1880/-)		
Miscellaneous Receipt	111248	104261
Insurance Claim Received	-	49746
Discount received	47031	110686
Provision for Doubtful Debt Written Back	-	1722571
Balance Written back	1590600	1182756
	6138401	12345034
(C) OTHER INCOME :		
Interest received on deposits(Gross)	1856989	2238234
(Tax Deducted at Source Rs.1,32,704/- (Previous Year-2,08,319/-)		
Dividend Received	4583	1021264
Profit on Sale of Assets/Investments	655429	6732044
	2517001	9991542
	208272393	215210813

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

SCHEDULE 10

	For the Year ended 31-03-2011 Rupees	For the Year ended 31-03-2010 Rupees
(ACCRETION)/ DEPLETION OF STOCKS		
CLOSING STOCKS		
Finished goods	9294428	6400913
Work-in-Progress	52198201	30674933
	61492629	37075846
Less : OPENING STOCKS :		
Finished goods	6400913	16822782
Work-in-Progress	30674933	14065730
	37075846	30888512
(Accretion)/ Depletion	(24416783)	(6187334)

SCHEDULE 11

OPERATING EXPENSES	For the Year ended 31-03-2011 Rupees		For the Year ended 31-03-2010 Rupees	
a) RAW MATERIALS CONSUMED				
Indigenous:-				
— Opening Stock	33715617		16045686	
— Purchases	93512374		88992691	
	127227991		105038377	
— Closing Stock	33923328		33715617	
		93304663		71322760
Imported:-				
— Opening Stock	42004007		58308484	
— Purchases	48682107		40947237	
	90686114		99255721	
— Closing Stock	23112652		42004007	
		67573462		57251714
Total (a)		160878125		128574474
b) MANUFACTURING EXPENSES :				
Job Work Expenses		8737030		8417471
Power & Fuel		3862360		3545480
Testing Expenses		1915500		678397
Excise Duty on increase/decrease of Stock		295006		562825
Research & Development Expenses		146948		218330
Total (b)		14956844		13422503

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	For the Year ended 31-03-2011 Rupees	For the Year ended 31-03-2010 Rupees
c) EMPLOYEE COST :		
Salaries ,Wages & Bonus	7173812	7725914
Directors' Salaries & Perquisites	3449415	3539463
Employer's contribution to Provident Fund	792868	846750
Employer's contribution to E.S.I.C.	201160	207440
Contribution to Group Gratuity Insurance	174322	312086
Workmen and staff welfare expenses	140359	141190
Total (c)	11931936	12772843
d) REPAIRS & MAINTENANCE		
— Plant & Machinery	1033763	1140633
— Buildings	746931	383446
— Vehicles	839215	727938
— Other Assets	170343	144535
Total (d)	2790252	2396552
e) ADMINISTRATIVE EXPENSES		
Travelling and Conveyance	2520812	2897374
Printing and Stationery	262497	220147
Insurance charges	638108	715224
Advertisement expenses	214014	279474
Postage,Telegram,Telephone	604944	606048
Auditors' Remuneration (Excluding Service Tax)	135000	135000
General Expenses	251959	378231
Fees and subscription	645173	696851
Legal and Professional expenses	915394	816868
Books and periodicals	10499	25278
Security service charges	943031	805457
Meeting Expenses	116277	82957
Advances Written off	20447	120289
Registrar's fees	90710	90551
Rent Paid	736500	660000
Loss on Sale of assets	24061	—
Loss on Sale of Investment (Mutual Funds)	—	5416989
Exchange Variation Loss	2522998	3319271
Total (e)	10652424	17266009
f) SELLING EXPENSES		
Selling Expenses	1740774	2779706
Sales Commission	1375726	72338
Carriage Outward	3290742	3195381
Sales Tax	289951	69359
Project Export Expenses	1074426	3060366
Total (f)	7771619	9177150
Total (a+b+c+d+e+f)	208981199	183609532

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

SCHEDULE 12

INTEREST & FINANCE CHARGES	For the Year ended 31-03-2011 Rupees	For the Year ended 31-03-2010 Rupees
Interest on Term Loans	5073038	6155192
Interest on Cash Credit	8236457	8023062
Interest on Export Credit	2141068	727146
Interest on Usance bills & Others	742688	497002
ECGC Premium	118892	-
Finance and Other Charges	4356705	3111647
	20668847	18514049

SCHEDULE 13

PRIOR YEAR ADJUSTMENTS	For the Year ended 31-03-2011 Rupees	For the Year ended 31-03-2010 Rupees
Expenses (Short) /Excess accounted in earlier years(Net)	(966888)	(19820)
Income Short /(Excess) accounted in earlier years(Net)	3286	75394
INCOME/ (EXPENSES)	(963602)	55574



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

(Annexed to and forming part of the Accounts for the year ended 31st March 2011)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES.

A. REVENUE RECOGNITION

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

B. FIXED ASSETS

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

C. DEPRECIATION

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

D. BORROWING COST :

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

E. INVESTMENT

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

F. INVENTORIES

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

G. FOREIGN CURRENCY TRANSACTION

- (i) Receipts and Payments are recorded at actual rates prevailing on the date of transaction.
- (ii) Balances in the form of Current Assets and Current Liabilities (including for procurement of Fixed Assets) in foreign currency, outstanding at the close of the year, are converted (in Indian Currency) at the appropriate rates of exchange prevailing on the date of Balance Sheet and the resultant loss or gain is taken to exchange variation account which gets charged in or credited to the Profit and Loss Account.
- (iii) Forward Exchange Contracts not intended for trading or speculation purpose : The premium or discount arising at the inception of forward exchange contracts is amortized as expenses or income over the life of the respective contracts. Exchange differences on such contracts are recognized in the statement of profit and loss on the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or expense for the year.

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H. RESEARCH AND DEVELOPMENT

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

I. EMPLOYEE BENEFITS

(i) Short Term Employee Benefits:

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

(ii) Defined Contribution Plans.

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

(iii) Defined Benefits Plans

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

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

J. LIQUIDATED DAMAGES

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

K. TAXATION :

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

L. IMPAIRMENT OF ASSETS

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

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

M. PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS.

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

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

(c) Contingent assets are not recognized.

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

2. NOTES ON ACCOUNTS :

A) Contingent Liabilities not provided for:

Rs. In Lakhs

PARTICULARS	As at 31.03.2011	As at 31.03.2010
- Un expired Letters of Credit	357.13	295.91
- Counter Guarantees for Bank Guarantees issued	394.12	235.10
- Claims against the Company not acknowledged as Debt.		
(i) Income Tax	15.04	43.58
(ii) Sales Tax (*)	31.84	31.84
(iii) Entry Tax (#)	25.21	4.49
(iv) Excise	1.06	1.06
(v) ESI	0.21	0.21
Total	824.61	612.19

(*) Advance against the demands amounting to Rs.21.14 lakhs has been paid under protest which is shown under "Loans and Advances".

(#) Advance against the demands amounting to Rs.3.68 lakhs has been paid under protest which is shown under "Loans and Advances".

B) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs 1,42,052/- (net of advances) [Previous year- Rs 8,12,036/-]



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- C) Capital Work in Progress of Rs. 1,20,76,046/- (Previous Year- Rs. 59,60,195/-)disclosed under Schedule-5 includes Rs.1,78,183/- (Previous Year- Rs.1,11,059/- /-)being the borrowing cost/ Up-front Charges on Bank Borrowings for the Qualifying Assets in line with Accounting Standard 16 issued by The Institute of Chartered Accountants of India.
- D) The Company had revalued its Land-Leasehold and freehold Buildings, Plant & Machinery, Testing Equipments, Material handling equipments, Electrical Installations, Computers, Office equipment, Vehicle, Furniture & Fixtures as on 31.10.1999. The increase on revaluation has been transferred to Fixed Assets Revaluation Reserve. The decrease in revaluation has been charged off to profit and loss account.
- E) The Company has transferred Rs. 3,68,43,045/- to Revaluation Reserve (Shown under Reserves & Surplus) on revaluation of Fixed Assets as on 31.10.1999 and transferred the additional charge of depreciation on revalued assets for the year amounting to Rs.10,94,786/- (Previous Year- Rs. 11,98,048/-) from Revaluation Reserve to Profit and Loss Account [Read with Accounting Policy 1 (c) (vi)].

- F) Directors' Remuneration:

a) Break up:

Rs. In Lakhs

PARTICULARS	Current Year	Previous Year
- Salary of Managing Director	11.04	11.04
- Salary of Whole time Directors	18.00	18.00
- Commission	—	—
- Contribution to Provident and other fund (*)	7.60	7.82
- Other Perquisites	1.33	2.01
Total	37.97	38.87

(*) Includes provision for Gratuity based on fifteen days salary for each completed year of service in line with terms of appointment.

- b) Manner of Computation of Net Profit :

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

Rs. In Lakhs

PARTICULARS	Current Year	Previous Year
Profit / (Loss) before Taxation	(62.16)	117.60
Add: Depreciation as per SLM debited to Profit and Loss Account	82.92	77.77
Add: Loss on sale of Assets	0.24	—
Add: Loss on sale of Investments	—	54.17
Add: Provision for Doubtful Debts	—	—
Add: Directors' Remuneration	37.97	38.87
Add: Directors' Commission	—	—
	58.97	288.41
Less: Depreciation as per Sec-350	82.92	77.77
Less: Profit on Sale of Assets	—	67.32
Less: Profit on Sale of Investment	6.55	—
Less: Doubtful Debts Written Back	—	17.2
Net Profit u/s 349 of the Companies Act, 1956	(23.95)	126.09
i) to the Chairman and Managing Director @ 3% (Previous year -@2%) of said Net Profit*	—	—
ii) to the two Whole time Directors @ 1.5% (Previous Year- 1%) of said Net Profit*	—	—
iii) to the one Whole time Directors @ 1.5% (Previous Year- 0.75%) of said Net Profit*	—	—
* Commission NIL for the year due to inadequacy Profits. Only minimum remuneration payable as per approval within ceiling provided by Law.		

- G) Auditors' Remuneration including Service Tax :

PARTICULARS	Current Year Rupees	Previous Year Rupees
As Auditor		
— Audit Fees	60,000	60,000
— Tax Audit Fees	20,000	20,000
— In other capacity-Certification charges	50,000	50,000
	1,30,000	1,30,000
— Service Tax	13,390	13,390
Total	1,43,390	1,43,390

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- H) Sundry Debtors, deposits and advance to parties include some old balances pending reconciliation/ adjustment/ confirmation. Efforts are being made for recovery/ reconciliation of such balances and resultant effect will be accounted for in the year of such adjustments.
- I) Under the Micro, Small and Medium Enterprises Development Act, 2006, which came into force on October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The Company is in the process of compiling relevant information from its suppliers about their coverage under the Act which have been relied upon by the Auditors.
- J) As required by Accounting Standard 20 issued by the Institute of Chartered Accountants of India, the reporting in respect of Earnings per Share (EPS) is as follows :

PARTICULARS		Current Year	Previous Year
Profit/ (Loss) available to Equity Share holders	Rs.	(43,06,187)	73,68,595
Weighted Average no. of equity share for Basic EPS	Nos	53,60,000	53,60,000
Normal Value of Equity Shares	Rs.	10.00	10.00
Basic earning per Equity Share	Rs.	(0.80)	1.39

- K) The Company has been recognizing in the financial statements the deferred tax assets/ liabilities, in accordance with Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. During the year, the Company has charged to the Profit and Loss Account with Deferred Tax Asset(Net) of Rs.19.10 lakhs (Previous Year Deferred Tax Liability (Net) - Rs. 26.81 lakhs)
- Major Components of Deferred Tax Assets and Liabilities :

Particulars	As at 31st March,2011	As at 31st March,2010
	Rupees	Rupees
I) Deferred Tax Liability: Related to Fixed Assets (Depreciation)	(24,25,189)	(32,49,460)
Total -(A)	(24,25,189)	(32,49,460)
II) Deferred Tax Assets :		
Timing Difference :		
a) Disallowance u/s 43B of Income Tax Act, 1961		
i) Provision for Gratuity	23,036	23,584
ii) Provision for Doubtful Debts	—	—
iii) Provision for Leave Encashment	51,949	54,241
b) Carried forward business loss as per Income Tax Act, 1961	42,60,262	4,90,288
Total -(B)	43,35,247	5,68,113
III) Deferred Tax Liability (Net)(A+B)	19,10,058	(26,81,347)
IV) Opening Deferred Tax Liability (Net)	(1,12,89,383)	(86,08,036)
V) Closing Deferred Tax Liability (Net)	(93,79,325)	(1,12,89,383)

- L) The Company is mainly engaged in only one product i.e Transformer which is considered the Primary reportable business segment as per Accounting standard (AS-17) "Segment Reporting" issued by the Institute of Chartered Accountants of India. Business outside India and within India are considered to be Secondary Segment based on geographical segmentation. Details of expenses, assets and liabilities of the respective segments have not been ascertained. Details of income as per geographical segments are given below :

Rs. in Lacs

Particulars of Sale of	Within India		Outside India		Total	
	Current Yr.	Previous Yr.	Current Yr.	Previous Yr.	Current Yr.	Previous Yr.
Transformer	1864.09	1653.07	121.15	102.53	1985.24	1755.60
Project Export/Consultancy	—	—	122.48	269.29	122.48	269.29
Repairing/Service Charges	59.42	68.49	—	—	59.42	68.49
Total	1923.51	1721.56	243.63	371.82	2167.14	2093.38

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



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N) Related Party Disclosures:

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

Name	Nature of Transactions	For the Year ended 31 st March, 2011 Rupees	For the Year ended 31 st March, 2010 Rupees
<i>a) Related Companies</i>			
Industrial Designs & Services Ltd.	Job Work	15,93,075	21,21,461
Oricon Industries Limited	Job Work	16,07,911	20,15,656
Galaxy Medicare Limited	Purchase of Raw materials and others	63,567	5,56,947
Phoenix Surgicare Private Limited (has become wholly owned Subsidiary Company)	Investment in Subsidiary Company	5,500	92,000
<i>b) Key Management Personnel</i>			
Dillip Kumar Das Deepak Kumar Das Debasis Das Santosh Kumar Patnaik	Remuneration to all Directors Rs. 37.97 (Previous Year Rs. 38.87) (Refer Note No.F(a) above)		
Santosh Kumar Patnaik	Adjustment of advances made towards expenses for the Company Rs.1.34 (Previous Year- Nil)		

O) (1) Disclosure relating to Leave Encashment- As per Actuarial Valuation on 31st March, 2011.

a) Table Showing Changes in Present Value of Obligations :

Particulars	Current Year	Previous Year
Present value of obligation as at beginning of the year	2,83,000	1,44,054
(i) Acquisition Adjustments	—	—
(ii) Interest cost	20,466	8,647
(iii) Past Service cost	—	—
(iv) Current Service cost	70,193	25,251
(v) Curtailment cost	—	—
(vi) Settlement cost	—	—
(vii) Benefits Paid	54,346	1,24,332
(viii) Actuarial gain/ loss on Obligation	69,455	57,027
Present value of obligation as at end of the year	3,88,768	2,83,000

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

Particulars	Current Year	Previous Year
(i) Current Service Cost	70,193	1,50,659
(ii) Past Service Cost	—	—
(iii) Interest Cost	20,466	10,550
(iv) Expected Return on Plan Asset	—	—
(v) Curtailment cost	—	—
(vi) Settlement cost	—	—
(vii) Actuarial gain/ loss on Obligation	69,455	2,080
Expenses Recognized in Statement of Profit and Loss Account	1,60,114	90,926

c) Table Showing Actuarial Assumptions :

Particulars	Current Year	Previous Year
(i) Mortality Table	LICI 1994-1996	LICI 1994-1996
(ii) Superannuation Age	58	58
(iii) Early Retirement & Disablement	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29
(iv) Discount Rate	8.00	8.00
(v) Inflation Rate	5.00	5.00
(vi) Return on Asset	—	—
(vii) Remaining Working Life	13.00	13.00
(vii) Formula used	Projected Unit Credit Method	Projected Unit Credit Method

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

Particulars	Current Year	Previous Year
(i) Opening Net Liability	—	—
(ii) Expenses as above	1,60,114	1,63,290
(iii) Contributions	—	—
(iv) Closing Net Liability	1,60,114	1,63,290
Closing Fund/ Provision at the year end	3,88,768	1,44,054

(2) Disclosure relating to Gratuity, as certified by Life Insurance Corporation of India, (Pension and Group Scheme Department) for the year ended 31st March, 2011 have been made as below :

- i) In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering certain categories of employees.
- ii) The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC). Under the plan, the settlement obligation remains with the Company, although the Life Insurance Corporation of India administers the plan and determines the contribution premium required to be paid by the Company.
- iii) Disclosures as required by AS-15 (Revised) are made as per the details submitted by LIC. Annual premium payable to LIC amounting to Rs. 3,02,130/- (Previous Year- Rs. 3,36,432/-) have been shown under "Employees Cost" in Schedule-11.

a) Assumptions

Particulars	31-03-2011	31-03-2010
Discount Rate	8%	8%
Salary Escalation	7%	7%

b) Table Showing changes in present value of Obligation

Particulars	31-03-2011	31-03-2010
Present value of obligation as at beginning of the year	14,79,289	13,82,586
(i) Interest cost	1,18,343	88,545
(ii) Current Service cost	1,32,118	1,12,053
(iii) Benefits Paid	(307828)	—
(iv) Actuarial gain/(loss) on obligation	(159477)	75,178
Present value of obligation as at end of the year	12,62,455	14,79,289

c) Table showing changes in the fair value of plan assets

Particulars	31-03-2011	31-03-2010
Fair value of plan assets at beginning of year	15,86,674	13,15,941
(i) Expected return on plan assets	1,38,499	97,259
(ii) Contributions	1,64,605	3,36,432
(iii) Benefits Paid	(307828)	—
(iv) Actuarial gain/(loss) on plan assets	—	—
Fair value of plan assets at end of year	15,81,950	15,86,674

d) Actuarial Gain/Loss recognised as on

Particulars	31-03-2011	31-03-2010
(i) Actuarial (gain)/loss on obligations	1,59,477	(19,139)
(ii) Actuarial (gain)/loss for the year- plan assets	—	—
(iii) Total Actuarial (gain)/loss	(1,59,477)	19,139
(iv) Actuarial (gain)/loss recognized in the year	(1,59,477)	19,139

e) The amounts to be recognized in the balance sheet and statements of profit and loss account

Particulars	31-03-2011	31-03-2010
(i) Present value of obligation at the end of year	12,62,445	14,79,289
(ii) Fair value of plan assets as at the end of the year	15,81,950	15,86,674
(iii) Fund status	3,19,505	1,07,385
(iv) Net asset/(liability) recognized in balance sheet	(3,19,505)	(1,07,385)



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f) Expenses Recognized in statement of Profit and Loss account

Particulars	31-03-2011	31-03-2010
(i) Current Service Cost	1,32,118	1,38,226
(ii) Interest Cost	1,18,343	1,10,607
(iii) Expected return on plan assets	(1,38,499)	(1,39,872)
(iv) Net Actuarial (gain)/ loss recognized in the year	(1,59,477)	19,139
(v) Expenses recognized in statement of Profit and loss	(47,515)	1,28,100

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

a) Capacities		Not Applicable to this Company	
(i) Licenced Capacity			
(ii) Installed Capacity		Current Year	Previous Year
Unit-1		1000 MVA	1000 MVA
Unit-4		500000 Nos	500000 Nos
b) Production		Current Year	Previous Year
Unit-1		99.36 MVA(1529 Nos)	103.641 MVA(1743 Nos)
Unit-4		15.12 MVA(1160 Nos)	16.22 MVA (1622 Nos)

c) Turnover during the period		Current Year		Previous Year	
		Qty (Nos)	Value Rs. In lakhs	Qty (Nos)	Value Rs. In lakhs
Finished Transformer	Unit-1	1562	1290.17	1719	1334.35
	Unit-4	1157	300.16	1618	421.24
Others	Unit-1		529.02		324.22
	Unit-4		47.79		13.57
	Total		2167.14		2093.38
d) Stock of Goods produced		Current Year		Previous Year	
		Qty (Nos)	Value Rs. In lakhs	Qty (Nos)	Value Rs. In lakhs
Finished Transformer		10	92.94	40	64.00
Total			92.94		64.00

e) Raw Materials and Components Consumed :

Items	Current Year		%	Previous Year		%
	Qty (MT)	Value (Rs. In lacs)		Qty (MT)	Value (Rs. In lacs)	
Indigenous :						
Conductors	111.652	246.52	13	97.398	141.45	11
Steel Materials	205.875	63.16	3	195.705	59.25	5
Core Lamination	55.802	109.69	6	73.470	127.20	10
Others	—	513.65	40	—	385.33	30
	373.329	933.02	63	366.573	713.23	55

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CONSOLIDATED FINANCIAL STATEMENTS

Items	Current Year		%	Previous Year		%
	Qty (MT)	Value (Rs. In lacs)		Qty (MT)	Value (Rs. In lacs)	
Imported						
CRGO Steel	33.987	71.17	4	87.023	147.75	11
AMDT CORE	308.606	479.07	26	163.802	325.05	25
Conductors	32.584	122.26	7	25.302	88.39	7
Others		3.25	1	—	11.32	1
	375.177	675.75	37	276.127	572.51	45
Total	748.506	1608.77	100	642.7	1285.74	100

f) CIF VALUE OF IMPORTS

Particulars	Current Year Rs. In lakhs	Previous Year Rs. In lakhs
Raw material and components	445.71	340.99
Capital Goods	69.65	87.80

g) Expenditure in Foreign Currency (on Cash Basis)

Particulars	Current Year Rs. In lakhs	Previous Year Rs. In lakhs
Travelling	3.49	7.34

h) Earning in foreign Currency

Particulars	Current Year Rs. In lakhs	Previous Year Rs. In lakhs
Export on FOB Basis (Direct)	90.00	71.31
Project Export/Consultancy Services	122.49	269.29

i) Previous Year's Figures have been regrouped and rearranged wherever necessary.



ALFA TRANSFORMERS LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE - 15

ADDITIONAL INFORMATION

BALANCE SHEET ABSTRACT & COMPANY'S GENERAL PROFILE

1. REGISTRATION DETAILS

Registration No. :

1	1	5	1	/	8	2	-	8	3
---	---	---	---	---	---	---	---	---	---

State Code :

1	5
---	---

Balance Sheet Date :

3	1
---	---

0	3
---	---

2	0	1	1
---	---	---	---

2. CAPITAL RAISED DURING THE YEAR

(Figures in Rupees thousand)

Public Issue

			N	I	L
--	--	--	---	---	---

Bonus Issue

			N	I	L
--	--	--	---	---	---

Right Issue

			N	I	L
--	--	--	---	---	---

Private Placement

			N	I	L
--	--	--	---	---	---

3. MOBILISATION AND DEPLOYMENT FUNDS :

Total Liabilities

4	5	6	6	5	5
---	---	---	---	---	---

Total Assets

4	5	6	6	5	5
---	---	---	---	---	---

SOURCES OF FUNDS

Paid-up Capital

	5	3	6	0	0
--	---	---	---	---	---

Reserves & Surplus

1	8	1	5	0	3
---	---	---	---	---	---

Secured Loans

1	4	7	4	6	2
---	---	---	---	---	---

Unsecured Loans

			6	4	9
--	--	--	---	---	---

Deferred Tax Liabilities

	9	3	7	9
--	---	---	---	---

APPLICATION FUNDS

Net Fixed Assets

1	9	5	8	0	0
---	---	---	---	---	---

Investments

		8	8	3	2
--	--	---	---	---	---

Net Current Assets

1	8	7	9	6	2
---	---	---	---	---	---

Misc. Expenditure

			N	I	L
--	--	--	---	---	---

4. PERFORMANCE OF COMPANY

Total Revenue (Net of E.D)

			2	0	8	2	7	2
--	--	--	---	---	---	---	---	---

Total Expenditure

2	1	4	4	8	8
---	---	---	---	---	---

Profit before tax

			-	6	1	1	6
--	--	--	---	---	---	---	---

Profit after Tax

		-	4	3	0	6
--	--	---	---	---	---	---

Earning per share (in Rs.)

			-	0	.	8	0
--	--	--	---	---	---	---	---

Dividend rate (%)

					N	I	L
--	--	--	--	--	---	---	---

5. GENERAL NAMES OF PRINCIPAL PRODUCTS

Item Code No.

8	5	0	4	2	1
---	---	---	---	---	---

8	5	0	4	2	2
---	---	---	---	---	---

7	4	0	8	1	1
---	---	---	---	---	---

Product description

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

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

												C	O	P	P	E	R	W	I	R	E
--	--	--	--	--	--	--	--	--	--	--	--	---	---	---	---	---	---	---	---	---	---

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

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO
CHARTERED ACCOUNTANTS
S.CHAND
PARTNER
Membership No. 50063
BHUBANESWAR
DATED : 28th May 2011DILLIP KUMAR DAS
DEEPAK KUMAR DAS
SUSANTA KU. SATAPATHYMANAGING DIRECTOR
DIRECTOR
COMPANY SECRETARY

Annual Report 2011

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED CASH FLOW STATEMENT FOR THE ENDED 31ST MARCH, 2011

PARTICULARS	CURRENT YEAR (Rs. in Lakhs)	PREVIOUS YEAR (Rs. in Lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Interest, Taxes & Extraordinary Items	144.52	300.11
Add :		
Depreciation	82.92	77.77
Bad Debts Written off/Provisions & Liquidated Damages etc.	0.20	1.83
Loss on Sale of Investment	-	54.17
	227.64	433.88
Less :		
Interest Income	19.16	35.91
Foreign Exchange Gain/ (Loss) (Net)	16.85	(14.25)
Profit/ (Loss) on Sale of Assets & Discarded (Net)	(0.24)	67.32
Balance written back	15.91	29.05
Profit on Sale of Investment	6.55	-
Dividend Income	0.05	10.21
	58.28	128.24
Operating Profit / (Loss) before Working Capital Changes	169.36	305.64
Adjustment for;		
Inventories- Decrease/(Increase)	(16.95)	(114.65)
Trade & Other Receivables- Decrease/(Increase)	368.09	(380.95)
Trade Payables & Provisions- Decrease/ (Increase)	73.77	351.58
Cash Generated From Operations	594.27	161.63
Cash Outflow before Prior Year Adjustment	594.27	161.63
Less: Income Tax and FBT Paid	(39.80)	(38.40)
NET CASH FLOW FROM OPERATING ACTIVITIES	554.47	123.23
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions of Fixed Assets and Capital Work-in-Progress	(195.18)	(212.54)
Proceeds on Sale of Fixed Assets	2.50	71.00
Interest Received	19.16	35.91
Addition to Investments	-	(70.65)
Proceeds on Sale of Mutual Fund	52.90	21.98
Dividend Received	0.05	10.21
(Increase)/ Decrease in Fixed Deposit	40.41	62.11
NET CASH FLOW FROM INVESTING ACTIVITIES	(80.16)	(81.98)



ALFA TRANSFORMERS LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	CURRENT YEAR Rs. In Lakh	PREVIOUS YEAR Rs. In Lakh
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(52.23)	(51.66)
Dividend Tax paid	(8.90)	(9.32)
Net Increase/ (decrease) in secured borrowings	(202.32)	185.60
Unsecured Loan Received/(Payment)	(4.59)	7.85
Payment of Interest	(206.68)	(185.14)
NET CASH FLOW FROM FINANCING ACTIVITIES	(474.72)	(52.68)
Net Increase in cash and cash equivalents(A+B+C)	(0.41)	(11.43)
Cash and cash equivalents as on 31-03-2010	8.89	20.32
CASH & CASH EQUIVALENTS AS ON 31-03-2011	8.48	8.89
Cash and Cash Equivalents comprises		
— Cash	1.28	0.70
— Balance with Schedule Banks	7.20	8.19
	8.48	8.89

Note :

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

THE SCHEDULES REFERRED ABOVE FORM PART OF ACCOUNTS

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO

CHARTERED ACCOUNTANTS

S.CHAND

DILLIP KUMAR DAS

MANAGING DIRECTOR

PARTNER

Membership No. 50063

DEEPAK KUMAR DAS

DIRECTOR

BHUBANESWAR

DATED : 28th May 2011

SUSANTA KU. SATAPATHY

COMPANY SECRETARY

PHOENIX SURGICARE PRIVATE LIMITED

(Wholly owned Subsidiary Company)

DIRECTOR'S REPORT

To,
The Board of Directors,
Phoenix Surgicare Private Limited.

Your Directors are pleased to present their Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2011.

1. FINANCIAL RESULTS :

The Company has not started any activities yet. However, an expenditure of Rs.25,589,60/- has been incurred towards Audit fees, filing fees, legal expenses, professional fees, printing & stationeries .

2. DIVIDEND

As your Company has not started any activities yet and also there is no income during the year under review, the Directors have not recommended any dividend.

3. DIRECTORS

In accordance with the article 36 of the Articles of Association the Directors of the Company are not liable to retire by rotation. But, as per the Section 256 of the Companies Act, 1956, Mr. Sambit Mohanty retire by rotation at the ensuing Annual General Meeting and, being eligible, offer him for reappointment. Your Directors recommend his reappointment.

4. DIRECTOR'S RESPONSIBILITY STATEMENT

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

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

**5 STATUTORY INFORMATION :
PARTICULARS OF EMPLOYEES:**

As required under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975, is not applicable.

6 AUDITOR'S AND THEIR REPORT

Comments of the Auditors in their report and notes forming part of the Accounts are self-explanatory and need no comments.

M/s B. Panda & Co., Statutory Auditors will retire at the conclusion of the ensuing Annual General Meeting and being eligible offers themselves for re-appointment.

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

Disclosure of particulars with respect to details regarding Technology absorption, Conservations of Energy, Foreign Exchange Earnings and Outgo as required under Companies (Disclosure of particulars in the Report of Directors) Rules 1988 and forming part of the Report of the Board of Directors for the period ended 31st March, 2011 is given below:

- A. Conservation of Energy : Nothing to Report.
- B. Technology Absorption : Nothing to Report.
- C. Foreign Exchange Earnings and Outgo : NIL

8. SECRETARIAL COMPLIANCE CERTIFICATE :

As per the provisions to sub-section (1) of section 383A, of the Companies Act, 1956, we are hereby attaching the Secretarial Compliance Certificate for the year 2010-2011 duly certified by a Company Secretary in whole time practice, forming a part of the Director's Report.

9. ACKNOWLEDGEMENT :

Your Directors place on record their deep appreciation of the continued co-operation and support extended by all Employees, Financers, Banker, Customers and various agencies.

FOR AND ON BEHALF OF THE BOARD

Date: 05th April, 2011.
Place: Bhubaneswar

Sd/-
(Deepak Kumar Das)
Chairman

PHOENIX SURGICARE PRIVATE LIMITED
(Wholly owned Subsidiary Company)

COMPLIANCE CERTIFICATE

CIN No : U70100O2004PTC011535
Nominal Capital: Rs. 10,000,000/-

To
The Members,
M/s. Phoenix Surgicare (P) Ltd.
3337, M. I. Industrial Estate, Bhubaneswar,
Orissa - 751 010

We have examined the registers, records, books and papers of M/s. Phoenix Surgicare (P) Ltd. (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ending on 31st March 2011. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its Officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure-'A' to this certificate as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure-'B' to this certificate with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company being Private Limited Company has the minimum prescribed paid-up capital and its maximum number of members during the financial year was within the limit excluding its present and past employees and the Company during the year under scrutiny:
 - i. has not invited public to subscribe for its shares or debentures; and
 - ii. has not invited or accepted any deposits from persons other than its members, directors or their relatives.
4. The Board of Directors duly met 6 (six) times in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes book maintained for the purpose.
5. The Company has closed Register of Members and transfer books from 10.05.2010 (Monday) to 15.05.2010 (Saturday) during the financial year as per Section 154 of the Companies Act 1956.
6. The Annual General Meeting for the financial year ended on 31st March, 2010 was held on 15th May 2010 after giving due notice to the members of the Company and the resolutions passed thereat were

duly recorded in Minutes Book maintained for the purpose.

7. No Extra-ordinary General Meeting was held during the financial year ended 31st March 2011.
8. The Company being a Private Company, Section 295 of the Act is not applicable during the financial year.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company was not required to make any entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approval from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial Year.
13. The Company has :
 - (i) has not issued share certificates on allotment of shares during the year under scrutiny.
 - (ii) not declared any dividend during the financial year.
 - (iii) not declared any dividend so posting of dividend warrant does not arise during the financial year
 - (iv) not required to transfer any amounts as there is no money remains due for refund on unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
 - (v) duly complied with requirement of section 217 of the Act.
14. The Board of Directors of the Company duly constituted. There was no appointment of Additional Director, Alternate Directors and Directors to fill casual vacancy during the financial year.
15. The Company being a Private Company provision of section 269 of the Act with regard to appointment of Managing Director, Whole Time Director, and Manager are not applicable.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approval of the Central Govt. Company Law Board, Regional Director, Registrar and such Authorities prescribed under the various provision of the Act during the financial year.
18. The Directors have disclosed their interest in other firms, Companies to the Board of Directors pursuant to the provision of the Act and the rules made there under.
19. The Company has not issued any shares during the financial year.

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- | | |
|--|---|
| <p>20. The Company has not bought back any shares during the financial year.</p> <p>21. Since there are no preference shares or debentures, the question of redemption does not arise.</p> <p>22. There were no restrictions necessitating the Company to keep abeyance the right to dividend, right shares and bonus shares pending registration of transfer of shares.</p> <p>23. The Company has not invited, accepted, any deposits under section 58A of the Act.</p> <p>24. The Company has not borrowed any amount during the financial year.</p> <p>25. The Company has not made any loans or advances or given guarantees or provided securities to other body corporate and consequently no entries have been made in the register kept for the purpose.</p> <p>26. The Company has altered the provision of the Memorandum with respect to situation of the Companies registered office from one State to another during the year under scrutiny.</p> <p>27. The Company has not altered the provision of the Memorandum with respect to the object of the Company during the year under scrutiny.</p> | <p>28. The Company has not altered the provision of the Memorandum with respect to the name of the Company during the year under scrutiny.</p> <p>29. The Company has not altered the provision of the Memorandum with respect to share capital of the Company during the year under scrutiny.</p> <p>30. The Company has not altered its Articles of Association during the financial year.</p> <p>31. There was no a prosecution initiated against or a show-cause notice received by the Company and no fines or penalty or any other punishment was imposed on the Company during the financial year for offenses under the Act.</p> <p>32. The Company has not received any security from its employees during the financial year.</p> <p>33. As per information given to us by the Management, the Company has not required to deposit any amount under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952.</p> |
|--|---|

For Saroj Ray & Associates
(Company Secretaries)
Sd/-
CS Saroj Kumar Ray
(Partner)
C.P.No.3770

Date: 05.04.2011
Place: Bhubaneswar

Annexure – A

REGISTERS AS MAINTAINED BY THE COMPANY

Statutory Registers :

1. Register of Charges under section 143 of the Act.
2. Register of members under section 150 of the Act.
3. Minutes Book of meetings under section 193 of the Act.
4. Register of Director, Managing Director, Manager & Secretary under section 303.
5. Register of Director Shareholdings under section 307.

Annexure - B

FORMS & RETURNS AS FILED BY THE COMPANY WITH REGISTRAR OF COMPANIES DURING THE FINANCIAL YEAR ENDING 31ST MARCH 2011.

Sl. No.	Form No.	Relevant Section	Description	Date of Filing	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid Yes/No
1	23AC & ACA	220(1)	Balance Sheet (As on 31.03. 2010)	12.06.2010	Yes	Na
2	20B	159(1)	Annual Return (Upto 15.05.2010).	12.06.2010	Yes	Na
3	66	383A	Compliance Certificate (Upto 31.03.2010)	12.06.2010	Yes	Na
4	2	75 (1)	Return of Allotment	13.05.2010	No	Yes
5	22B	187C (4)	Notice to the ROC of Beneficial interest	20.05.2010	Yes	Na

PHOENIX SURGICARE PRIVATE LIMITED
(Wholly owned Subsidiary Company)

AUDITOR'S REPORT TO THE MEMBER OF PHOENIX SURGICARE PRIVATE LIMITED.

We have audited the attached Balance Sheet of **M/S PHOENIX SURGICARE PRIVATE LIMITED** as at 31st March, 2011 and also the annexed Profit & Loss Account of the Company for the period ended on that date and report that :

- I. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- II. (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 accounts as required by law have been by the company, so far as appears from our examination of the books.
 - (c) The Balance Sheet & Profit and Loss account dealt with by this report are in agreement with the books of Accounts of the company.
 - (d) In our opinion the Profit & Loss Account and balance sheet comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956, to the extent applicable.
 - (e) On the basis of the written representation received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956,
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said Accounts, read together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India :
 - a. In the case of the Balance Sheet of the State of affairs of the company as at 31st March, 2011 and
 - b. In case of Profit and Loss account of the Profit/(Loss) for the period ended on that date.

For and on behalf of

B. PANDA AND COMPANY
CHARTERED ACCOUNTANTS
(B.N.PANDA)
PROPRIETOR
Membership No. 52974

Place: Bhubaneswar
Date: 05th April, 2011.

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

- (i) In respect of its fixed assets
 - (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The company has a policy of full physical verification of all assets once in three years. Substantial part of fixed assets has not been disposed off during the year.
 - (c) The Company has not holds any inventories.
- (ii) The Company has neither granted nor taken any loan, secured or unsecured to / from Companies, Firm or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions regarding rate of interest, payment of principal and interest and overdue amount as per the sub-clauses (b) to (g) of this clause are not applicable.
- (iii) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business. During the course of our audit, we have not observed any major weaknesses in internal controls.
- (iv)(a) According to the information and explanations given to us, we are of the opinion that the contracts / arrangements that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 are reasonable having regard to prevailing market prices at the relevant time.
- (v) The Company has not accepted deposits from the public and as such, the provisions of 58A, 58 AA or any other relevant provisions of the Companies Act, 1956 and rules framed there under have no application to the Company.
- (vi) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- (vii) We are informed that maintenance of cost records has not been prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956 in respect of the products manufactured by the Company.
- (viii) The Company has accumulated losses at the end of the financial year ending 31st March, 2011 and the Company has not incurred cash losses during the financial year covered by our audit or in the immediately preceding financial year.
- (ix) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions or banks.
- (x) In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- (xi) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, clause 4 (xiii) of the Order is not applicable to the Company.
- (xii) During the year, the company has made investment in shares of other companies. However, it has maintained proper records in respect of shares held in the name of the Company.
- (xiii) The Company has not given any guarantee for loans taken by others from Banks or Financial Institutions.
- (xiv) In our opinion and according to the explanations given to us, the term loan taken by the Company has been applied for the purpose for which it was raised.
- (xv) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the funds raised on short-term basis have not been used for long-term investment.
- (xvi) During the year the Company has not made any preferential allotment of shares.
- (xvii) No debentures have been issued by the Company and hence commenting on creation of security or charges does not arise.
- (xviii) The Company has not raised any money by way of public issue during the year.
- (xix) During the course of our examination of books of account carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company nor have we been informed of such case by the Management.

Place: Bhubaneswar
Date: 05th April, 2011.

For and on behalf of
B. PANDA AND COMPANY
CHARTERED ACCOUNTANTS
(B.N.PANDA)
PROPRIETOR
Membership No. 52974

PHOENIX SURGICARE PRIVATE LIMITED
(Wholly owned Subsidiary Company)

BALANCE SHEET AS AT 31ST MARCH 2011

Figures in Rupees

PARTICULARS	Schedule	As at 31st March 2011 Rupees	As at 31st March 2010 Rupees
SOURCE OF FUNDS			
SHAREHOLDERS' FUNDS			
1 Share Capital	A	1242000.00	1242000.00
2 Reserves & Surplus		—	—
LOAN FUNDS			
3 Secured Loan		—	—
4 Unsecured Loan		—	—
Total		1242000.00	1242000.00
APPLICATION OF FUNDS			
1 Fixed Asstes			
Gross Block	B	816798.40	816798.40
Less: Accumulated Depreciation		—	—
Net Block		816798.40	816798.40
2 Current Assets, Loans and Advances			
Inventories		—	—
Sundry Debtors		—	—
Cash & Bank Balance	C	10239.00	35875.60
Loans & Advance		—	—
		10239.00	35875.60
3 Less Current Liabilities and Provisions			
Current Liabilities	D	10000.00	10047.00
Provisions		—	—
		10000.00	10047.00
Net Current Assets		239.00	25828.60
4 Profit and Loss Account (Debit Balance)		424962.60	399373.00
Total		1242000.00	1242000.00

Notes : As per Schedule "E" attached
As per our report attached of even date

For M/s. B.PANDA & COMPANY
CHARTERED ACCOUNTANTS

For PHOENIX SURGICARE (P) LIMITED

(B.N.PANDA)
PROPRIETOR
Membership No. 52974

DEEPAK KUMAR DAS
Director

DEBASIS DAS
Director

Place : Bhubaneswar
Date: 05th April, 2011.

Annual Report 2011

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2011

Figures in Rupees

PARTICULARS	For the Year ended 31st March 2011 Rupees	For the Year ended 31st March 2010 Rupees
INCOME	—	—
TOTAL INCOME	—	—
EXPENDITURE		
Statutory Audit Fees	5000.00	5000.00
Filing Fees	7000.00	94.00
Bank Charges	1323.60	—
Legal Expenses	—	30000.00
Professional Fees	9566.00	49000.00
Printing & Stationary	580.00	3780.00
Misc. Expenses	450.00	3500.00
Office Expenses	650.00	27500.00
Travelling & Conveyance	900.00	24410.00
Postage & Courier Charges	120.00	480.00
TOTAL EXPENDITURE	25589.60	143764.00
Profit/(Loss) before Taxes	(25589.60)	(143764.00)
Less: Provision for Taxation	Nil	Nil
Profit/(Loss) after Tax	(25589.60)	(143764.00)
Add/(Less): Balance of Profit/(Loss) from last year	(399373.00)	(255609.00)
Balance carried to Balance Sheet	(424962.60)	(399373.00)
Basic & Diluted Earning Per Share (Refer Note 2 (b) of Schedule- E)	(0.21)	(1.88)

Notes : As per Schedule "E" attached
As per our report attached of even date

For M/s. B.PANDA & COMPANY
CHARTERED ACCOUNTANTS

For PHOENIX SURGICARE (P) LIMITED

(B.N.PANDA)
PROPRIETOR
Membership No. 52974

DEEPAK KUMAR DAS
Director

DEBASIS DAS
Director

Place : Bhubaneswar
Date: 05th April, 2011.

PHOENIX SURGICARE PRIVATE LIMITED
(Wholly owned Subsidiary Company)

SCHEDULE FORMATING PART OF BALANCE SHEET AS ON 31ST MARCH,2011

Figures in Rupees

PARTICULARS	CURRENT YEAR Rupees	PREVIOUS YEAR Rupees
A. SHARE CAPITAL		
AUTHORISED 10,00,000 (Previous Year 10,00,000) Equity Share of Rs.10/- each	10000000.00	10000000.00
ISSUED, SUBSCRIBED & PAID UP 1,24,200 Equity Shares of Rs.10/- each fully Paid-up in cash	1242000.00	1242000.00

B. FIXED ASSETS

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31-03-2010	Additions	Deductions	As at 31-03-2011	Upto Year ended 31-03-2010	For the Year	On Sale/ adjustment during the year	Upto Year ended 31-03-2011	As at 31-03-2011	As at 31-03-2010
Land at Nashik	816798.40	-	-	816798.40	-	-	-	-	816798.40	816798.40
Total	816798.40	-	-	816798.40	-	-	-	-	816798.40	816798.40
Previous Year	816798.40	-	-	816798.40	-	-	-	-	816798.40	

PARTICULARS	CURRENT YEAR Rupees	PREVIOUS YEAR Rupees
C. CASH AND BANK BALANCES		
Cash on hand (As certified by Management)	300.00	11000.00
Balance in Current Account with Schedule Bank	9939.00	24875.60
	10239.00	35875.60
D. CURRENT LIABILITIES		
Auditor's Remuneration Payable	10000.00	5000.00
Other Liabilities	-	5047.00
	10000.00	10047.00

SCHEDULE - E

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

1. SIGNIFICANT ACCOUNTING POLICIES

a) Preparation of Financial Statements :

The financial statements are prepared under historical cost convention on the accrual basis and the accordance with the applicable Accounting Standards and the relevant provisions of the Companies Act, 1956.

b) Revenue Recognition :

Revenue from sale of goods is recognized when ownership in goods is transferred to the customers, normally at the point of dispatch. As regards services, income is accounted as and when services are rendered.

c) Fixed Assets/ Depreciation :

Fixed assets are stated at cost less accumulated depreciation. Depreciation is charged on straight line method in accordance with the Companies' Act, 1956 and as per rates specified in Schedule XIV of the above Act. In case of additions/ sales of the assets depreciation is charged on pro-rata basis.

d) Taxation :

Provision for current tax is made on the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961.

e) Provisions and Contingent Liability :

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimates can be made of the amount of the obligation. Disclosure for the contingent liability is made when there is possible obligation or present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2. NOTES ON ACCOUNTS

a) Contingent liabilities not provided for – Rs. NIL (Previous year- Nil)

b) Earning Per Share :	<u>31-03-2011</u>	<u>31-03-2010</u>
Net Profit/(Loss) Attributable to Equity Shareholders	(25589.60)	(143764)
Weighted Average No. of Equity Shares	124200	124200
Basic and Diluted Earning per Share	(0.21)	(1.16)

c) The Company is the subsidiary Company of M/s Alfa Transformers Limited, which holds 99.92% equity shares of the Company.

d) There is no dues to Micro, Small and Medium Enterprises. The Liability has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied by the auditor.

e) Balance of Loans and Advances are subject to confirmation and consequential adjustment if arises.

f) Other clauses of Part-II of Schedule VI are not applicable to the Company.

g) Previous Years' figures have been regrouped, rearranged or restated wherever necessary to make them comparable with those of the current year.

As per our report attached of even date

For M/s. B.PANDA & COMPANY
CHARTERED ACCOUNTANTS

For PHOENIX SURGICARE (P) LIMITED

(B.N.PANDA)
PROPRIETOR
Membership No. 52974

DEEPAK KUMAR DAS
Director

DEBASIS DAS
Director

Place : Bhubaneswar
Date: 05th April, 2011.

PHOENIX SURGICARE PRIVATE LIMITED
(Wholly owned Subsidiary Company)

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1. REGISTRATION DETAILS

Registration No. : 1 4 7 1 9 1

State Code : 1 5

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

2. CAPITAL RAISED DURING THE YEAR

(Figures in Rupees thousand)

Public Issue N I L

Bonus Issue N I L

Right Issue N I L

Private Placement N I L

3. MOBILISATION AND DEPLOYMENT FUNDS :

Total Liabilities 1 2 5 2

Total Assets 1 2 5 2

SOURCES OF FUNDS

Paid – up Capital 1 2 4 2

Reserves & Surplus N I L

Secured Loans N I L

Unsecured Loans N I L

APPLICATION FUNDS

Net Fixed Assets 8 1 7

Investments N I L

Net Current Assets 0

Misc. Expenditure N I L

Deferred Tax Liabilities N I L

Accumulated Losses (424.96)

4. PERFORMANCE OF COMPANY

Total Revenue (Net of E.D)
 N I L

Total Expenditure 2 5 . 5 9

Profit/ (Loss) before tax
 (25.59)

Profit/(Loss) after Tax (25.59)

Earning per share (in Rs.)
 (0.21)

Dividend rate (%) N I L

5. GENERAL NAMES OF PRINCIPAL PRODUCTS

N O T A P P L I C A B L E

As per our report attached of even date
for M/s. B.PANDA & COMPANY
CHARTERED ACCOUNTANTS

For PHOENIX SURGICARE (P) LIMITED

(B.N.PANDA)
PROPRIETOR
Membership No. 52974

DEEPAK KUMAR DAS
Director

DEBASIS DAS
Director

Place : Bhubaneswar
Date: 05th April, 2011.



ALFA TRANSFORMERS LIMITED

ATTENDANCE SLIP

ALFA TRANSFORMERS LIMITED

**Regd. Office: Plot No.3337, Mancheswar Industrial Estate, Bhubaneswar – 751010
Telephone: 0674 - 2580484 / 2581036**

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

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

Folio No.	
-----------	--

Client Id *	
-------------	--

NAME AND ADDRESS OF THE MEMBER:

No.of Share(s) held :

I hereby record my presence at the 29th Annual General Meeting of the Company held on Friday, the 12th day of August, 2011 at 12.30 P.M. at Hotel "The New Marrion", 6, Janpath, Bhubaneswar– 751001.

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

NOTE:

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

TEAR HEAR

PROXY FORM

ALFA TRANSFORMERS LIMITED

**Regd. Office: Plot No.3337, Mancheswar Industrial Estate, Bhubaneswar – 751010
Telephone: 0674 - 2580484 / 2581036**

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

Folio No.	
-----------	--

Client Id *	
-------------	--

I/We, _____ of _____

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

..... As my/our proxy to vote for me/us and on my/our behalf at the 29th Annual
General Meeting of the company to be held on Friday, the 12th day of August, 2011 at 12.30 P.M.
at Hotel "The New Marrion, 6, Janpath, Bhubaneswar – 751001.

Affix Re. 1/-
Revenue
Stamp

* Applicable for investors holding shares in electronic form.

NOTE:

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



**SUBMISSION OF E-MAIL ADDRESS
OF
MEMBERS OF ALFA TRANSFORMERS LIMITED**

NAME	
E-MAIL I.D.	
ADDRESS	
D.P. I.D.	
CLIENT I.D.	
FOLIO NO. (In case of Physical Holding)	
NO. OF EQUITY SHARES HELD (The period for which held)	
Specimen signature of the member	

BOOK POST

If undelivered, please return to:-

ALFA TRANSFORMERS LIMITED

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

