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30th Annual General Meeting

*on Saturday, the 11th day of August, 2012 at 03.00 P.M.
at Hotel "The New Marrion", 6, Janpath, Bhubaneswar - 751001.*



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. Supratim Basu	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,
Unit - I, Mancheswar Industrial Estate, Bhubaneswar – 751010

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

Unit - III, Plot No. - C/12, Industrial Estate
Madhupatna, Cuttack - 753 010

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

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

NOTICE

NOTICE is hereby given that the **30th Annual General Meeting** of the members of Alfa Transformers Limited will be held on Saturday the 11th day of August, 2012 at 3.00 P. M. at Hotel "The New Marrion", 6, Janpath, Bhubaneswar - 751 001, to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31st March 2012, 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. Santosh Kumar Nanda, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in the place of Mr. B.N.R. Patnaik, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in the place of Mr. Niranjan Mohanty, 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 in accordance with the provisions of section 198, 269,309,310,311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment there-of, and subject to other approvals as may be necessary, consent of the Company be and is hereby accorded to the re-appointment of Mr. Dillip Kumar Das, as Managing Director of the Company for period of one year, with effect from 7th August 2012 and his remuneration shall remain same as approved in the 29th Annual General Meeting held on 12.08.2011."

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

"RESOLVED THAT in accordance with the provisions of section 198, 269,309,310,311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment there-of, and subject to other approvals as may be necessary, consent of the Company be and is hereby accorded to the re-appointment of Mr. Santosh Kumar Patnaik, as Whole-time Director of the Company for a period of one year or attaining 65 years of age whichever is earlier, with effect from 1st July 2012 and his remuneration shall remain same as approved in the 29th Annual General Meeting held on 12.08.2011."

By orders of the Board

For Alfa Transformers Limited

Place: Bhubaneswar

(S. K. Satapathy)

Date : 22nd June, 2012.

Company Secretary

NOTES FOR MEMBER'S ATTENTION :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL 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 relating to the Special Businesses under item No.6 and 7 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 1st August, 2012 to Saturday, 11th August, 2012 (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



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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. All the physical shareholders of the Company are requested to dematerialize their shares.
6. 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.
7. (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.
8. 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.
9. 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.
10. 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.
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.
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:
 - a) Bombay Stock Exchange Limited, Phiroze JeeJeebhoi Tower, Dalal Street, Mumbai-400001.
 - b) The Bhubaneswar Stock Exchange Limited, **(Applied for De-listing)** Stock Exchange Bhavan, P-2, Jayadev Vihar, Chandrasekhar, Bhubaneswar-751023.
 - c) The Calcutta Stock Exchange Association Limited, **(Applied for De-listing)** 7, Lyons Range, Kolkata-700001.

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

ITEM No.6 :

Members may recall that Mr. Dillip Kumar Das has been appointed as Managing Director of the Company for a period of five years with effect from 7th August, 2007. Accordingly, the tenure of office of Mr. Dillip Kumar Das will end on 6th August 2012. The Board at its Meeting held on 22nd June 2012, re-appointed Mr. Dillip Kumar Das as Managing Director for a further period of one year from 7th August, 2012. The remuneration and terms of appointment of Mr Dillip Kumar Das shall remain same as approved in the 29th Annual General Meeting held on 12.08.2011.”

According to section 269,309 and schedule XIII of the Companies Act, 1956, the re-appointment of Managing Director of the Company is subject to the approval of the shareholders at the 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, and Mr. Debasis Das, are interested in the proposed resolution

ITEM No.7:

Mr. Santosh Kumar Patnaik was 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 Annual General Meeting held on 28th July, 2010. The tenure of appointment of Mr. Santosh Kumar Patnaik, Whole-time Director (Technical Services) of the Company is going to be expired on 30.06.2012. The Board of Directors of the Company has re-appointed Mr. Santosh Kumar Patnaik, Whole-time Director of the Company for period of one year or attaining 65 years of age, whichever is earlier w.e.f. 01.07.2012 in its meeting held on 22.06.2012 and the same has been placed in this notice for approval of the shareholders.

According to section 269,309 and schedule XIII of the Companies Act, 1956, the re-appointment of Mr. Santosh Kumar Patnaik, Whole-time Director (Technical Services) of the Company is subject to

the approval of the shareholders at the 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. Santosh Kumar Nanda:

Mr. Santosh Kumar Nanda, aged 85 years is a Post Graduate in Electrical Technology from Indian Institute of Science, Bangalore. He is also Fellow member of Institute of Engineers India, past Chairman of Institute of Engineers India, Orissa Centre and past Chairman of Confederation Engineering Industry. He started his carrier as Assistant Electrical Engineer in Electricity Department of Government of Orissa and retired from the Government services as Chairman, Orissa State Electricity Board. After his retirement, he worked as Charter Engineers & Electrical Consultants. He is also a Director in India Power Corporation Limited and India Power Corporation (Haldia) Limited. He is the Chairman of Audit Committee and Remuneration Committee of your Company.

Item No.3 of Notice of AGM

Brief Profile of Mr. B.N.R.Patnaik:

Mr. Basuru Nageswar Rao Patnaik, aged 62 years, holds a Graduate Degree in Chemical Engineering from Regional Engineering College, Rourkela. Initially he started his career in a Chemical Firm. There-after in the year January, 1974 he joined as Management Trainee in the State Level Industrial Promotion and Investment Corporation of Orissa Limited and retired as Executive Director in the year August, 2008. He has the experience of funding, setting-up of large and medium scale industries, sanction, recoveries and corporate debt restructuring, raising funds for the corporation. He



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has fair knowledge and experience in Industrial Development, Financing, Growth, Regulations, Corporate Governance, Corporate responsibility, Company Law, SEBI Regulation, BIFR Act etc. He had participated in the Training Programmes in IIM, Bangalore, Management Development Institute, Delhi and IIM, Calcutta in respect of 'Project Implementation & Evaluation', 'Project Follow-up' and 'Project Appraisal' respectively. He is the Fellow member of Institute of Engineers, Bhubaneswar and member of Institute of Chartered Engineers. He had represented on behalf of IPICOL in the Board of different Companies during his incumbency.

Item No.4 of Notice of AGM

Brief Profile of Mr. Niranjana Mohanty:

Mr. Niranjana Mohanty, aged 62 years, is M.Sc. in Physics from Ravenshaw College, Cuttack under Utkal University and Post Graduate Diploma in Business Administration from Indian Institute of Ahmedabad. He has also completed six week training course of Small Industries Extension Training Institute. He started his carrier in Union Bank of India and worked there for two years. After that, he worked in IPICOL as a Manager Investment for five years. After resigned from the service, he started his own industries in Garment manufacturing and export, Fishing net manufacturing etc. He has over 29 years of experience as an entrepreneur. Presently, he is the Director of Magnum Apparel Private Limited, Intemark Private Limited, Utkal Chamber of Commerce and Industries Limited, Orissa Knit Complex Private Limited, Cyberscribe Technologies Private Limited, Utkal Infrastructure Development Consortium Private Limited. He was the President of Utkal Chamber of Commerce & Industries. He has extra curricular activities i.e. play writing for stage and AIR, represented during his college carrier at Ravenshaw College, Cuttack and

IIM, Ahmedabad in Football.

Item No.6 of Notice of AGM

Brief Profile of Mr. Dillip Kumar Das

Mr. Dillip Kumar Das, 64 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 40 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.Santosh Kumar Patnaik

Mr. Santosh Kumar Patnaik, aged 64 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.

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

**Sd/-
COMPANY SECRETARY**

**PLACE : BHUBANESWAR
Date: 22nd June, 2012**

DIRECTORS' REPORT

DEAR SHAREHOLDERS :

Your Directors are pleased to present the Thirtieth Annual Report and the Audited Accounts of your Company for the financial year ended 31st March, 2012, 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:

(Rs.in lakhs)		
Particulars	2011-12	2010-11
Net Sales/Income from operations (a+b+c)	1924.30	2057.55
(a) Export Sales	16.35	243.63
(b) Domestic Sales	1850.08	1752.54
(c) Income from operations	57.87	61.38
(d) Other Income	20.30	25.17
Total Income (a+b+c+d)	1944.60	2082.72
Less: Total Expenditure	1793.68	1855.04
Profit before interest & Depreciation	150.92	227.68
Interest & Finance charges	270.62	206.67
Depreciation	89.92	82.92
Profit Before Tax	(209.62)	(61.91)
Income Tax	0.00	0.00
Deferred Tax	(19.10)	19.10
Net Profit after Tax	(228.72)	(42.81)

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 the year of 2011 in Libya.

Due to disturbance in Libya our outstanding dues of 3.15 cores remain unpaid for 2 years and only recently we have received Euro 2.50 Lacks (Rs.1.67 Cores) . Similarly payment against export consignment of worth Rs.1.03 Cores was received partly (90%) after 10 months. Transformers, raw-materials, & Goods in process about 1.5 cores could not be exported, which are still remains in stock. The resultant effect on finance was extremely bad, as there is reduction of working capital, & increase of interest on fresh Working capital Term Loan of 3.3 cores to meet the short fall.

Some of the financial parameters are given hereunder:

Particulars	2011-12	2010-11
Export Sales	16.35	243.63
Domestic Sales	1850.08	1752.54
Other Income	20.30	25.17
Profit Before Tax	(209.62)	(61.91)
Profit after Tax	(228.72)	(42.81)
EPS	(4.27)	(0.80)

VALUATION:

The Profit before tax & Profit after tax have been decreased by (238.92) % and (434.75) % respectively from last year. The EPS has decreased for the accounting year to Rs(4.27) from Rs (0.80) of 2010-11.

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, 63 KVA

The states like Gujarat, & Rajasthan 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 100 Cores. Hence your company is expecting orders during next financial year.

The company is also very much hopeful of execution of export Orders during the Year 2012-13. The 1st Lot of 34 numbers of different ratings of distribution transformers are inspected and kept ready for shipment.



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The company is also hopeful of receipt of the old outstanding towards services during the Year.

Your company is now planning to dispose of surplus, unutilized assets for reducing the working capital & term Loan Liabilities during the year.

The performance of the company is expected to be better during the year 2012-13.

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, along with 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, 2012 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 EEPCINDIA (Eastern Region).

DEPOSITS :

The Company has not accepted any deposits so far.

DIRECTORS :

Pursuant to provisions of Section 256 of the Companies Act, 1956, Mr.S. K. Nanda, Mr. B. N. R. Patnaik and Mr. Niranjn Mohanty 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 2011-2012 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, 2012, the applicable accounting standards read with requirements set out under Revised 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 31.03.2012 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.

TRANSFER TO GENERAL RESERVE :

During the financial year ending on 31st March, 2012, 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"**.

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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-7) 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 2012-13 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:

Though your Company had harmonious relations with their workmen in the past years, recently it is disturbed. The last settlement with workers union has expired since 30th April 2011. Reconciliation proceeding were held in the office of DLO for charter of demand submitted by the union. While the discussion was in progress in stages the union all of a sudden declined to discuss further. The failure report was submitted by DLO on 10.04.2012.

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.

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

DILLIP KUMAR DAS

CHAIRMAN

PLACE: BHUBANESWAR

DATE: 22nd June, 2012

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, 2012:

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	2011-2012	2010-2011
Expenditure	0.63	518.85
Earning	111.29	212.49

FOR AND ON BEHALF OF THE BOARD

DILLIP KUMAR DAS

CHAIRMAN

PLACE: BHUBANESWAR

DATE: 22nd June, 2012



**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, 2012 consists of ten Directors, among which four are Executive Directors and six 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	808267
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.Supratim Basu	Director	Non-Executive and Non-independent Director	-
6	Mr. Santosh Kumar Nanda	Director	Non-Executive and Independent Director	-
7	Dr. Nitai Chandra Pal	Director	Non-Executive and Independent Director	-
8	Mr. Sambit Mohanty	Director	Non-Executive and Independent Director	-
9	Mr. Niranjana Mohanty	Director	Non-Executive and Independent Director	-
10	Mr. B.N.R.Patnaik.	Director	Non-Executive and Independent Director	-

Board’s Definition of Independent Director:

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

- apart from receiving director’s remuneration, does not have any material pecuniary relationships or transactions with the Company, its promoters, its senior management or its holding Company, its subsidiaries and associated Companies;
- is not related to Promoters, Chairman, Managing Director, whole-time Director, Secretary, Chief Executive Officer or Chief Finance Officer and of any person in the management at one level below the Board;

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- 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 2011-12, 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.	28 th May,2011	12	10
2.	12 th August ,2011	12	11
3.	11 th November,2011	12	10
4.	10 th Febuary,2012	11	8

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

Name of the Director	Attendance Particulars			Directorship in other Companies
	No of Board Meetings held	No of Board Meetings attended	Last AGM	
Mr. Dillip Kumar Das	4	4	Present	4
Mr. Deepak Kumar Das	4	4	Present	3
Mr.Santosh Kumar Patnaik	4	4	Present	1
Mr. S. K.Nanda	4	4	Present	2
Dr. N.C.Pal	4	4	Present	None
Mr. Sambit Mohanty	4	2	Present	1
Mr.Debasis Das	4	2	Present	2
Mr. Niranjana Mohanty	4	4	Present	6
Mr. Supratim Basu	4	4	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



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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 2011-12.

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.	28 th May,2011	4	4
2.	12 th August,2011	4	4
3.	11 th November,2011	4	3
4.	10 th Febuary,2012	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.
 - 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.
- Reviewing with management, external and internal auditor, adequacy of internal controls systems.
- 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.
- Discussion with internal auditors any significant findings and follow up thereon.
- 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.
- 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.
- 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.
- 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.

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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 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 the shareholders in the General Meeting and such authorities, as the case may be. Particulars of their remuneration for the year ended 31st March, 2012 are given below.

Name of Director	Remuneration for the year 2011 - 2012				
	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, and 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 02 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:



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Name of the Director	Designation	Status	Committee Meetings Attended
Mr. B.N.R.Patnaik	Chairman	Independent and Non-Executive Director.	2
Mr. Deepak Kumar Das	Member	Promoter and Executive Director.	2
Mr. Debasis Das	Member	Relative of Promoter and Executive Director.	2

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 :

Annual General Meeting :

Financial Year	Venue	Date	Day	Time	Special Resolution passed
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.	One
2010-11	Hotel " The New Marrion", 6, Janpath, Bhubaneswar-751001	12.08.2011	Friday	12.30 P.M.	None

Extra-Ordinary General Meeting:

Financial Year	Venue	Date	Day	Time	Special Resolution passed
2008-09	No Extra-ordinary General Meeting was held during the year.				
2009-10	No Extra-ordinary General Meeting was held during the year.				
2010-11	At-Registered Office	23.01.12	Monday	11.00a.m.	None

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. "26.7" 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

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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.S. K. Nanda, Mr. B. N. R. Patnaik and Mr. Niranjan Mohanty 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 2011-2012 there is no audit qualification in the Company's financial statements. The company will continue to adopt best practices to ensure the regime of unqualified financial Statements.

7) MEANS OF COMMUNICATION :

The quarterly, half yearly and annual results of the Company in the prescribed 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 Thirty Annual General Meeting ("the AGM") of the company will be held on Saturday, the 11th day of August of 2012 at 3.00 P.M. at Hotel " The New Marrion ", 6, Janpath, Bhubaneswar-751001".

9.2) Financial Calendar for the year 2012-13 :

The Company follows April to March as its financial year. The financial Calendar for the year 2012-13 (Provisional) as follows :

Sl.No.	Financial Calendar	Tentative Schedule
a)	Results for the first quarter ending 30 th June'12.	By 14 th August,2012
b)	Results for the second quarter ending 30 th September'12.	By 14 th November, 2012.
c)	Results for the third quarter ending 31 st December,2012	By 14 th February ,2013
d)	Results (Audited) for the financial year ending 31 st March, 2012.	By 30 th May, 2013.
e)	Annual General Meeting for the year ending 31 st March,2013	By the end of September, 2013.

9.3) Dates of Book Closure:

The Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday, the 1st August, 2012 to Saturday the 11th August, 2012 (both days inclusive)** for purpose of Annual General Meeting.

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 2012-13 have been paid to The Bombay Stock Exchange Limited (BSE).

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

9.6) Company Stock code:

The Mumbai Stock Exchange Scrip Code '517546'.

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

9.7) Stock Market Data:

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

Month	High(Rs.)	Low(Rs.)	Volume(Nos)
April, 2011	27.75	22.75	38299
May, 2011	26.65	18.20	46834
June, 2011	27.00	20.00	63298
July, 2011	24.00	20.15	24792
August, 2011	25.90	20.00	69749
September, 2011	24.50	18.05	75720
October, 2011	24.15	17.75	49052
November, 2011	24.75	16.10	41978
December, 2011	20.50	14.80	91066
January, 2012	23.05	15.20	18673
February, 2012	27.45	18.60	34654
March, 2012	28.25	20.05	86339

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 2012, 94.07 % 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 42.21% and non-promoters held 51.86 % of these Shares. The details of shares held in Physical and dematerialized form is given below :

Details of Shares	Position as on 31.03.2012	% of holding
NSDLACCOUNT	4513523	84.20%
CDSLACCOUNT	528805	9.865%
TOTAL DEMAT A/C	5042328	94.065%
PHYSICAL HOLDING	317672	5.92
TOTAL SHARES	5360000	100.00

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9.12) Distribution of Shareholdings as on 31st March 2012 :

As of 31st March, 2012 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	2926	83.3856	496833	9.2693
501-1000	308	8.7774	254126	4.7412
1001-2000	137	3.9042	214797	4.0074
2001-3000	33	0.9404	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	0.8110	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, 2012:

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, 2012 :

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	2.2750
K Shiva Kumar	78971	1.473
Dillip Kumar Das, HUF	62445	1.165
Deepak Kumar Das	57000	1.063
Geetishree Das	56825	1.060

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



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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, 2012.

FOR AND ON BEHALF OF THE BOARD

PLACE: BHUBANESWAR

DATE: 22nd June, 2012

**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, 2012 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, 2012 are fraudulent, illegal or volatile 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: 22nd June, 2012

**Sd/-
MANAGING DIRECTOR**

**Sd/-
DIRECTOR (FINANCE)**

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

Forward-Looking Statements:

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

Industry Structure and Developments:

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,



ALFA TRANSFORMERS LIMITED

Indian economy has decisively moved to a higher growth trajectory 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.

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Hence the company's revenue and its profitability depend 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)

	2011-2012	2010-2011
Share Capital		
Authorized:	1200.00	1200.00
Issued, Subscribed & Paid-up	536.00	536.00
Reserve & Surplus:	1580.06	1819.53
Non-Current Liabilities	231.42	311.21
Current Liabilities	2103.10	1904.21
Fixed Assets	1859.02	1949.83
Other Non Current Asset	56.04	75.2
Current Asset	2535.52	2545.92

Results of operation:

The performance of the company for the Financial Year 2011-12 has been reviewed. The company could able to achieved total sales of Rs.2053.3 lakhs, which includes Export Sales of Rs.16.35 lakhs and Domestic Sales of Rs.2002.73 lakhs and income from operation Rs. 57.87 lakhs. The profit before tax and profit after tax has been decreased to (238.58)% and (434.20)% 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.

Conclusion:

The performance of the company is not satisfactory during this financial year in the challenging business environments. The non execution of export orders & non receipt of export receivable in time resulted in more funds requirement and increase in interest during the year. The company is now planning to reduce the working capital & term Loan Liabilities by disposing of Surplus Assets as to reduce the interest cost. The company is also planning to execute the pending export order from ECCO during next 2/3 months. The company is also hopeful to collect all receivable from ECCO in the near future



ALFA TRANSFORMERS LIMITED

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, 2012, 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 : 30th May, 2012

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

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

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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, 2012, Statement of Profit and Loss 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this report, are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, Statement of Profit and Loss and 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, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (f) Paragraph No.14 of Note 26 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 25 and 26 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, 2012;
 - (ii) in the case of Statement of Profit and Loss, 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 : 30th May, 2012

(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.

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(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
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

(x) The Company has no accumulated losses at the end of the financial year ending 31st March, 2012 and the Company has not incurred cash losses during the financial year covered by our audit or in the immediately preceding financial year.



ALFA TRANSFORMERS LIMITED

- (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.

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

Bhubaneswar
Date : 30th May, 2012

Sd/-
(S. CHAND)
PARTNER

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

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BALANCE SHEET AS AT 31ST MARCH 2012

(₹ in Lakhs)

Particulars	Note No.	As at 31st March'2012		As at 31st March'2011	
I. EQUITY AND LIABILITIES					
1 Shareholders' Funds					
(a) Share Capital	1	536.00		536.00	
(b) Reserves and Surplus	2	1580.04		1819.53	
			2116.04		2355.53
2 Share Application Money Pending Allotment					
			—		—
3 Non-Current Liabilities					
(a) Long-Term Borrowings	3	109.11		209.40	
(b) Deferred Tax Liabilities (Net)	4	112.89		93.79	
(c) Other Long Term Liabilities		—		—	
(d) Long-Term Provisions	5	9.42		8.02	
			231.42		311.21
4 Current Liabilities					
(a) Short-Term Borrowings	6	1231.37		1128.82	
(b) Trade Payables	7	408.12		451.08	
(c) Other Current Liabilities	8	461.36		321.17	
(d) Short-Term Provisions	9	2.26		3.14	
			2103.11		1904.21
TOTAL			4450.57		4570.95
II. ASSETS					
1 Non-Current Assets					
(a) Fixed Assets					
(i) Tangible Assets	10	1828.87		1819.85	
(ii) Intangible Assets	10	8.43		9.22	
(iii) Capital Work-in-Progress	10	21.73		120.76	
(iv) Intangible Assets under Development		—		—	
(b) Non-Current Investments	11	13.49		13.49	
(c) Long-Term Loans and Advances	12	42.55		61.71	
(d) Other Non-Current Assets		—		—	
			1915.07		2025.03
2 Current assets					
(a) Current Investments	13	50.00		87.50	
(b) Inventories	14	1223.75		1234.70	
(c) Trade Receivables	15	849.00		782.17	
(d) Cash and Cash equivalents	16	152.01		146.68	
(e) Short-Term Loans & Advances	17	260.74		294.87	
(f) Other Current Assets		—		—	
			2535.50		2545.92
TOTAL			4450.57		4570.95

SIGNIFICANT ACCOUNTING POLICIES

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ADDITIONAL NOTES ON ACCOUNTS

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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 : 30th May 2012

DILLIP KUMAR DAS
DEEPAK KUMAR DAS
SUSANTA KU. SATAPATHY

MANAGING DIRECTOR
DIRECTOR
COMPANY SECRETARY

**ALFA TRANSFORMERS LIMITED****PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2012**

(₹ in Lakhs)

	Note Number	For the Year ended 31st March'2012	For the Year ended 31st March'2011
I. Revenue from Operations	18	1924.30	2057.54
II. Other Income	19	20.30	25.17
III. Total Revenue (I + II)		1944.60	2082.71
IV. EXPENDITURE :			
Cost of Materials Consumed	20	1255.12	1608.78
Changes in Inventories of Finished Goods Work-in-Progress	21	21.26	(244.16)
Employee Benefits Expenses	22	129.46	119.31
Finance Costs	23	270.62	206.68
Depreciation and Amortization expense	10	89.91	82.91
Other Expenses	24	387.85	371.10
Total Expenses		2154.22	2144.62
V. Profit/(Loss) Before Exceptional and Extraordinary Items and Tax (III-IV)		(209.62)	(61.91)
VI. Exceptional Items		—	—
VII. Profit/(Loss) Before Extraordinary Items and Tax (V - VI)		(209.62)	(61.91)
VIII. Extraordinary Items		—	—
IX. Profit/(Loss) Before Tax (VII- VIII)		(209.62)	(61.91)
X Tax Expenses:			
(1) Current Tax		—	—
(2) Deferred Tax Assets/(Liabilities) [Net]		(19.10)	19.10
XI Profit/(Loss) for the period (IX-X)		(228.72)	(42.81)
XII Earnings Per Equity Share:			
(1) Basic & Diluted (in ₹)		(4.27)	(0.80)

SIGNIFICANT ACCOUNTING POLICIES 25

ADDITIONAL NOTES ON ACCOUNTS 26

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 ACCOUNTANTSS.CHAND
PARTNERMembership No. 50063
BHUBANESWAR

DATED : 30th May 2012

DILLIP KUMAR DAS

DEEPAK KUMAR DAS

SUSANTA KU. SATAPATHY

MANAGING DIRECTOR

DIRECTOR

COMPANY SECRETARY

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CASH FLOW STATEMENT FOR THE ENDED 31ST MARCH, 2012

(₹ in Lakhs)

PARTICULARS	Year Ended 31-03-2012	Year Ended 31-03-2011
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Interest, Taxes & Extraordinary Items	61.01	144.77
Add :		
Depreciation	89.92	82.92
Bad Debts Written off/Provisions & Liquidated Damages etc.	37.32	4.78
Loss on sale / adjustment of assets	1.63	—
	189.88	232.47
Less :		
Interest Income	19.67	19.16
Foreign Exchange Gain/ (Loss) (Net)	11.66	16.86
Profit/ (Loss) on Sale of Assets & Discarded (Net)	—	(0.24)
Balances written back	5.30	15.91
Profit on Sale of Investment (Net)	3.60	6.55
Dividend Received	0.05	0.05
	40.28	58.28
Operating Profit / (Loss) before Working Capital Changes	149.60	174.18
Adjustment for;		
Inventories- Decrease/(Increase)	10.94	(16.95)
Trade & Other Receivables- Decrease/(Increase)	(58.66)	363.52
Trade Payables & Provisions- Decrease/ (Increase)	102.34	73.77
Cash Generated From Operations	204.22	594.52
Less: Income Tax(Paid)/Refunded	20.55	(39.80)
NET CASH FLOW FROM OPERATING ACTIVITIES	224.77	554.72
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions of Fixed Assets and Capital Work-in-Progress	(11.89)	(195.18)
Proceeds on Sale of Fixed Assets	—	2.50
Interest Received	19.67	19.16
Proceeds on Sale of Mutual Fund	41.10	52.90
Dividend Received	0.05	0.05
(Increase)/ Decrease in Fixed Deposit	(4.61)	40.41
NET CASH FLOW FROM INVESTING ACTIVITIES	44.32	(80.16)

**ALFA TRANSFORMERS LIMITED**

PARTICULARS	Year Ended 31-03-2012	Year Ended 31-03-2011
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	—	(52.23)
Dividend Tax paid	—	(8.90)
Net Increase/ (decrease) in secured borrowings	4.97	(202.32)
Repayments of Loans	(2.72)	(4.59)
Payment of Interest	(270.62)	(206.68)
NET CASH FLOW FROM FINANCING ACTIVITIES	(268.37)	(474.72)
Net Increase in cash and cash equivalents(A+B+C)	0.72	(0.16)
Cash and cash equivalents as on 31-03-2011	8.38	8.54
CASH & CASH EQUIVALENTS AS ON 31-03-2012	9.10	8.38
Cash and Cash Equivalents comprises		
— Cash	2.45	1.28
— Balance with Schedule Banks	6.65	7.10
	9.10	8.38

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/recast 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 : 30th May 2012

DILLIP KUMAR DAS

DEEPAK KUMAR DAS

SUSANTA KU. SATAPATHY

MANAGING DIRECTOR

DIRECTOR

COMPANY SECRETARY

Annual Report 2012

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

1. SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31 March 2012		As at 31 March 2011	
	No. of Shares in lakhs	Amount	No. of Shares in lakhs	Amount
Authorised Share Capital				
Equity Shares of Rs. 10/- Each	120.00	1200.00	120.00	1200.00
Issued, Subscribed & Paid up:				
Equity Shares pf Rs. 10/- each fully paid up	53.60	536.00	53.60	536.00
Total	53.60	536.00	53.60	536.00

Details of Shareholders holding more than 5% shares :

(₹ in Lakhs)

Name of Shareholders	As at 31 March 2012		As at 31 March 2011	
	No. of Shares in lakhs	% held	No. of Shares in lakhs	% held
Dillip Kumar Das	8.08	15.08%	7.91	14.76%
Industrial Designs & Services Limited	4.85	9.06%	4.78	8.92%
Galaxy Medicare Limited	3.80	7.09%	3.80	7.09%
Strategic Venture Fund (Mauritius) Limited	8.00	14.93%	8.00	14.93%

Disclosure relating to Share allotted for consideration other than cash

Particulars	Year (Aggregate No. of Shares in lakhs)				
	31-03-2012	31-03-2011	31-03-2010	31-03-2009	31-03-2008
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	—	—	—	—	0.30
Fully paid up by way of bonus shares	—	—	—	—	—

2. RESERVES AND SURPLUS

Particulars	As at 31 March 2012	As at 31 March 2011
a. Capital Reserves		
State Investment Subsidy		
Opening Balance as per Last Balance Sheet	9.92	9.92
Add : Current Year Transfer	—	—
Less : Written Back in Current Year	—	—
Closing Balance	9.92	9.92
b. Share Premium Account		
Opening Balance as per Last Balance Sheet	983.70	983.70
Add : Current Year Transfer	—	—
Less : Written Back in Current Year	—	—
Closing Balance	983.70	983.70
c. General Reserve		
Opening Balance as per Last Balance Sheet	600.00	600.00
Add : Transferred to Profit and Loss Account	—	—
Closing Balance	600.00	600.00
d. Revaluation Reserve		
Opening Balance as per Last Balance Sheet	113.44	124.39
Less : Transferred to Profit and Loss Account	(10.78)	(10.95)
Closing Balance	102.66	113.44
e. Profit and Loss Account		
Opening Balance as per Last Balance Sheet	112.47	155.28
Less : Loss for the year	(228.72)	(42.81)
Closing Balance	(116.25)	112.47
Total	1580.04	1819.53



ALFA TRANSFORMERS LIMITED

3. LONG TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
SECURED LOAN		
a. Term Loans		
From State Bank of India	41.59	114.74
From Axis Bank Limited	67.52	91.94
	109.11	206.68
UNSECURED LOAN		
a. Vehicle Loan		
From Axis Bank Limited	—	2.72
	—	2.72
Total	109.11	209.40

Terms and Conditions Secured Term Loans as set out below :

Particulars	SBI Term Loan-I	SBI WCTL	Axis Bank Term Loan
Period of maturity with reference to Balance Sheet date	12 Months	17 Months	45 Months
Number of Instalments outstanding as at 31st March,2012	4 Quarterly	17 Monthly	45 Monthly
Outstanding Amount of Instalments as at 31st March,2012	112.50	212.00	91.52
Rate of Interest	Base Rate plus 4.75%	Base Rate Plus 5.50%	Base Rate Plus 6.00%
Amount of default and period of default	NIL	NIL	NIL

NOTES:

The Term Loan availed from State Bank of India is secured by :

- Equitable mortgage of factory land measuring 0.826 acre at revenue Plot no. 4768 (P), IDCO Plot No. 2(P) at Mancheswar Industrial Estate, Bhubaneswar with all building, sheds and structures and immovable assets constructed/ situated thereon.
- Hypothecation of the Plant and Machinery and other fixed assets purchased out of the Term Loan.
- Second Charge on Raw Materials, Stock-in-Progress, Finished goods, Consumables, Book Debts and other Liquid Assets of Unit-1 and Unit-2 situated at Bhubaneswar.
- Personal Guarantees are given by three Directors including Managing Director.

The Term Loan availed from Axis Bank Limited is secured by :

- Exclusive charge by way of hypothecation of entire movable fixed assets of the Company at its Vadodara Unit (both present and future).
- Equitable mortgage over lease hold right of the industrial land and factory building constructed/ to be constructed located at Plot No. 1046 to 1048. GIDC Estate, Waghodia, Vadodara, Gujarat.
- Personal Guarantees are given by three Directors including Managing Director.

4. DEFERRED TAX LIABILITY (Net)

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
I. Deferred Tax Liability :		
Related to Fixed Assets	(22.80)	(24.26)
	(22.80)	(24.26)
II. Deferred Tax Assets :		
Timing Difference for various items restricted to/taken	22.80	43.36
III. Deferred Tax Asset (Net) (I+II)	—	19.10
IV. Reversal of Deferred Tax Asset	(19.10)	—
V. Opening Deferred Tax Liability (Net)	(93.79)	(112.89)
VI. Closing Deferred Tax Liability (Net) [IV+V]	(112.89)	(93.79)

The Company has been recognising in the financial statements the deferred tax assets/ liabilities, in accordance with Accounting Standard 22 "Accounting of Taxes on Income" issued by the Institute of Chartered Accountants of India. During the year, the Company has charged/(credited) to the Profit and Loss Account with Deferred Tax Asset (Net) of Rs.19.10 lakhs [Previous year (Rs.19.10 lakhs)] by restricting Deferred Tax Assets to Deferred Tax Liability figure making Deferred Tax element recognition at NIL.

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5. LONG TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
(a) Provision for Employee benefits		
Gratuity (Non-funded) *	7.98	7.27
Leave Encashment (Non-Funded)	1.44	0.75
Total	9.42	8.02

* Above mentioned provision pertains to Managing Director and Wholetime Director and has been computed on the basis fifteen days salary for each completed year of service.

6. SHORT TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
SECURED LOAN		
a. Working Capital Loan		
From State Bank of India	1010.49	1013.70
From Axis Bank Limited	220.88	115.12
Total	1231.37	1128.82

a) The Working Capital Loan availed from State Bank of India is secured by :

- i. Equitable Mortgage over factory land and building at Plot No. 3337, Mancheswar Industrial Estate, Bhubaneswar.
- ii. First Charge on fixed assets of the Company at Bhubaneswar Unit -2 .
- iii. Equitable Mortgage of Company's Properties Flat No. A/7, Lord Gunjan Palace, Bhubaneswar.
- iv. Personal Guarantees are given by three Directors including Managing Director.

b) The Working Capital Loan availed from Axis Bank Limited is secured by :

- i. Exclusive charge by way of hypothecation on entire current assets (both present & future) of Vadodara Unit of the Company.
- ii. Personal Guarantees are given by three Directors including Managing Director.

Disclosure :

Particulars	State Bank of India Cash Credit	Axis Bank Ltd Cash Credit
Preiod of maturity with reference to Balance Sheet date	Renewal every year	Renewal every year
Outstanding amount as at 31st March,2012	1010.49	220.88
Rate of Interest	Base Rate Plus 4.75%	Base Rate Plus 6.00%
Overdue amount and Period	Nil	Nil

7. TRADE PAYABLE

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
a) Trade Payables	384.92	419.82
b) Others	23.20	31.26
Total	408.12	451.08

**ALFA TRANSFORMERS LIMITED**

7.1 Trade Payables includes Rs. 36.98 lakhs due to Micro, Small and Medium Enterprises based on available information with the Company details of which as follows :

(₹ in Lakhs)

Particulars	As at 31 March 2012
Principal amount due and remaining unpaid	36.98
Interest due on above and the unpaid interest	0.78
Interest paid during the year	—
Payment made beyond the appointed day during the year	—
Interest due and payable for the period of delay	0.78
Interest accrued and remaining unpaid	0.78
Amount of further interest remaining due and payable in succeeding years.	—

Note: This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 and has been determined to the extent such parties have been identified on the basis of information available with the Company.

8. OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2012	As at 31 March 2011
(a) Current maturities of long-term debt *	309.63	141.77
(b) Interest accrued and due on borrowings	5.42	1.12
(c) Unpaid dividends	3.31	3.31
(d) Creditors for Capital Goods	7.03	11.10
(e) Other Liabilities		
i. Advance from Customers	63.36	91.74
ii. Statutory Liabilities	17.24	12.69
iii. Liabilities for Expenses	54.59	54.85
iv. Payable to employees	0.78	4.59
Total	461.36	321.17

*** Details of Current Maturities of Long Term Debt :**

a. Term Loans		
From State Bank of India	282.91	90.00
From Axis Bank Limited	24.00	48.00
b. Vehicle Loan from Bank		
From Axis Bank Limited	2.72	3.77
	309.63	141.77

9. SHORT TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
(a) Provision for employee benefits		
Leave Encashment (Non-Funded)	2.26	3.14
Total	2.26	3.14

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

10. FIXED ASSETS

(₹ in Lakhs)

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	Cost as at 31-03-2011	Additions during the year	Sale/adjustment during the year	Cost as at 31-03-2012	Up to 31-03-2011	For the Year	On Sale/adjustment during the year	Up to 31-03-2012	As at 31-03-2011	As at 31-03-2012
TANGIBLE ASSETS :										
Land	269.16	—	—	269.16	—	—	—	—	269.16	269.16
Office Building	68.97	—	—	68.97	9.89	2.16	—	12.05	56.92	59.61
Factory Shed	474.95	4.66	—	479.61	156.85	18.45	—	175.30	304.31	317.57
Main Plant & Machinery	1203.47	105.36	—	1308.83	294.41	60.09	—	354.50	954.33	909.07
Testing Equipments	107.05	0.10	—	107.15	37.92	4.29	—	42.21	64.94	69.12
Material Handling Equipments	142.93	—	—	142.93	56.26	4.75	—	61.01	81.92	86.66
Electrical Installations	80.86	0.18	0.43	80.61	28.02	2.83	0.05	30.80	49.81	52.84
Energy saving Devices	2.00	—	—	2.00	1.97	0.00	—	1.97	0.03	0.03
Auxiliary Equipments	11.80	—	—	11.80	10.56	0.33	—	10.89	0.91	1.25
Office Equipments	14.92	0.16	—	15.08	9.36	0.54	—	9.90	5.18	5.56
Computers	17.22	0.45	4.20	13.47	11.21	1.36	2.57	10.00	3.47	6.00
Furniture & Fixture	13.10	—	—	13.10	6.17	0.47	—	6.64	6.46	6.93
Vehicle	47.72	—	—	47.72	12.38	4.53	—	16.91	30.81	35.34
Motor-Cycle & Cycle	0.96	—	0.00	0.96	0.25	0.09	—	0.34	0.62	0.71
Total -A	2455.11	110.91	4.63	2561.39	635.25	99.89	2.62	732.52	1828.87	1819.85
INTANGIBLE ASSETS :										
Technical Knowhow	9.78	—	—	9.78	1.47	0.46	—	1.93	7.85	8.31
Software	2.29	—	—	2.29	1.37	0.34	—	1.71	0.58	0.91
Total -B	12.07	—	—	12.07	2.84	0.80	—	3.64	8.43	9.22
Capital Work-in-Progress	120.76	15.70	114.73	21.73	—	—	—	—	21.73	120.76
Total -C	120.76	15.70	114.73	21.73	—	—	—	—	21.73	120.76
TOTAL- CURRENT YEAR	2587.94	126.61	119.36	2595.19	638.09	100.69	2.62	736.16	1859.03	1949.83
Previous year	2338.76	134.02	5.61	2467.17	547.10	93.87	2.87	638.10	1829.07	1791.66
	Particulars			As at 31-03-2012		As at 31-03-2011				
Depreciation				100.69		93.86				
Less : Transferred to Revaluation Reserve				10.78		10.95				
Total				89.91		82.91				

The Gross Block of Fixed Assets includes Rs.368.43 Lakhs on account of revaluation of Fixed Assets carried out on 31.10.1999. Consequent to the said revaluation there is an additional charge of depreciation of Rs. 10.78 lakhs (Previous year- Rs.10.95 lakhs) during the year and an equivalent amount has been withdrawn from Revaluation Reserve and Credited to the Profit and Loss Account. This has no impact on profit for the year.


ALFA TRANSFORMERS LIMITED
11. NON-CURRENT INVESTMENTS (Valued at Cost)

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
Long Term Investments :(Unquoted,at cost)		
a) 15,000 Equity Shares of Rs.10/- each in Taloja Conductors Pvt. Ltd.	1.50	1.50
Less : Written off / Provision for permanent diminution of value	1.35	1.35
	0.15	0.15
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.	12.67	12.67
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	0.65	0.65
d) National Savings Certificates (*)	0.02	0.02
Total	13.49	13.49

* Lodged with Sales Tax authorities as securities

12. LONG TERM LOANS AND ADVANCES

(Un secured and Considered Good)

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
Advance Income Tax/refundable (Net of Provision)	42.55	61.71
Total	42.55	61.71

13. CURRENT INVESTMENTS [Valued at Cost]

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
(A) Investment in Bonds Other than Trade		
6.25% Rural Electrification Corporation Limited Capital Gain Bonds (500 Units of Rs.10000/- each)	50.00	50.00
	50.00	50.00
(B) Investment in Mutual Funds :(Dividend Equity)		
i) Birla Mid Cap Fund-Growth		
(7192.966 Units of Rs.100.130 each)	—	7.20
(6334.601 Units of Rs.100.130 each)	—	6.34
(6334.601 Units of Rs.100.130 each)	—	6.34
(7209.013 Units of Rs.100.130 each)	—	7.22
ii) DSP Blackrock Equity Fund-Growth		
(7371.847 Units (Previous Year-13871.847)of Rs. 13.973 each)	—	1.03
iii) Sundaram BNP Financial Services Opp. Fund		
(11135.977 Units of Rs. 15.755 each)	—	1.75
iv) Tata Equity P/E Fund-Growth		
(8711.377 Units of Rs. 42.1199 each)	—	3.67
v) Reliance Diversified Power Sector Fund-Growth		
(5206.315 Units(Previous Year-11706.315) of Rs. 75.7159 each)	—	3.94
	—	37.50
Total Current Investments	50.00	87.50

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14. INVENTORIES		(₹ in Lakhs)	
Particulars	As at 31 March 2012	As at 31 March 2011	
Indigenous Raw materials & Components	442.53	339.23	
Imported Raw materials & Components	185.25	231.13	
Semi-finished goods	486.08	521.98	
Finished goods	107.58	92.94	
Raw-Materials in Transit	1.64	48.75	
Discarded Assets	0.67	0.67	
TOTAL	1223.75	1234.70	

As certified by the Management and Valued as per Accounting Policy Note No. 25 (6).

15. TRADE RECEIVABLES	(₹ in Lakhs)
(Unsecured and Considered Good)	

Particulars	As at 31 March 2012	As at 31 March 2011
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured - Considered Good	315.72	282.42
- Considered Doubtful	21.47	3.08
	337.19	285.50
Less: Provision for doubtful debts	21.47	3.08
	315.72	282.42
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Considered Good	533.28	499.75
	533.28	499.75
TOTAL	849.00	782.17

16. CASH AND BANK BALANCES	(₹ in Lakhs)
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Particulars	As at 31 March 2012	As at 31 March 2011
Balances with banks	6.65	7.10
Cash on hand	2.45	1.28
In Fixed Deposit Accounts	142.91	138.30
TOTAL	152.01	146.68
Earmarked Balances with Banks		
In Unpaid Dividend Account	3.31	3.31
Margin Money deposits against Guarantees and Letter of Credits :		
Maturing in 12 Months	138.06	133.45
Maturity period more than 12 Months	4.85	4.85

**ALFA TRANSFORMERS LIMITED****NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012****17. SHORT TERM LOANS AND ADVANCES**

(Unsecured and Considered Good)

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
Deposit with Custom & Central Excise Authorities	139.42	169.55
Earnest Money and Security Deposits	39.07	43.80
Deposit with Sales Tax Authority	26.03	25.79
Advance to suppliers, staff and others*	29.73	29.54
Interest accrued on Term Deposits	15.88	5.45
Prepaid Expenses	10.61	20.74
TOTAL	260.74	294.87
* Loans and Advances due by Directors or other officers of the Company	0.97	1.32
Loans and Advances due by Private Companies in which a Director is a member.	0.16	0.06

18. REVENUE FROM OPERATION :

(₹ in Lakhs)

Particulars	For the Year Ended 31 March 2012	For the Year Ended 31 March 2011
Sale of products	2019.08	1985.25
Sale of services	34.22	181.89
Other operating revenues	57.87	61.38
TOTAL	2111.17	2228.52
Less: Excise duty	186.87	170.98
TOTAL	1924.30	2057.54

19. OTHER INCOME :

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2012	For the Year Ended 31st March, 2011
Interest Income	16.65	18.57
Dividend Income	0.05	0.05
Gain on Sale of Investments (Net)	3.60	6.55
TOTAL	20.30	25.17

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20. COST OF MATERIALS CONSUMED :

(₹ in Lakhs)

Particulars	For the Year Ended 31 March 2012	For the Year Ended 31 March 2011
Indigenous: -		
— Opening Stock	339.23	337.16
— Purchases	950.41	935.12
	1289.64	1272.28
— Closing Stock	442.53	339.23
SUB TOTAL - A	847.11	933.05
Imported:-		
— Opening Stock	231.13	420.04
— Purchases	362.13	486.82
	593.26	906.86
— Closing Stock	185.25	231.13
SUB TOTAL - B	408.01	675.73
Total Consumption (A+B)	1255.12	1608.78

21. CHANGE IN INVENTORIES OF FINISHED AND STOCK-IN-PROCESS :

(₹ in Lakhs)

Particulars	For the Year Ended 31 March 2012	For the Year Ended 31 March 2011
Opening Stocks:		
— Finished Goods	92.94	64.01
— Stock-in- Process	521.98	306.75
	614.92	370.76
Less : Closing Stocks		
— Finished Goods	107.58	92.94
— Stock-in- Process	486.08	521.98
	593.66	614.92
(Accretion)/Depletion of Stocks	21.26	(244.16)

22. EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended 31 March 2012	For the Year Ended 31 March 2011
Salaries, Wages and incentives	117.40	106.23
Contributions to Provident ,E.S.I and Graturity	11.43	11.68
Staff welfare expenses	0.63	1.40
TOTAL	129.46	119.31

23. FINANCE COSTS

(₹ in Lakhs)

Particulars	For the Year Ended 31 March 2012	For the Year Ended 31 March 2011
Interest expenses :		
Interest on Term Loans	60.79	50.73
Interest on Working Capital Loans	149.79	103.78
Other borrowing costs	60.04	52.17
TOTAL	270.62	206.68


ALFA TRANSFORMERS LIMITED
24. OTHER EXPENSES

(₹ in Lakhs)

SR No	Particulars	For the Year Ended 31st March, 2012	For the Year Ended 31st March, 2011
A	MANUFACTURING EXPENSES		
	Job Work Charges	70.52	87.37
	Power & Fuel	45.81	38.62
	Testing Expenses	14.67	19.16
	Research & Development Expenses	2.85	1.47
	Excise Duty on increase/decrease of stock	3.57	2.95
	TOTAL - A	137.42	149.57
B	REPAIRS AND MAINTENANCE		
	Repairs to machinery	9.84	10.34
	Repairs to Building	5.92	7.47
	Repairs to Vehicles	9.04	8.39
	Repairs to Others	1.62	1.70
	TOTAL - B	26.42	27.90
C	SELLING AND DISTRIBUTION EXPENSES		
	Selling Expenses	15.02	12.83
	Sales Commission	11.04	13.76
	Carriage Outward	50.63	32.91
	Taxes and Duties	4.11	2.90
	Project Export Expenses	0.00	10.74
	Bad Debt Written off	15.84	4.58
	Provision for Doubtful Debts	21.47	-
	TOTAL - C	118.11	77.72
D	ADMINISTRATIVE EXPENSES		
	Travelling Expenses	14.26	25.20
	Printing & Stationary	2.04	2.62
	Insurance Charges	7.37	6.38
	Advertisement Expenses	3.94	2.14
	Postage and Telephone Charges	4.87	6.05
	Auditors Remuneration	1.50	1.30
	Fees and Subscription	5.91	6.38
	Legal & Professional Fees	5.38	9.06
	Security Service Charges	9.49	9.43
	Rent	7.58	7.37
	Exchange Variation Loss	36.57	25.23
	General Expenses	3.89	2.50
	Books and Periodicals	0.10	0.10
	Meeting Expenses	1.38	1.16
	Advances Written off	0.40	0.20
	Registrar's Fees	0.26	0.91
	Loss on sale of Assets	1.63	0.24
	Prior Year Adjustment (Net)	(0.67)	9.64
	TOTAL - D	105.90	115.91
	TOTAL	387.85	371.10

NOTE NO- 25 :SIGNIFICANT ACCOUNTING POLICIES AND ADDITIONAL NOTES ON ACCOUNTS:

A. 1 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.

2 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. 3(ii).
- iii. Discarded fixed assets are de-capitalized and included under inventories at 5% of value of assets being estimated realizable value.
- iv. The cost of fixed assets not ready for use before such date are disclosed under capital work-in-progress.

3. 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.

4 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.

5 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.

6 INVENTORIES

- i. Stock of Raw Materials, Components and stores are valued at lower of cost and net realizable value. Cost of raw material is determined on weighted average method, excluding CENVAT paid on purchases. Scrap is valued at estimated realisable value.
- 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.

7 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



ALFA TRANSFORMERS LIMITED

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.

8 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.

9 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

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.

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

10 LIQUIDATED DAMAGES

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

11 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.

12 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.

13 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.

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NOTE NO.26 ADDITIONAL NOTES ON ACCOUNT :

1. RAW MATERIALS AND COMPONENTS CONSUMED :

Item	2011-12			2010-11		
	Qty (MT)	Value (Rs. In lacs)	%	Qty (MT)	Value (Rs. In lacs)	%
INDIGENOUS :						
Conductors	108.907	206.84	16	111.652	246.52	15
Steel Materials	155.859	53.79	4	205.875	63.16	4
Core Lamination	41.74	67.63	5	55.802	109.69	7
Others		518.85	41		513.65	32
Sub Total	306.506	847.11	66	373.329	933.02	58
IMPORTED :						
CRGO Steel	26.18	44.49	4	33.987	71.17	4
AMDT Core	272.766	340.55	27	308.606	479.07	30
Conductors	5.588	21.23	2	32.584	122.26	8
Others		1.74	1		3.25	—
Sub Total	304.531	408.01	34	375.177	675.75	42
Total	611.037	1255.12	100	748.506	1608.77	100

2. PAYMENT TO AUDITORS :

(₹ in Lakhs)

SR No	Particulars	2011-12	2010-11
i.	Audit Fees	1.00	1.00
ii.	Taxation matters	0.20	—
iii.	Other services	0.30	0.30
	TOTAL	1.50	1.30

3. EARNING PER SHARE :

SR No	Particulars	2011-12	2010-11
i.	Profit/(Loss) available to Equity Share Holders (Rs. In lakhs)	(228.72)	(42.81)
ii.	Weighted Average number of equity shares for Basic EPS in lakhs	53.60	53.60
iii.	Nominal Value of Equity Shares in Rs.	10.00	10.00
iv.	Basic and diluted Earning Per Equity Share in Rs	(4.27)	(0.80)

4. CIF VALUE OF IMPORTS

(₹ in Lakhs)

SR No	Particulars	2011-12	2010-11
i.	Raw Material and Components	341.48	445.71
ii.	Capital Goods	—	69.65

5. EXPENDITURE IN FOREIGN CURRENCY

(₹ in Lakhs)

SR No	Particulars	2011-12	2010-11
i.	Travelling	0.63	3.49

**ALFA TRANSFORMERS LIMITED**

6. EARNING IN FOREIGN CURRENCY (₹ in Lakhs)			
SR No	Particulars	2011-12	2010-11
i.	Export on FOB Basis (Direct)	111.29	90.00
ii.	Project Export/Consultancy Services	—	122.49

7. RELATED PARTY DISCLOSURES (₹ in Lakhs)			
Name	Nature of Transactions	2011-12	2010-11
a) Related Companies			
Industrial Designs & Services Ltd	Job Work	7.32	15.93
Oricon Industries Limited	Job Work	16.40	16.08
Galaxy Medicare Limited	Purchase of Raw materials	0.56	0.64
Phoneix Surgicare (P) Ltd (wholly owned subsidiary Company)	Advances	0.16	0.06

b) Key Management Personnel

Dillip Kumar Das	Remuneration	14.66	14.35
Deepak Kumar Das	Remuneration	7.99	8.00
Debasis Das	Remuneration	7.72	7.95
Santosh Kumar Pattnaik	Remuneration	8.00	7.68
Santosh Kumar Pattnaik	Travelling Expenses	1.33	1.35

8. CONTINGENT LIABILITIES (₹ in Lakhs)			
SR No	Particulars	2011-12	2010-11
A. Contigent Liabilities			
i.	Un expired Letters of Credit	91.04	357.14
ii.	Counter Guarantees for Bank Guarantees issued	282.46	394.13
iii.	Claims against the Company not acknowledged as Debt		
a)	Income Tax	11.85	11.85
b)	Sales Tax (*)	31.84	31.84
c)	Entry Tax (#)	25.21	25.21
d)	Excise	1.06	1.06
		443.46	821.22
B. Commitments			
a)	Estimated amount of contracts remaining to be executed on capital account and not provided for.	—	1.42
TOTAL		443.46	822.64

* Advance against the demands amounting to Rs. 21.14 lakhs which has been paid under protest is shown under Short-term Loans and Advances under Note No.17.

Advance against the demands amounting to Rs.4.60 lakhs which has been paid under protest which is shown under "Short Term Loans and Advances under Note no.17.

9. SEGMENT REPORTING :

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.

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(₹ in Lakhs)

Particulars of Sale of	Within India		Outside India		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Transformer	2002.73	1864.10	16.35	121.15	2019.08	1985.25
Project Export/Consultancy	-	-	-	122.48	-	122.48
Repairing/Service Charges	34.22	59.41	-	-	34.22	59.41
Total	2036.95	1923.51	16.35	243.63	2053.30	2167.14

10. Disclosure relating to Leave Encashment - As per Actuarial Valuation on 31st March,2012

a) Table Showing Changes in Present Value of Obligations :

Particulars	Current Year	Previous Year
Present value of obligation as at beginning of the year	3.89	2.83
(i) Acquisition Adjustments	---	---
(ii) Interest cost	0.30	0.20
(iii) Past Service cost	---	---
(iv) Current Service cost	0.40	0.70
(v) Curtailment cost	---	---
(vi) Settlement cost	---	---
(vii) Benefits Paid	0.75	0.54
(viii) Actuarial gain/ loss on Obligation	(0.13)	0.69
Present value of obligation as at end of the year	3.71	2.14

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

Particulars	Current Year	Previous Year
(i) Current Service Cost	0.40	0.70
(ii) Past Service Cost		
(iii) Interest Cost	0.30	0.20
(iv) Expected Return on Plan Asset		
(v) Curtailment cost		
(vi) Settlement cost		
(vii) Actuarial gain/ loss on Obligation	(0.13)	0.69
Expenses Recognized in Statement of Profit and Loss Account	0.57	1.60

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	8.50%	8.00%
(v) Inflation Rate	6.00%	5.00%
(vi) Return on Asset	0	0
(vii) Remaining Working Life	13	13
(vii) Formula used	Projected Unit Credit Method	Projected Unit Credit Method



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

Particulars	Current Year	Previous Year
(i) Opening Net Liability		
(ii) Expenses as above	0.57	1.63
(iii) Contributions	—	—
(iv) Closing Net Liability	1.60	1.63
Closing Fund/ Provision at the year end	3.71	1.44

11. Disclosure relating to Gratuity, as certified by Life Insurance Corporation of India, (Pension and Group Scheme Department) for the year ended 31st March, 2012 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) Annual premium payable to LIC amounting to Rs. 0.08 lakhs (Previous Year- Rs. 3.02 lakhs) have been shown under "Employees Cost" in Schedule-11.
- iv) Disclosures as required by AS-15 (Revised) are made as per the details submitted by LIC which are given below :

a) Assumptions

Particulars	31-03-2012	31-03-2011
Discount Rate	8%	8%
Salary Escalation	7%	7%

b) Table Showing changes in present value of Obligation

Particulars	31-03-2012	31-03-2011
Present value of obligation as at beginning of the year	12.62	14.79
(i) Interest cost	1.01	1.18
(ii) Current Service cost	1.00	1.32
(iii) Benefits Paid	(1.59)	(3.08)
(iv) Actuarial gain/(loss) on obligation	2.09	(1.59)
Present value of obligation as at end of the year	15.12	12.62

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

Particulars	31-03-2012	31-03-2011
Fair value of plan assets at beginning of year	15.82	15.87
(i) Expected return on plan assets	1.38	1.38
(ii) Contributions		1.65
(iii) Benefits Paid	(1.59)	(3.08)
(iv) Actuarial gain/(loss) on plan assets		
Fair value of plan assets at end of year	15.61	15.82

d) Table Showing fair value of plan assets

Particulars	31-03-2012	31-03-2011
(i) Fair value of plan assets at beginning of year	15.82	15.87
(ii) Actual return of plan assets	1.38	1.38
(iii) Contributions		1.65
(iv) Benefit Paid	(1.59)	(3.08)
(v) Fair value of plan assets at the end of year	15.61	15.82
(vi) Funded status	0.48	3.19
(vii) Excess of Actual over estimated return on plan assets		

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e) Actuarial Gain/Loss recognised as on

Particulars	31-03-2012	31-03-2011
(i) Actuarial (gain)/loss on obligations	(2.09)	1.59
(ii) Actuarial (gain)/loss for the year- plan assets		
(iii) Total Actuarial (gain)/loss	2.09	(1.59)
(iv) Actuarial (gain)/loss recognized in the year	2.09	(1.59)

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

Particulars	31-03-2012	31-03-2011
(i) Present value of obligation at the end of year	15.12	12.62
(ii) Fair value of plan assets as at the end of the year	15.61	15.82
(iii) Fund status	0.48	3.20
(iv) Net asset/(liability) recognized in balance sheet	(0.48)	(3.20)

g) Expenses Recognized in statement of Profit and Loss account

Particulars	31-03-2012	31-03-2011
(i) Current Service Cost	1.00	1.32
(ii) Interest Cost	1.01	1.18
(iii) Expected return on plan assets	(1.38)	(1.38)
(iv) Net Actuarial (gain)/ loss recognized in the year	2.09	
(v) Expenses recognized in statement of Profit and loss	2.71	(0.48)

12. Capital Work in Progress of Rs.21.73 lakhs (Previous Year- Rs. 120.76 lakhs) disclosed under Note No. -10 includes Rs.Nil (Previous Year- Rs.1.78 lakhs) 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.
13. 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.
14. In terms of Accounting Policy Note No. 25 (12), 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.
15. Operating Cycle is considered to be twelve months period.
16. Previous Year's Figures have been regrouped and re arranged wherever necessary.



ALFA TRANSFORMERS LIMITED

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, 2012, the Consolidated Statement of Profit and Loss 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.7,94,088 as at 31st March, 2012, total revenues of Rs. NIL and net cash outflows of Rs.1589 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, 2012;
 - b) in the case of the Consolidated Statement of Profit and Loss , 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 30th May , 2012

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

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CONSOLIDATED FINANCIAL STATEMENTS BALANCE SHEET AS AT 31ST MARCH 2012

(₹ in Lakhs)

Particulars	Note Number	As at	
		31st March'2012	31st March'2011
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	1	536.00	536.00
(b) Reserves and Surplus	2	1575.31	1815.04
		2111.31	2351.04
2 Share Application Money Pending Allotment			
		—	—
3 Non-Current Liabilities			
(a) Long-Term Borrowings	3	109.11	209.40
(b) Deferred Tax Liabilities (Net)	4	112.89	93.79
(c) Other Long Term Liabilities		—	—
(d) Long-Term Provisions	5	9.42	8.02
		231.42	311.21
4 Current Liabilities			
(a) Short-Term Borrowings	6	1231.37	1128.82
(b) Trade Payables	7	408.12	451.08
(c) Other Current Liabilities	8	461.67	321.26
(d) Short-Term Provisions	9	2.26	3.14
		2103.42	1904.30
		4446.15	4566.55
TOTAL			
II. ASSETS			
1 Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	1837.03	1828.02
(ii) Intangible Assets	10	8.43	9.22
(iii) Capital Work-in-Progress	10	21.73	120.76
(iv) Intangible Assets under Development		—	—
(b) Non-Current Investments	11	0.82	0.82
(c) Long-Term Loans and Advances	12	42.55	61.71
(d) Other Non-Current Assets		—	—
		1910.56	2020.53
2 Current assets			
(a) Current Investments	13	50.00	87.50
(b) Inventories	14	1223.75	1234.70
(c) Trade Receivables	15	849.00	782.17
(d) Cash and Cash equivalents	16	152.10	146.78
(e) Short-Term Loans & Advances	17	260.74	294.87
(f) Other Current Assets		—	—
		2535.59	2546.02
		4446.15	4566.55
TOTAL			

SIGNIFICANT ACCOUNTING POLICIES 25

ADDITIONAL NOTES ON ACCOUNTS 26

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 : 30th May 2012

DILLIP KUMAR DAS
DEEPAK KUMAR DAS
SUSANTA KU. SATAPATHY

MANAGING DIRECTOR
DIRECTOR
COMPANY SECRETARY

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2012

(₹ in Lakhs)

	Note Number	For the Year ended 31st March'2012	For the Year ended 31st March'2011
I. Revenue from Operations	18	1924.30	2057.54
II. Other Income	19	20.30	25.17
III. Total Revenue (I + II)		1944.60	2082.71
IV. EXPENDITURE :			
Cost of Materials Consumed	20	1255.12	1608.78
Changes in Inventories of Finished Goods Work-in-Progress	21	21.26	(244.16)
Employee Benefits Expenses	22	129.46	119.31
Finance Costs	23	270.62	206.68
Depreciation and Amortization expense	10	89.91	82.91
Other Expenses	24	387.96	371.34
Total Expenses		2154.45	2144.87
V. Profit/(Loss) Before Exceptional and Extraordinary Items and Tax (III-IV)		(209.85)	(62.16)
VI. Exceptional Items		—	—
VII. Profit/(Loss) Before Extraordinary Items and Tax (V - VI)		(209.85)	(62.16)
VIII. Extraordinary Items		—	—
IX. Profit/(Loss) Before Tax (VII- VIII)		(209.85)	(62.16)
X Tax Expenses:			
(1) Current Tax		—	—
(2) Deferred Tax Assets/(Liabilities) [Net]		(19.10)	19.10
XI Profit/(Loss) for the period (IX-X)		(228.95)	(43.06)
XII Earnings Per Equity Share:			
(1) Basic & Diluted (in ₹)		(4.27)	(0.80)

SIGNIFICANT ACCOUNTING POLICIES 25

ADDITIONAL NOTES ON ACCOUNTS 26

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 : 30th May 2012

DILLIP KUMAR DAS
 DEEPAK KUMAR DAS
 SUSANTA KU. SATAPATHY

MANAGING DIRECTOR
 DIRECTOR
 COMPANY SECRETARY

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CONSOLIDATED FINANCIAL STATEMENTS

CASH FLOW STATEMENT FOR THE ENDED 31ST MARCH, 2012

(₹ in Lakhs)

PARTICULARS	Year Ended 31-03-2012	Year Ended 31-03-2011
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Interest, Taxes & Extraordinary Items	60.90	144.52
Add :		
Depreciation	89.92	82.92
Bad Debts Written off/Provisions & Liquidated Damages etc.	37.32	4.78
Loss on sale / adjustment of assets	1.63	—
	189.77	232.22
Less :		
Interest Income	19.67	19.16
Foreign Exchange Gain/ (Loss) (Net)	11.66	16.86
Profit/ (Loss) on Sale of Assets & Discarded (Net)	—	(0.24)
Balances written back	5.30	15.91
Profit on Sale of Investment (Net)	3.60	6.55
Dividend Received	0.05	0.05
	40.28	58.29
Operating Profit / (Loss) before Working Capital Changes	149.49	173.93
Adjustment for;		
Inventories- Decrease/(Increase)	10.94	(16.95)
Trade & Other Receivables- Decrease/(Increase)	(58.66)	363.52
Trade Payables & Provisions- Decrease/ (Increase)	102.56	73.77
Cash Generated From Operations	204.33	594.27
Less: Income Tax(Paid)/Refunded	20.55	(39.80)
NET CASH FLOW FROM OPERATING ACTIVITIES	224.88	554.47
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions of Fixed Assets and Capital Work-in-Progress	(11.89)	(195.18)
Proceeds on Sale of Fixed Assets	—	2.50
Interest Received	19.67	19.16
Proceeds on Sale of Mutual Fund	41.10	52.90
Dividend Received	0.05	0.05
(Increase)/ Decrease in Fixed Deposit	(4.62)	40.41
NET CASH FLOW FROM INVESTING ACTIVITIES	44.31	(80.16)



CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	Year Ended 31-03-2012	Year Ended 31-03-2011
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	—	(52.23)
Dividend Tax paid	—	(8.90)
Net Increase/ (decrease) in secured borrowings	4.97	(202.32)
Repayments of Loans	(2.72)	(4.59)
Payment of Interest	(270.73)	(206.68)
NET CASH FLOW FROM FINANCING ACTIVITIES	(268.48)	(474.72)
Net Increase in cash and cash equivalents(A+B+C)	0.71	(0.41)
Cash and cash equivalents as on 31-03-2011	8.48	8.89
CASH & CASH EQUIVALENTS AS ON 31-03-2012	9.19	8.48
Cash and Cash Equivalents comprises		
— Cash	2.45	1.28
— Balance with Schedule Banks	6.74	7.20
	9.19	8.48

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/recast 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 : 30th May 2012

DILLIP KUMAR DAS

DEEPAK KUMAR DAS

SUSANTA KU. SATAPATHY

MANAGING DIRECTOR

DIRECTOR

COMPANY SECRETARY

Annual Report 2012

CONSOLIDATED FINANCIAL STATEMENTS

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

1. SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31 March 2012		As at 31 March 2011	
	No. of Shares in lakhs	Amount	No. of Shares in lakhs	Amount
Authorised Share Capital				
Equity Shares of Rs. 10/- Each	120.00	1200.00	120.00	1200.00
Issued, Subscribed & Paid up:				
Equity Shares pf Rs. 10/- each fully paid up	53.60	536.00	53.60	536.00
Total	53.60	536.00	53.60	536.00

Details of Shareholders holding more than 5% shares :

(₹ in Lakhs)

Name of Shareholders	As at 31 March 2012		As at 31 March 2011	
	No. of Shares in lakhs	% held	No. of Shares in lakhs	% held
Dillip Kumar Das	8.08	15.08%	7.91	14.76%
Industrial Designs & Services Limited	4.85	9.06%	4.78	8.92%
Galaxy Medicare Limited	3.80	7.09%	3.80	7.09%
Strategic Venture Fund (Mauritius) Limited	8.00	14.93%	8.00	14.93%

Disclosure relating to Share allotted for consideration other than cash

Particulars	Year (Aggregate No. of Shares in lakhs)				
	31-03-2012	31-03-2011	31-03-2010	31-03-2009	31-03-2008
Equity Shares :					
Fully paid up pursuant to contract(s)					
without payment being received in cash	—	—	—	—	0.30
Fully paid up by way of bonus shares	—	—	—	—	—

2. RESERVES AND SURPLUS

Particulars	As at 31 March 2012	As at 31 March 2011
a. Capital Reserves		
State Investment Subsidy		
Opening Balance as per Last Balance Sheet	9.92	9.92
Add : Current Year Transfer	—	—
Less : Written Back in Current Year	—	—
Closing Balance	9.92	9.92
b. Share Premium Account		
Opening Balance as per Last Balance Sheet	983.70	983.70
Add : Current Year Transfer	—	—
Less : Written Back in Current Year	—	—
Closing Balance	983.70	983.70
c. General Reserve		
Opening Balance as per Last Balance Sheet	600.00	600.00
Add : Transferred to Profit and Loss Account	—	—
Closing Balance	600.00	600.00
d. Revaluation Reserve		
Opening Balance as per Last Balance Sheet	113.44	124.39
Less : Transferred to Profit and Loss Account	(10.78)	(10.95)
Closing Balance	102.66	113.44
e. Profit and Loss Account		
Opening Balance as per Last Balance Sheet	107.98	151.04
Less : Loss for the year	(228.95)	(43.06)
Closing Balance	(120.97)	107.98
Total	1575.31	1815.04

**ALFA TRANSFORMERS LIMITED****CONSOLIDATED FINANCIAL STATEMENTS****3. LONG TERM BORROWINGS**

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
SECURED LOAN		
a. Term Loans		
From State Bank of India	41.59	114.74
From Axis Bank Limited	67.52	91.94
	109.11	206.68
UNSECURED LOAN		
a. Vehicle Loan		
From Axis Bank Limited	—	2.72
	—	2.72
Total	109.11	209.40

Terms and Conditions Secured Term Loans as set out below :

Particulars	SBI Term Loan-I	SBI WCTL	Axis Bank Term Loan
Period of maturity with reference to Balance Sheet date	12 Months	17 Months	45 Months
Number of Instalments outstanding as at 31st March,2012	4 Quarterly	17 Monthly	45 Monthly
Outstanding Amount of Instalments as at 31st March,2012	112.50	212.00	91.52
Rate of Interest	Base Rate plus 4.75%	Base Rate Plus 5.50%	Base Rate Plus 6.00%
Amount of default and period of default	NIL	NIL	NIL

NOTES:**The Term Loan availed from State Bank of India is secured by :**

- Equitable mortgage of factory land measuring 0.826 acre at revenue Plot no. 4768 (P), IDCO Plot No. 2(P) at Mancheswar Industrial Estate, Bhubaneswar with all building, sheds and structures and immovable assets constructed/ situated thereon.
- Hypothecation of the Plant and Machinery and other fixed assets purchased out of the Term Loan.
- Second Charge on Raw Materials, Stock-in-Progress, Finished goods, Consumables, Book Debts and other Liquid Assets of Unit-1 and Unit-2 situated at Bhubaneswar.
- Personal Guarantees are given by three Directors including Managing Director.

The Term Loan availed from Axis Bank Limited is secured by :

- Exclusive charge by way of hypothecation of entire movable fixed assets of the Company at its Vadodara Unit (both present and future).
- Equitable mortgage over lease hold right of the industrial land and factory building constructed/ to be constructed located at Plot No. 1046 to 1048. GIDC Estate, Waghodia, Vadodara, Gujarat.
- Personal Guarantees are given by three Directors including Managing Director.

4. DEFERRED TAX LIABILITY (Net)

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
I. Deferred Tax Liability :		
Related to Fixed Assets	(22.80)	(24.26)
	(22.80)	(24.26)
II. Deferred Tax Assets :		
Timing Difference for various items restricted to/taken	22.80	43.36
III. Deferred Tax Asset (Net) (I+II)	—	19.10
IV. Reversal of Deferred Tax Asset	(19.10)	—
V. Opening Deferred Tax Liability (Net)	(93.79)	(112.89)
VI. Closing Deferred Tax Liability (Net) [IV+V]	(112.89)	(93.79)

The Company has been recognising in the financial statements the deferred tax assets/ liabilities, in accordance with Accounting Standard 22 " Accounting of Taxes on Income" issued by the Institute of Chartered Accountants of India. During the year, the Company has charged/(credited) to the Profit and Loss Account with Deferred Tax Asset (Net) of Rs.19.10 lakhs [Previous year (Rs.19.10 lakhs)] by restricting Deferred Tax Assets to Deferred Tax Liability figure making Deferred Tax element recognition at NIL.

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CONSOLIDATED FINANCIAL STATEMENTS

5. LONG TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
(a) Provision for Employee benefits		
Gratuity (Non-funded) *	7.98	7.27
Leave Encashment (Non-Funded)	1.44	0.75
Total	9.42	8.02

* Above mentioned provision pertains to Managing Director and Wholetime Director and has been computed on the basis fifteen days salary for each completed year of service.

6. SHORT TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
SECURED LOAN		
a. Working Capital Loan		
From State Bank of India	1010.49	1013.70
From Axis Bank Limited	220.88	115.12
Total	1231.37	1128.82

a) The Working Capital Loan availed from State Bank of India is secured by :

- i. Equitable Mortgage over factory land and building at Plot No. 3337, Mancheswar Industrial Estate, Bhubaneswar.
- ii. First Charge on fixed assets of the Company at Bhubaneswar Unit -2 .
- iii. Equitable Mortgage of Company's Properties Flat No. A/7, Lord Gunjan Palace, Bhubaneswar.
- iv. Personal Guarantees are given by three Directors including Managing Director.

b) The Working Capital Loan availed from Axis Bank Limited is secured by :

- i. Exclusive charge by way of hypothecation on entire current assets (both present & future) of Vadodara Unit of the Company.
- ii. Personal Guarantees are given by three Directors including Managing Director.

Disclosure :

Particulars	State Bank of India Cash Credit	Axis Bank Ltd Cash Credit
Preiod of maturity with reference to Balance Sheet date	Renewal every year	Renewal every year
Outstanding amount as at 31st March,2012	1010.49	220.88
Rate of Interest	Base Rate Plus 4.75%	Base Rate Plus 6.00%
Overdue amount and Period	Nil	Nil

7. TRADE PAYABLE

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
a) Trade Payables	384.92	419.82
b) Others	23.20	31.26
Total	408.12	451.08

**ALFA TRANSFORMERS LIMITED****CONSOLIDATED FINANCIAL STATEMENTS**

7.1 Trade Payables includes Rs. 36.98 lakhs due to Micro, Small and Medium Enterprises based on available information with the Company details of which as follows :

(₹ in Lakhs)

Particulars	As at 31 March 2012
Principal amount due and remaining unpaid	36.98
Interest due on above and the unpaid interest	0.78
Interest paid during the year	—
Payment made beyond the appointed day during the year	—
Interest due and payable for the period of delay	0.78
Interest accrued and remaining unpaid	0.78
Amount of further interest remaining due and payable in succeeding years.	

Note: This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 and has been determined to the extent such parties have been identified on the basis of information available with the Company.

8. OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2012	As at 31 March 2011
(a) Current maturities of long-term debt *	309.63	141.77
(b) Interest accrued and due on borrowings	5.42	1.12
(c) Unpaid dividends	3.31	3.31
(d) Creditors for Capital Goods	7.03	11.10
(e) Other Liabilities		
i. Advance from Customers	63.36	91.74
ii. Statutory Liabilities	17.24	12.69
iii. Liabilities for Expenses	54.90	54.94
iv. Payable to employees	0.78	4.59
Total	461.67	321.26

*** Details of Current Maturities of Long Term Debt :**

a. Term Loans		
From State Bank of India	282.91	90.00
From Axis Bank Limited	24.00	48.00
b. Vehicle Loan from Bank		
From Axis Bank Limited	2.72	3.77
	309.63	141.77

9. SHORT TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
(a) Provision for employee benefits		
Leave Encashment (Non-Funded)	2.26	3.14
Total	2.26	3.14

CONSOLIDATED FINANCIAL STATEMENTS

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

10. FIXED ASSETS

(₹ in Lakhs)

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	Cost as at 31-03-2011	Additions during the year	Sale/adjustment during the year	Cost as at 31-03-2012	Up to 31-03-2011	For the Year	On Sale/adjustment during the year	Up to 31-03-2012	As at 31-03-2012	As at 31-03-2011
TANGIBLE ASSETS :										
Land	277.32	—	—	277.32	—	—	—	—	277.32	277.32
Office Building	68.97	—	—	68.97	9.89	2.16	—	12.05	56.92	59.61
Factory Shed	474.95	4.66	—	479.61	156.85	18.45	—	175.30	304.31	317.57
Main Plant & Machinery	1203.47	105.36	—	1308.83	294.41	60.09	—	354.50	954.33	909.07
Testing Equipments	107.05	0.10	—	107.15	37.92	4.29	—	42.21	64.94	69.12
Material Handling Equipments	142.93	—	—	142.93	56.26	4.75	—	61.01	81.92	86.66
Electrical Installations	80.86	0.18	0.43	80.61	28.02	2.83	0.05	30.80	49.81	52.84
Energy saving Devices	2.00	—	—	2.00	1.97	0.00	—	1.97	0.03	0.03
Auxiliary Equipments	11.80	—	—	11.80	10.56	0.33	—	10.89	0.91	1.25
Office Equipments	14.92	0.16	—	15.08	9.36	0.54	—	9.90	5.18	5.56
Computers	17.22	0.45	4.20	13.47	11.21	1.36	2.57	10.00	3.47	6.00
Furniture & Fixture	13.10	—	—	13.10	6.17	0.47	—	6.64	6.46	6.93
Vehicle	47.72	—	—	47.72	12.38	4.53	—	16.91	30.81	35.34
Motor-Cycle & Cycle	0.96	—	0.00	0.96	0.25	0.09	—	0.34	0.62	0.71
Total -A	2463.27	110.91	4.63	2569.55	635.25	99.89	2.62	732.52	1837.03	1828.02
INTANGIBLE ASSETS :										
Technical Knowhow	9.78	—	—	9.78	1.47	0.46	—	1.93	7.85	8.31
Software	2.29	—	—	2.29	1.37	0.34	—	1.71	0.58	0.91
Total -B	12.07	—	—	12.07	2.84	0.80	—	3.64	8.43	9.22
Capital Work-in-Progress	120.76	15.70	114.73	21.73	—	—	—	—	21.73	120.76
Total -C	120.76	15.70	114.73	21.73	—	—	—	—	21.73	120.76
TOTAL- CURRENT YEAR	2596.10	126.61	119.36	2603.35	638.09	100.69	2.62	736.16	1867.19	1958.00
Previous year	2338.76	134.02	5.61	2467.17	547.10	93.87	2.87	638.10	1829.07	1791.66
	Particulars		As at 31-03-2012		As at 31-03-2011					
Depreciation				100.69		93.86				
Less : Transferred to Revaluation Reserve				10.78		10.95				
Total				89.91		82.91				

The Gross Block of Fixed Assets includes Rs.368.43 Lakhs on account of revaluation of Fixed Assets carried out on 31.10.1999. Consequent to the said revaluation there is an additional charge of depreciation of Rs. 10.78 lakhs (Previous year- Rs.10.95 lakhs) during the year and an equivalent amount has been withdrawn from Revaluation Reserve and Credited to the Profit and Loss Account. This has no impact on profit for the year.


ALFA TRANSFORMERS LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
11. NON-CURRENT INVESTMENTS (Valued at Cost)

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
Long Term Investments :(Unquoted,at cost)		
a) 15,000 Equity Shares of Rs.10/- each in Taloja Conductors Pvt. Ltd.	1.50	1.50
Less : Written off / Provision for permanent diminution of value	1.35	1.35
	0.15	0.15
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	0.65	0.65
c) National Savings Certificates (*)	0.02	0.02
Total	0.82	0.82

* Lodged with Sales Tax authorities as securities

12. LONG TERM LOANS AND ADVANCES

(Un secured and Considered Good)

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
Advance Income Tax/refundable (Net of Provision)	42.55	61.71
Total	42.55	61.71

13. CURRENT INVESTMENTS [Valued at Cost]

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
(A) Investment in Bonds Other than Trade		
6.25% Rural Electrification Corporation Limited Capital Gain Bonds (500 Units of Rs.10000/- each)	50.00	50.00
	50.00	50.00
(B) Investment in Mutual Funds :(Dividend Equity)		
i) Birla Mid Cap Fund-Growth (7192.966 Units of Rs.100.130 each)	—	7.20
(6334.601 Units of Rs.100.130 each)	—	6.34
(6334.601 Units of Rs.100.130 each)	—	6.34
(7209.013 Units of Rs.100.130 each)	—	7.22
ii) DSP Blackrock Equity Fund-Growth (7371.847 Units (Previous Year-13871.847)of Rs. 13.973 each)	—	1.03
iii) Sundaram BNP Financial Services Opp. Fund (11135.977 Units of Rs. 15.755 each)	—	1.75
iv) Tata Equity P/E Fund-Growth (8711.377 Units of Rs. 42.1199 each)	—	3.67
v) Reliance Diversified Power Sector Fund-Growth (5206.315 Units(Previous Year-11706.315) of Rs. 75.7159 each)	—	3.94
	—	37.50
Total Current Investments	50.00	87.50

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CONSOLIDATED FINANCIAL STATEMENTS (₹ in Lakhs)

14. INVENTORIES

Particulars	As at 31 March 2012	As at 31 March 2011
Indigenous Raw materials & Components	442.53	339.23
Imported Raw materials & Components	185.25	231.13
Semi-finished goods	486.08	521.98
Finished goods	107.58	92.94
Raw-Materials in Transit	1.64	48.75
Discarded Assets	0.67	0.67
Total	1223.75	1234.70

As certified by the Management and Valued as per Accounting Policy Note No. 25 (6).

15. TRADE RECEIVABLES

(₹ in Lakhs)

(Unsecured and Considered Good)

Particulars	As at 31 March 2012	As at 31 March 2011
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured - Considered Good	315.72	282.42
- Considered Doubtful	21.47	3.08
	337.19	285.50
Less: Provision for doubtful debts	21.47	3.08
	315.72	282.42
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Considered Good	533.28	499.75
	533.28	499.75
TOTAL	849.00	782.17

16. CASH AND BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
Balances with banks	6.65	7.10
Cash on hand	2.45	1.28
In Fixed Deposit Accounts	142.91	138.30
TOTAL	152.01	146.68
Earmarked Balances with Banks		
In Unpaid Dividend Account	3.31	3.31
Margin Money deposits against Guarantees and Letter of Credits :		
Maturing in 12 Months	138.06	133.45
Maturity period more than 12 Months	4.85	4.85

**17. SHORT TERM LOANS AND ADVANCES**

(Unsecured and Considered Good)

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
Deposit with Custom & Central Excise Authorities	139.42	169.55
Earnest Money and Security Deposits	39.07	43.80
Deposit with Sales Tax Authority	26.03	25.79
Advance to suppliers, staff and others*	29.73	29.54
Interest accrued on Term Deposits	15.88	5.45
Prepaid Expenses	10.61	20.74
Total	260.74	294.87
* Loans and Advances due by Directors or other officers of the Company	0.97	1.32
Loans and Advances due by private companies in which a director is a member.	0.16	0.06

18. REVENUE FROM OPERATION :

(₹ in Lakhs)

Particulars	For the Year Ended 31 March 2012	For the Year Ended 31 March 2011
Sale of products	2019.08	1985.25
Sale of services	34.22	181.89
Other operating revenues	57.87	61.38
Total	2111.17	2228.52
Less: Excise duty	186.87	170.98
Total	1924.30	2057.54

19. OTHER INCOME :

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2012	For the Year Ended 31st March, 2011
Interest Income	16.65	18.57
Dividend Income	0.05	0.05
Gain on Sale of Investments (Net)	3.60	6.55
Total	20.30	25.17

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CONSOLIDATED FINANCIAL STATEMENTS (₹ in Lakhs)

20. COST OF MATERIALS CONSUMED :

Particulars	For the Year Ended 31 March 2012	For the Year Ended 31 March 2011
Indigenous: -		
— Opening Stock	339.23	337.16
— Purchases	950.41	935.12
	1289.64	1272.28
— Closing Stock	442.53	339.23
Sub Total-A	847.11	933.05
Imported:-		
— Opening Stock	231.13	420.04
— Purchases	362.13	486.82
	593.26	906.86
— Closing Stock	185.25	231.13
Sub Total-B	408.01	675.73
Total Consumption (A+B)	1255.12	1608.78

21. CHANGE IN INVENTORIES OF FINISHED AND STOCK-IN-PROCESS : (₹ in Lakhs)

Particulars	For the Year Ended 31 March 2012	For the Year Ended 31 March 2011
Opening Stocks:		
— Finished Goods	92.94	64.01
— Stock-in- Process	521.98	306.75
	614.92	370.76
Less : Closing Stocks		
— Finished Goods	107.58	92.94
— Stock-in- Process	486.08	521.98
	593.66	614.92
(Accretion)/Depletion of Stocks	21.26	(244.16)

22. EMPLOYEE BENEFITS EXPENSES (₹ in Lakhs)

Particulars	For the Year Ended 31 March 2012	For the Year Ended 31 March 2011
Salaries, Wages and incentives	117.40	106.23
Contributions to Provident ,E.S.I and Gratuity	11.43	11.68
Staff welfare expenses	0.63	1.40
Total	129.46	119.31

23. FINANCE COSTS (₹ in Lakhs)

Particulars	For the Year Ended 31 March 2012	For the Year Ended 31 March 2011
Interest expenses :		
Interest on Term Loans	60.79	50.73
Interest on Working Capital Loans	149.79	103.78
Other borrowing costs	60.16	52.17
Total	270.74	206.68



24. OTHER EXPENSES

(₹ in Lakhs)

SR No	Particulars	For the Year Ended 31st March, 2012	For the Year Ended 31st March, 2011
A	MANUFACTURING EXPENSES		
	Job Work Charges	70.52	87.37
	Power & Fuel	45.81	38.62
	Testing Expenses	14.67	19.16
	Research & Development Expenses	2.85	1.47
	Excise Duty on increase/decrease of stock	3.57	2.95
	TOTAL - A	137.42	149.57
B	REPAIRS AND MAINTENANCE		
	Repairs to machinery	9.84	10.34
	Repairs to Building	5.92	7.47
	Repairs to Vehicles	9.04	8.39
	Repairs to Others	1.62	1.70
	TOTAL - B	26.42	27.90
C	SELLING AND DISTRIBUTION EXPENSES		
	Selling Expenses	15.02	12.83
	Sales Commission	11.04	13.76
	Carriage Outward	50.63	32.91
	Taxes and Duties	4.11	2.90
	Project Export Expenses	0.00	10.74
	Bad Debt Written off	15.84	4.58
	Provision for Doubtful Debts	21.47	-
	TOTAL - C	118.11	77.72
D	ADMINISTRATIVE EXPENSES		
	Travelling Expenses	14.26	25.21
	Printing & Stationary	2.04	2.62
	Insurance Charges	7.37	6.38
	Advertisement Expenses	3.94	2.14
	Postage and Telephone Charges	4.87	6.05
	Auditors Remuneration	1.55	1.35
	Fees and Subscription	5.97	6.45
	Legal & Professional Fees	5.38	9.15
	Security Service Charges	9.49	9.43
	Rent	7.58	7.37
	Exchange Variation Loss	36.57	25.23
	General Expenses	3.89	2.52
	Books and Periodicals	0.10	0.10
	Meeting Expenses	1.38	1.16
	Advances Written off	0.40	0.20
	Registrar's Fees	0.26	0.91
	Loss on sale of Assets	1.63	0.24
	Prior Year Adjustment (Net)	(0.67)	9.64
	TOTAL - D	106.01	116.15
	TOTAL	387.96	371.34

CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO- 25 :SIGNIFICANT ACCOUNTING POLICIES AND ADDITIONAL NOTES ON ACCOUNTS:

A. 1 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.

2 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. 3(ii).
- iii. Discarded fixed assets are de-capitalized and included under inventories at 5% of value of assets being estimated realizable value.
- iv. The cost of fixed assets not ready for use before such date are disclosed under capital work-in-progress.

3. 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.

4 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.

5 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.

6 INVENTORIES

- i. Stock of Raw Materials, Components and stores are valued at lower of cost and net realizable value. Cost of raw material is determined on weighted average method, excluding CENVAT paid on purchases. Scrap is valued at estimated realisable value.
- 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.

7 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



CONSOLIDATED FINANCIAL STATEMENTS

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.

8 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.

9 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

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.

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

10 LIQUIDATED DAMAGES

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

11 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.

12 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.

13 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.

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NOTE NO.26 ADDITIONAL NOTES ON ACCOUNT : CONSOLIDATED FINANCIAL STATEMENTS

1. RAW MATERIALS AND COMPONENTS CONSUMED :

Item	2011-12			2010-11		
	Qty (MT)	Value (Rs. In lacs)	%	Qty (MT)	Value (Rs. In lacs)	%
INDIGENOUS :						
Conductors	108.907	206.84	16	111.652	246.52	15
Steel Materials	155.859	53.79	4	205.875	63.16	4
Core Lamination	41.74	67.63	5	55.802	109.69	7
Others		518.85	41		513.65	32
Sub Total	306.506	847.11	67	373.329	933.02	58
IMPORTED :						
CRGO Steel	26.18	44.49	4	33.987	71.17	4
AMDT Core	272.766	340.55	27	308.606	479.07	30
Conductors	5.588	21.23	2	32.584	122.26	8
Others		1.74	1		3.25	—
Sub Total	304.531	408.01	34	375.177	675.75	42
Total	611.037	1255.12	100	748.506	1608.77	100

2. PAYMENT TO AUDITORS :

(₹ in Lakhs)

SR No	Particulars	2011-12	2010-11
i.	Audit Fees	1.05	1.05
ii.	Taxation matters	0.20	—
iii.	Other services	0.30	0.30
	TOTAL	1.55	1.35

3. EARNING PER SHARE :

SR No	Particulars	2011-12	2010-11
i.	Profit/(Loss) available to Equity Share Holders (Rs. In lakhs)	(228.95)	(42.81)
ii.	Weighted Average number of equity shares for Basic EPS in lakhs	53.60	53.60
iii.	Nominal Value of Equity Shares in Rs.	10.00	10.00
iv.	Basic and diluted Earning Per Equity Share in Rs	(4.27)	(0.80)

4. CIF VALUE OF IMPORTS

(₹ in Lakhs)

SR No	Particulars	2011-12	2010-11
i.	Raw Material and Components	341.48	445.71
ii.	Capital Goods	—	69.65

5. EXPENDITURE IN FOREIGN CURRENCY

(₹ in Lakhs)

SR No	Particulars	2011-12	2010-11
i.	Travelling	0.63	3.49



6. EARNING IN FOREIGN CURRENCY		(₹ in Lakhs)	
SR No	Particulars	2011-12	2010-11
i.	Export on FOB Basis (Direct)	111.29	90.00
ii.	Project Export/Consultancy Services	—	122.49

7. RELATED PARTY DISCLOSURES		(₹ in Lakhs)	
Name	Nature of Transactions	2011-12	2010-11
a) Related Companies			
Industrial Designs & Services Ltd	Job Work	7.32	15.93
Oricon Industries Limited	Job Work	16.40	16.08
Galaxy Medicare Limited	Purchase of Raw materials	0.56	0.64
Phoneix Surgicare (P) Ltd (wholly owned subsidiary Company)	Advances	0.16	0.06

b) Key Management Personnel

Dillip Kumar Das	Remuneration	14.66	14.35
Deepak Kumar Das	Remuneration	7.99	8.00
Debasis Das	Remuneration	7.72	7.95
Santosh Kumar Pattnaik	Remuneration	8.00	7.68
Santosh Kumar Pattnaik	Travelling Expenses	1.33	1.35

8. CONTINGENT LIABILITIES		(₹ in Lakhs)	
SR No	Particulars	2011-12	2010-11
A. Contingent Liabilities			
i.	Un expired Letters of Credit	91.04	357.14
ii.	Counter Guarantees for Bank Guarantees issued	282.46	394.13
iii.	Claims against the Company not acknowledged as Debt		
a)	Income Tax	11.85	11.85
b)	Sales Tax (*)	31.84	31.84
c)	Entry Tax (#)	25.21	25.21
d)	Excise	1.06	1.06
		443.46	821.22
B. Commitments			
a)	Estimated amount of contracts remaining to be executed on capital account and not provided for.	—	1.42
TOTAL		443.46	822.64

* Advance against the demands amounting to Rs. 21.14 lakhs which has been paid under protest is shown under Short-term Loans and Advances under Note No.17.

Advance against the demands amounting to Rs.4.60 lakhs which has been paid under protest which is shown under "Short Term Loans and Advances under Note no.17.

9. SEGMENT REPORTING :

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.

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CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars of Sale of	Within India		Outside India		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Transformer	2002.73	1864.10	16.35	121.15	2019.08	1985.25
Project Export/Consultancy	-	-	-	122.48	-	122.48
Repairing/Service Charges	34.22	59.41	-	-	34.22	59.41
Total	2036.95	1923.51	16.35	243.63	2053.30	2167.14

10. Disclosure relating to Leave Encashment - As per Actuarial Valuation on 31st March,2012

a) Table Showing Changes in Present Value of Obligations :

Particulars	Current Year	Previous Year
Present value of obligation as at beginning of the year	3.89	2.83
(i) Acquisition Adjustments	---	---
(ii) Interest cost	0.30	0.20
(iii) Past Service cost	---	---
(iv) Current Service cost	0.40	0.70
(v) Curtailment cost	---	---
(vi) Settlement cost	---	---
(vii) Benefits Paid	0.75	0.54
(viii) Actuarial gain/ loss on Obligation	(0.13)	0.69
Present value of obligation as at end of the year	3.71	2.14

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

Particulars	Current Year	Previous Year
(i) Current Service Cost	0.40	0.70
(ii) Past Service Cost		
(iii) Interest Cost	0.30	0.20
(iv) Expected Return on Plan Asset	---	---
(v) Curtailment cost	---	---
(vi) Settlement cost	---	---
(vii) Actuarial gain/ loss on Obligation	(0.13)	0.69
Expenses Recognized in Statement of Profit and Loss Account	0.57	1.60

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	8.50%	8.00%
(v) Inflation Rate	6.00%	5.00%
(vi) Return on Asset	---	---
(vii) Remaining Working Life	13	13
(vii) Formula used	Projected Unit Credit Method	Projected Unit Credit Method



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

Particulars	Current Year	Previous Year
(i) Opening Net Liability		
(ii) Expenses as above	0.57	1.63
(iii) Contributions	—	—
(iv) Closing Net Liability	1.60	1.63
Closing Fund/ Provision at the year end	3.71	1.44

11. Disclosure relating to Gratuity, as certified by Life Insurance Corporation of India, (Pension and Group Scheme Department) for the year ended 31st March, 2012 have been made as below :

- In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering certain categories of employees.
- 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.
- Annual premium payable to LIC amounting to Rs. 0.08 lakhs (Previous Year- Rs. 3.02 lakhs) have been shown under "Employees Cost" in Schedule-11.
- Disclosures as required by AS-15 (Revised) are made as per the details submitted by LIC which are given below :

a) Assumptions

Particulars	31-03-2012	31-03-2011
Discount Rate	8%	8%
Salary Escalation	7%	7%

b) Table Showing changes in present value of Obligation

Particulars	31-03-2012	31-03-2011
Present value of obligation as at beginning of the year	12.62	14.79
(i) Interest cost	1.01	1.18
(ii) Current Service cost	1.00	1.32
(iii) Benefits Paid	(1.59)	(3.08)
(iv) Actuarial gain/(loss) on obligation	2.09	(1.59)
Present value of obligation as at end of the year	15.12	12.62

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

Particulars	31-03-2012	31-03-2011
Fair value of plan assets at beginning of year	15.82	15.87
(i) Expected return on plan assets	1.38	1.38
(ii) Contributions		1.65
(iii) Benefits Paid	(1.59)	(3.08)
(iv) Actuarial gain/(loss) on plan assets		
Fair value of plan assets at end of year	15.61	15.82

d) Table Showing fair value of plan assets

Particulars	31-03-2012	31-03-2011
(i) Fair value of plan assets at beginning of year	15.82	15.87
(ii) Actual return of plan assets	1.38	1.38
(iii) Contributions		1.65
(iv) Benefit Paid	(1.59)	(3.08)
(v) Fair value of plan assets at the end of year	15.61	15.82
(vi) Funded status	0.48	3.19
(vii) Excess of Actual over estimated return on plan assets		

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e) Actuarial Gain/Loss recognised as on

CONSOLIDATED FINANCIAL STATEMENTS

Particulars	31-03-2012	31-03-2011
(i) Actuarial (gain)/loss on obligations	(2.09)	1.59
(ii) Actuarial (gain)/loss for the year- plan assets	—	—
(iii) Total Actuarial (gain)/loss	2.09	(1.59)
(iv) Actuarial (gain)/loss recognized in the year	2.09	(1.59)

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

Particulars	31-03-2012	31-03-2011
(i) Present value of obligation at the end of year	15.12	12.62
(ii) Fair value of plan assets as at the end of the year	15.61	15.82
(iii) Fund status	0.48	3.20
(iv) Net asset/(liability) recognized in balance sheet	(0.48)	(3.20)

g) Expenses Recognized in statement of Profit and Loss account

Particulars	31-03-2012	31-03-2011
(i) Current Service Cost	1.00	1.32
(ii) Interest Cost	1.01	1.18
(iii) Expected return on plan assets	(1.38)	(1.38)
(iv) Net Actuarial (gain)/ loss recognized in the year	2.09	
(v) Expenses recognized in statement of Profit and loss	2.71	(0.48)

12. Capital Work in Progress of Rs.21.73 lakhs (Previous Year- Rs. 120.76 lakhs) disclosed under Note No. -10 includes Rs.Nil (Previous Year- Rs.1.78 lakhs) 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.
13. 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.
14. In terms of Accounting Policy Note No. 25 (12), 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.
15. Operating Cycle is considered to be twelve months period.
16. Previous Year's Figures have been regrouped and re arranged wherever necessary.

PHOENIX SURGICARE PRIVATE LIMITED
(Wholly owned Subsidiary Company)

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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, 2012.

1. FINANCIAL RESULTS :

The Company has not started any activities yet. However, an expenditure of Rs.22,949/- 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 & Ajit Kumar Ray 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, 2012 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 2011-2012 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

Sd/-

(Deepak Kumar Das)
Chairman

Date: 23rd April, 2012.
Place: Bhubaneswar

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 2012. 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 09.05.2012 (Wednesday) to 17.05.2012 (Thursday) 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, 2012 was held on 15th May 2012 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. One Extra-ordinary General Meeting was held during the financial year ended 31st March 2012 on 10th December 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 has not appointed any Managing Director, Manager, Whole Time Director during the financial year ended 31st March 2012.
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.

PHOENIX SURGICARE PRIVATE LIMITED
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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. However the company has an unsecured loan of Rs. 16,360/-.</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 not 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: 23.04.2012
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. 2011)	07.06.2011	Yes	Na
2	20B	159(1)	Annual Return (Upto 15.05.2011).	07.06.2011	Yes	Na
3	66	383A	Compliance Certificate (Upto 31.03.2011)	07.06.2011	Yes	Na

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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, 2012 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 2012 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, 2012 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: 23rd April, 2012.

PHOENIX SURGICARE PRIVATE LIMITED

(Wholly owned Subsidiary Company)

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, 2012 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: 23rd April, 2012.

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

Annual Report 2012

BALANCE SHEET AS AT 31ST MARCH 2012

(Amount in ₹)

Particulars	Note Number	As at	
		31st March'2012	31st March'2011
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	1	1,242,000	1,242,000
(b) Reserves and Surplus	2	(447,912)	(424,963)
		794,088	817,037
2 Share Application Money Pending Allotment			
		—	—
3 Non-Current Liabilities			
(a) Long-Term Borrowings		—	—
(b) Deferred Tax Liabilities (Net)		—	—
(c) Other Long Term Liabilities		—	—
(d) Long-Term Provisions		—	—
4 Current Liabilities			
(a) Short-Term Borrowings	3	16,360	—
(b) Trade Payables		—	—
(c) Other Current Liabilities	4	15,000	10,000
(d) Short-Term Provisions		—	—
		31,360	10,000
TOTAL		825,448	827,037
II. ASSETS			
1 Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	6	816,798	816,798
(b) Non-Current Investments		—	—
(c) Long-Term Loans and Advances		—	—
(d) Other Non-Current Assets		—	—
		816,798	816,798
2 Current assets			
(a) Current Investments		—	—
(b) Inventories		—	—
(c) Trade Receivables		—	—
(d) Cash and Cash equivalents	5	8,650	10,239
(e) Short-Term Loans and Advances		—	—
(f) Other Current Assets		—	—
		8,640	10,239
TOTAL		825,448	827,037

SIGNIFICANT ACCOUNTING POLICIES
ADDITIONAL NOTES ON ACCOUNTS

8 & 9

THE SCHEDULES REFERRED ABOVE FORM PART OF ACCOUNTS
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
Place : Bhubaneswar
Date: 23rd April, 2012.

DEEPAK KUMAR DAS
Director

DEBASIS DAS
Director

PHOENIX SURGICARE PRIVATE LIMITED

(Wholly owned Subsidiary Company)

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2012

(Amount in ₹)

	Note Number	For the Year ended 31st March'2012	For the Year ended 31st March'2011
I. Revenue from Operations		-	-
II. Other Income		-	-
III. Total Revenue (I + II)		-	-
IV. EXPENDITURE :			
Cost of Materials Consumed		-	-
Changes in Inventories of Finished Goods Work-in-Progress		-	-
Employee Benefits Expenses		-	-
Finance Costs		-	-
Depreciation and Amortization expense		-	-
Other Expenses	7	22949	25589
Total Expenses		22949	25589
V. Profit/(Loss) Before Exceptional and Extraordinary Items and Tax (III-IV)		(22949)	(25589)
VI. Exceptional Items		-	-
VII. Profit/(Loss) Before Extraordinary Items and Tax (V - VI)		(22949)	(25589)
VIII. Extraordinary Items		-	-
IX. Profit/(Loss) Before Tax (VII- VIII)		(22949)	(25589)
X Tax Expenses:			
(1) Current Tax		-	-
(2) Deferred Tax Assets/(Liabilities) [Net]		-	-
XI Profit/(Loss) for the period (IX-X)		(22949)	(25589)
XII Earnings Per Equity Share:			
(1) Basic & Diluted (in ₹)		(0.18)	(0.21)

SIGNIFICANT ACCOUNTING POLICIES
ADDITIONAL NOTES ON ACCOUNTS

8 & 9

THE SCHEDULES REFERRED ABOVE FORM PART OF ACCOUNTS
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
Place : Bhubaneswar
Date: 05th April, 2011.

DEEPAK KUMAR DAS
Director

DEBASIS DAS
Director

Annual Report 2012

Notes on Financial Statements for the Year ended 31st March, 2012

1. SHARE CAPITAL

(Amount in ₹)

Particulars	As at 31 March 2012		As at 31 March 2011	
	Number	Amount	Number	Amount
Authorised Share Capital				
Equity Shares of Rs. 10/- Each	1,000,000	10,000,000	1,000,000	10,000,000
Issued , Subscribed & Paid up:				
Equity Shares pf Rs. 10/- each fully paid up	124,200	1,242,000	124,200	1,242,000
Total	124,200	1,242,000	124,200	1,242,000

1.1

(Amount in ₹)

Particulars	As at 31 March 2012		As at 31 March 2011	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	124,200	1,242,000	124,200	1,242,000
Shares issued during the year	—	—	—	—
Shares brought back during the year	—	—	—	—
Shares outstanding at the end of the year	124,200	1,242,000	124,200	1,242,000

1.2 124200 Equity Shares (Previous Year- 124200) are held by Alfa Transformers Limited, the Holding Company. Above disclosure is required for each class of shares held by its holding Company or its ultimate holding Company including shares held by or by subsidiaries or associates of the holding Company or the ultimate holding Company in aggregate.

1.3 Details of Shareholders holding more than 5% shares :

(Amount in ₹)

Name of Shareholders	As at 31 March 2012		As at 31 March 2011	
	Number	% held	Number	% held
Alfa Transformers Limited	124,200	100%	124,200	100%

2. RESERVES & SURPLUS

(Amount in ₹)

Particulars	As at 31 March 2012	As at 31 March 2011
Profit and Loss Account :		
Opening Balance as per Last Balance Sheet	(424,963)	(399,373)
Less : Loss for the year	(22,949)	(25,590)
Closing Balance	(447,912)	(424,963)

3. SHORT TERM BORROWINGS

(Amount in ₹)

Particulars	As at 31 March 2012	As at 31 March 2011
UN-SECURED LOAN		
a. Loans and Advance from related parties		
From Alfa Transformers Limited	16,360	—
	16,360	—

4. OTHER CURRENT LIABILITIES

(Amount in ₹)

Particulars	As at 31 March 2012	As at 31 March 2011
Other Liabilities :		
Audit Fees Payable	15,000	10,000
	15,000	10,000

PHOENIX SURGICARE PRIVATE LIMITED
(Wholly owned Subsidiary Company)

Notes on Financial Statements for the Year ended 31st March, 2012

5. CASH AND BANK BALANCES

(Amount in ₹)

Particulars	As at 31 March 2012	As at 31 March 2011
Balance With Banks	8,350	9,939
Cash on Hand	300	300
	8,650	10,239

6. FIXED ASSETS

(Amount in ₹)

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	Cost as at 31-03-2011	Additions during the year	Cost as at 31-03-2012	Up to 31-03-2011	For the Year	Up to 31-03-2012	As at 31-03-2012	As at 31-03-2011
TANGIBLE ASSETS :								
Land at Nashik	816,798	—	816,798	—	—	—	816,798	816,798
TOTAL - CURRENTYEAR	816,798	—	816,798	—	—	—	816,798	816,798
Previous year	816,798	—	816,798	—	—	—	816,798	816,798

7. OTHER EXPENSES

(Amount in ₹)

Particulars	As at 31 March 2012	As at 31 March 2011
Auditors Remuneration	5,000	5,000
Filing Fees	6,360	7,000
Bank Charges	11,589	1,323
Professional Fees	—	9,566
Printing and Stationary	—	580
Travelling Expenses	—	900
Postage and Courier Charges	—	120
Miscellaneous Expenses	—	1,100
TOTAL	22,949	25,589

NOTE NO-8 :SIGNIFICANT ACCOUNTING POLICIES AND ADDITIONAL NOTES ON ACCOUNTS :

1 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.

2 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.

3 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

4 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.

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5 PROVISIONS AND CONTINGENT LIABILITIES

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 ne made of the amount the of 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.

NOTE NO- 9: Notes on Financial Statements for the Year ended 31st March, 2012

- 1 Contingent Liabilities not provided for - Rs. Nil (Previous Year- Nil)
- 2 The Company is the subsidiary Company of M/s. Alfa Transformers Limited, which holds 99.92% Equity Shares of the Company.
- 3 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 auditors.
- 4 The Company has no operation activities during the financial year ended 31st March, 2012 , So no operating cycle is considered.

5. PAYMENT TO AUDITORS

(Amount in ₹)

Particulars	As at 31 March 2012	As at 31 March 2011
Payment to Auditors as :		
Audit Fees	5,000	5,000
	5,000	5,000

6. EARNING PER SHARE :

(Amount in ₹)

Particulars	As at 31 March 2012	As at 31 March 2011
Profit/(loss) available to Equity Shares Holders	(22,949)	(25,589)
Weighted Average number of Equity Shares for Basic EPS	124,200	124,200
Nominal and diluted Earning Per Shares	1,242,000	1,242,000
Basic and Diluted Earning Per Equity Shares	(0.18)	(0.21)

7. Previous Year's figures have been regrouped and re arranged wherever necessary.

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
Place : Bhubaneswar
Date: 23rd April, 2012.

DEEPAK KUMAR DAS
Director

DEBASIS DAS
Director



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, Calcuttta-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. 83.



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 30th Annual General Meeting of the Company held on Saturday, the 11th day of August, 2012 at 03.00 P.M. at Hotel "The New Marrion", 6, Janpath, Bhubaneswar– 751001.

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

NOTE:

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

TEAR HEAR

PROXY FORM

ALFA TRANSFORMERS LIMITED

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

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 30th Annual General Meeting of the company to be held on Saturday, the 11th day of August, 2012 at 03.00P.M. at Hotel "The New Marrion", 6, Janpath, Bhubaneswar–751001.

Affix Re. 1/-
Revenue
Stamp

* Applicable for investors holding shares in electronic form.

NOTE:

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





ALFA TRANSFORMERS LIMITED

**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	

