



14th Annual Report 2012-2013



M AND B SWITCHGEARS LIMITED

**BOARD OF DIRECTORS**

Shri Shyam Sunder Mundra
Shri Vikalp Mundra
Shri Anurag Mundra
Smt. Aarti Jhaveri
Shri Narendra Beli
Shri Nilesh Rathi
Shri Santosh Muchhal
Shri Rajiva Kumar Srivastava

Chairman Cum Managing Director
Whole-time Director
Whole-time Director
Director
Director
Director
Additional Director
Additional Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Monika Choukse

AUDITORS

M/s Ashok Khasgiwala & Co.
Chartered Accountants,
Indore.

REGISTERED OFFICE

Survey No. 211/1,
Opp. Sector - C & Metalman,
Sanwer Road Industrial Area,
Indore- 452015. (M. P.).

CORPORATE OFFICE

701-A, NRK Business Park,
Block B-1, PU-4, Sc. No. 74,
Vijay Nagar Square,
Indore (M.P.) 452001

SEGMENT:**MANUFACTURING FACILITIES**

Unit – II

Survey No. 211/1,
Opp. Sector - C & Metalman,
Sanwer Road Industrial Area,
Indore- 452015 (M.P.)

Unit – I

2-D-2, Sector 'D'
Sanwer Road Industrial Area
Indore- 452015 (M. P.)

SOLAR POWER PLANTS:

1. Survey No. 13/1/1 & 13/2, Village Gargorni,
District Rajgarh -465661 (M.P.)

2. Village Dhabla Sondhiya,
Jaisngpura Tehsil Barod,
District Shajapur. (M.P.) (Under Execution)

BANKERS

State Bank of India
Axis Bank Limited
Bank of Baroda
Union Bank of India
Indian Overseas Bank

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NOTICE

Notice is hereby given that the Fourteenth Annual General Meeting of the **Members of M AND B SWITCHGEARS LIMITED** will be held on **Friday, 26th day of July, 2013 at 02.30 p.m. at the Corporate Office of the Company situated at 701-A, NRK Business Park, Block B-1, PU-4, Sc. No. 74, Vijay Nagar Square, Indore. (M.P.)**, to transact the following business:

I. ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Statement of Profit and Loss for the Financial Year ended on that date together with the Reports of the Directors and the Auditors thereon.
2. To declare a final dividend on the Equity Shares of the Company.
3. To appoint a Director in place of Mrs. Aarti Jhaveri, who retires by rotation and, being eligible, offers herself for re-appointment.
4. To appoint M/s. Ashok Khasgiwala & Co., Chartered Accountants, Indore (Firm Reg. No.0743C) as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

II. SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification(s), if any, the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** Mr. Rajiva Kumar Srivastava, who was appointed as an Additional Director with effect from April 24, 2013 by the Board of Directors of the Company and who is holding the office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing, under Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”
6. To consider and, if thought fit, to pass with or without modification(s), if any, the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** Mr. Santosh Muchhal, who was appointed as an Additional Director

with effect from April 24, 2013 by the Board of Directors of the Company and who is holding the office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing, under Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

7. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Section 21 and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification or re-enactment thereof for the time being in force) and subject to the approval of the Registrar of Companies, Central Government or any other authority as may be necessary, the consent of the members of the Company be and is hereby accorded to change the name of the Company from '**M AND B SWITCHGEARS LIMITED**' to '**UJAAS ENERGY LIMITED**'.”

“**RESOLVED FURTHER THAT** the name "**M AND B SWITCHGEARS LIMITED**" wherever appearing in the Memorandum and Articles of Association, documents etc. be substituted by the new name "**UJAAS ENERGY LIMITED**" upon approval of the same by the Central Government.”

“**RESOLVED FURTHER THAT** Mr. Anurag Mundra and Mr. Vikalp Mundra, Directors and Ms. Monika Choukse, Company Secretary of the Company, be and are hereby severally / jointly authorized to file necessary e-Forms for making application for change of name and to do all such acts, deeds, things and matters as may be required or necessary in this matter on behalf of the Company.”

8. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Sections 269, 309, 310 and other applicable provisions, if any, of the Companies Act 1956, read with Schedule

XIII thereof (including any statutory modification or re-enactment thereof, for the time being in force) the approval of members of the Company be and is hereby accorded for the revision of remuneration of Mr. Shyam Sunder Gendalal Mundra, Chairman and Managing Director of the Company, w.e.f. 1st

April, 2013 for the remaining part of his tenure on the following terms and conditions:

- (a) Salary upto ` 7,50,000/- per month subject to the limits specified in the Companies Act, 1956, and recommendation & approval of remuneration committee as and when required.
- (b) Incentives as allowable under Companies Act, 1956.
- (c) Allowances/perquisites: As under

CATEGORY:A

1. The Company shall provide House Rent Allowance subject to a maximum of 50% of the salary or house accommodation and 10% of salary shall be recovered by way of rent. Expenditure incurred by the Company on his electricity, water and furnishing shall be evaluated as per Income Tax Rules, 1962 subject to a ceiling of 10% of salary.
2. Re-imbusement of medical expenses of the Executive Director and his family, the total cost of which to the Company shall not exceed one month's salary in the year or three months salary in a block of three years.
3. Leave travel assistance: Expenses incurred for self and family in accordance with the Rules of the Company.
4. Club Fees: subject to a maximum of two clubs, this will not include admission and life membership.
5. Personal accident insurance premium not exceeding ` 8,000/- p.a.

NOTE: For the purpose of perquisites stated in Category "A" above, "Family" means the spouse, the dependent children and dependent parents of the appointee.

CATEGORY B:

1. Employers Contribution: to Provident Fund As per the Rules of the Companies Act, 1956.
2. Gratuity: As per rules of the Company,

subject to a maximum ceiling as may be prescribed under the Payment of Gratuity Act from time to time.

3. Leave encashment: up to 15 days salary for every one year completed service as per the rules of the Company.

Provided that the above said perquisites shall not be counted for the purpose of Calculation of the remuneration payable to the Executive Director.

CATEGORY C:

1. Car: The Company shall provide car with driver for the Company's business and if no car is provided, reimbursement of the conveyance shall be made as per actual on the basis of claims submitted by him.
2. Telephone & Cell: Free use of telephone at his residence and Cell phone, internet and other communication facilities, provided that the personal long distance calls on the telephone shall be billed by the Company to the Executive Director."

"RESOLVED FURTHER THAT in the event of there being loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Shri Shyam Sunder Mundra, Chairman Cum Managing Director of the Company shall be the minimum remuneration payable by the Company."

"RESOLVED FURTHER THAT each party may cancel the above said appointment as 'the Employer-Employee' with the six months notice in writing or salary in lieu thereof. "

"RESOLVED FURTHER THAT Shri Shyam Sunder Mundra, the Chairman Cum Managing Director shall also be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as may from time to time, be available to other Senior Executives of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, may consider necessary, expedient or desirable and to vary, modify the terms and conditions and to settle any question, or doubt that may arise in relation thereto and the Board shall have absolute powers to hold the increments, decide break up of the

remuneration within the above said maximum permissible limit, in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to increase, reduce, alter or vary the terms of remuneration in such manner from time to time as the Board may deem fit;"

"RESOLVED FURTHER THAT any one Director of the Company be and are hereby authorized to do all such act deed etc. as and when required to give effect to above resolution in the best interest of the Company."

9. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution** :

"RESOLVED THAT pursuant to the provisions of Sections 269, 309, 310 and other applicable provisions, if any, of the Companies Act 1956, read with Schedule XIII thereof (including any statutory modification or re-enactment thereof, for the time being in force) the approval of members of the Company be and is hereby accorded for the revision of remuneration of Mr. Vikalp Mundra, Whole Time Director of the Company, w.e.f. 1st April, 2013 for the remaining part of his tenure on the following terms and conditions:

- (a) Salary upto ` 7,50,000/- per month subject to the limits specified in the Companies Act, 1956, and recommendation & approval of remuneration committee as and when required.
- (b) Incentives as allowable under Companies Act, 1956.
- (c) Allowances/perquisites: As under.

CATEGORY:A

1. The Company shall provide House Rent Allowance subject to a maximum of 50% of the salary or house accommodation and 10% of salary shall be recovered by way of rent. Expenditure incurred by the Company on his electricity, water and furnishing shall be evaluated as per Income Tax Rules, 1962 subject to a ceiling of 10% of salary.
2. Re-imbursement of medical expenses of the Executive Director and his family, the total cost of which to the Company shall not exceed one month's salary in the year or

three months salary in a block of three years.

3. Leave travel assistance: Expenses incurred for self and family in accordance with the Rules of the Company.
4. Club Fees: subject to a maximum of two clubs, this will not include admission and life membership.
5. Personal accident insurance premium not exceeding ` 8,000/- p.a.

NOTE: For the purpose of perquisites stated in Category "A" above, "Family" means the spouse, the dependent children and dependent parents of the appointee.

CATEGORY B:

1. Employers Contribution: to Provident Fund As per the Rules of the Companies Act, 1956.
2. Gratuity: As per rules of the Company, subject to a maximum ceiling as may be prescribed under the Payment of Gratuity Act from time to time.
3. Leave encashment: up to 15 days salary for every one year completed service as per the rules of the Company.

Provided that the above said perquisites shall not be counted for the purpose of Calculation of the remuneration payable to the Executive Director.

CATEGORY C:

1. Car: The Company shall provide car with driver for the Company's business and if no car is provided, reimbursement of the conveyance shall be made as per actual on the basis of claims submitted by him.
2. Telephone & Cell: Free use of telephone at his residence and Cell phone, provided that the personal long distance calls on the telephone shall be billed by the Company to the Executive Director."

"RESOLVED FURTHER THAT in the event of there being loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Mr. Vikalp Mundra, Whole Time Director of the Company shall be the minimum remuneration payable by the Company."

"RESOLVED FURTHER THAT each party may cancel the above said appointment as 'the Employer-Employee' with the six months notice in writing or salary in lieu thereof."

"RESOLVED FURTHER THAT Mr. Vikalp

Mundra, Whole Time Director shall also be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as may from time to time, be available to other Senior Executives of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, may consider necessary, expedient or desirable and to vary, modify the terms and conditions and to settle any question, or doubt that may arise in relation thereto and the Board shall have absolute powers to hold the increments, decide break up of the remuneration within the above said maximum permissible limit, in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to increase, reduce, alter or vary the terms of remuneration in such manner from time to time as the Board may deem fit;"

"RESOLVED FURTHER THAT any one Director of the Company be and are hereby authorized to do all such act deed etc. as and when required to give effect to above resolution in the best interest of the Company."

10. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution** :

"RESOLVED THAT pursuant to the provisions of Sections 269, 309, 310 and other applicable provisions, if any, of the Companies Act 1956, read with Schedule XIII thereof (including any statutory modification or re-enactment thereof, for the time being in force) the approval of members of the Company be and is hereby accorded for the revision of remuneration of Mr. Anurag Mundra, Whole Time Director of the Company, w.e.f. 1st April, 2013 for the remaining part of his tenure on the following terms and conditions:

- (a) Salary upto ` 7,50,000/- per month subject to the limits specified in the Companies Act, 1956, and recommendation & approval of remuneration committee as and when required.

- (b) Incentives as allowable under Companies Act, 1956.

- (c) Allowances/perquisites: As under

CATEGORY: A

1. The Company shall provide House Rent Allowance subject to a maximum of 50% of the salary or house accommodation and 10% of salary shall be recovered by way of rent. Expenditure incurred by the Company on his electricity, water and furnishing shall be evaluated as per Income Tax Rules, 1962 subject to a ceiling of 10% of salary.
2. Re-imburement of medical expenses of the Executive Director and his family, the total cost of which to the Company shall not exceed one month's salary in the year or three months salary in a block of three years.
3. Leave travel assistance: Expenses incurred for self and family in accordance with the Rules of the Company.
4. Club Fees: subject to a maximum of two clubs, this will not include admission and life membership.
5. Personal accident insurance premium not exceeding ` 8,000/- p.a.

NOTE: For the purpose of perquisites stated in Category "A" above, "Family" means the spouse, the dependent children and dependent parents of the appointee.

CATEGORY B:

1. Employers Contribution: to Provident Fund As per the Rules of the Companies Act, 1956.
2. Gratuity: As per rules of the Company, subject to a maximum ceiling as may be prescribed under the Payment of Gratuity Act from time to time.
3. Leave encashment: up to 15 days salary for every one year completed service as per the rules of the Company.

Provided that the above said perquisites shall not be counted for the purpose of Calculation of the remuneration payable to the Executive Director.

CATEGORY C:

1. Car: The Company shall provide car with driver for the Company's business and if no car is provided, reimbursement of the conveyance shall be made as per actual on

the basis of claims submitted by him.

2. Telephone & Cell: Free use of telephone at his residence and Cell phone, internet and other communication facilities provided that the personal long distance calls on the telephone shall be billed by the Company to the Executive Director."

"RESOLVED FURTHER THAT in the event of there being loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Mr. Anurag Mundra, Whole Time Director of the Company shall be the minimum remuneration payable by the Company."

"RESOLVED FURTHER THAT each party may cancel the above said appointment as 'the Employer-Employee' with the six months notice in writing or salary in lieu thereof."

"RESOLVED FURTHER THAT Mr. Anurag Mundra, Whole Time Director shall also be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as may from time to time, be available to other Senior Executives of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, may consider necessary, expedient or desirable and to vary, modify the terms and conditions and to settle any question, or doubt that may arise in relation thereto and the Board shall have absolute powers to hold the increments, decide break up of the remuneration within the above said maximum permissible limit, in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to increase, reduce, alter or vary the terms of remuneration in such manner from time to time as the Board may deem fit;"

"RESOLVED FURTHER THAT any one Director of the Company be and are hereby authorized to do all such act deed etc. as and when required to give effect to above resolution in the best interest of the Company."

11. To consider and, if thought fit, to pass with or without modification(s) the following resolution as

a **Special Resolution:**

"RESOLVED THAT in partial modification to the earlier resolution passed by the members of the Company in the Extraordinary General Meeting held on 29th March, 2012 and pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof for the time being in force), and subject to approval of Securities and Exchange Board of India (SEBI), National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE) and other authorities, as may be necessary, approval of the members of the Company be and is hereby accorded for the change in the Object of the Issue for the establishment of 12MWp/ 15MWp solar photovoltaic power plant, subject to the final acceptable sanction letter from Bank and the remaining outstanding amount of the IPO proceeds shall be used as the working capital of Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do or cause to do all such acts, deeds, matters and things as may be considered necessary, usual, proper, expedient or incidental for the purpose of giving effect to this resolution, and to secure approval, if any, from the statutory and other concerned authorities."

12. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution :**

"RESOLVED THAT in accordance with the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Memorandum and Articles of Association of the Company, Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subject to the consents/permissions and approvals, as the case may be, of the Central Government, Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI), National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE) and other appropriate authorities institutions or bodies whether in India or abroad (hereinafter referred to as "the Appropriate Authorities") and subject to such conditions and modifications, as may be required by any of them in granting such approvals, consents, permissions

(hereinafter referred to as “the Requisite Approvals”) which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall include any Committee of the Board), the consent of the Company be and is hereby accorded to the Board to offer, create, issue and allot (including any provisions for allotment on firm/competitive basis as may be permitted) such class of equity shares, non-convertible debentures, convertible debentures subject to SEBI guidelines, Foreign Currency Convertible Bonds (FCCBs), Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or any other instrument convertible into any class of equity shares or any combination thereof through Further Public Offer, Rights Issue, Preferential Offer, Private Placement or through Commercial paper subject to guideline issued by Reserve Bank of India for such an issue, as may be deemed fit by the Board with or without Green Shoe Option in one or more tranches, to all eligible investors including but not limited to members, promoters, directors or their relatives/associates, Indian public, Bodies Corporate, employees, Qualified Institutional Buyers, mutual funds, Venture Capital Funds, banks and other institutional investors, Non- Resident Indians, Overseas Corporate Bodies, Foreign Institutional Investors, Foreign venture Capital investors, foreign nationals, etc so however that the total amount to be raised including the amount of securities premium by such offerings shall not exceed ` 250 Crores (Rupees Two Fifty Crores) and such issue and allotment of securities may be made in one or more tranches, in such manner and on such terms and conditions as may be determined by the Board at the time of the issue and allotment of such securities.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board/its Committee be and is hereby authorized to determine the form and terms of the issue(s), including the class of investors to whom the Securities are to be allotted, number of securities to be allotted in each tranche, issue price, face value, premium amount on issue/conversion of Securities/exercise of warrants/redemption of Securities, rate of interest, redemption period, listing on one or more stock exchanges in India and/or abroad, including, without limitation, marketing, custodian, depository arrangements etc., as the Board/its Committee in its absolute discretion deems fit, and

to make and accept any modifications in the proposal as may be required by the authorities involved in such issues in India and/or abroad and to settle any questions or difficulties that may arise in regard to the issue(s).”

“**RESOLVED FURTHER THAT** the Board Including any Committee or directors, Executives or Officers of the Company as authorized by the Board] be and is hereby authorised to make any alteration, addition or vary any of the conditions for issue of shares/securities as aforesaid, in consultation with the Book Running lead Manger(s) or SEBI or such other authorities as required and without prejudice to the generality of the aforesaid, deciding the exact issue, its structure and/or the exact component of fresh issue of shares/securities in the aforesaid offering.”

“**RESOLVED FURTHER THAT** the Board/its Committee be and is hereby authorized to issue and allot such number of additional equity shares as may be required in pursuance of the above issue of securities and that the additional equity shares so allotted shall rank in all respects, including right/entitlement to dividend, pari passu with the existing equity shares of the Company.”

“**RESOLVED FURTHER THAT** the Board/its Committee be and is hereby authorized to do all such acts, deeds, matters, things and changes as it may deem necessary/desirable for such purpose including, if necessary, creation of mortgages and/or charges in respect of securities on the whole or in part of the undertaking of the Company and to exercise such documents or writing as may be considered necessary and proper and incidental to this resolution.”

“**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board of Directors or to any Executive(s), Officer(s) of the Company to give effect to this resolution”

**By order of the Board
For M AND B SWITCHGEARS LIMITED**

**MONIKA CHOUKSE
COMPANY SECRETARY
& COMPLIANCE OFFICER**
**Place: Indore
Date: 28th, May 2013**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER of the Company.

PROXY IN ORDER TO BE VALID SHALL BE DEPOSITED AT THE REGISTERED OFFICE of the Company ATLEAST 48 HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING.

2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed to and forms part of this notice.
3. The Members/Representative/ Proxy(s) are requested to bring attendance slip, as enclosed, duly filled in, together with their copy of the notice convening the Annual General meeting.
4. All documents referred to in the above notice and explanatory statement are available for inspection at the registered office of the Company on all working days (except Saturday, Sundays and Public holidays) between 10.00 a.m. and 05.00 p.m. upto the date of the Annual General Meeting.
5. The Register of Members of the Company will remain closed from 23rd July, 2013 to 25th July 2013(both days inclusive) to determine eligible shareholders for the payment of dividend and the dividend, if declared will be paid on or before 21st August, 2013.
6. Members are requested to forward their

queries on the subjects to the Company Secretary at least 10 days in advance for enabling the Company to furnish replies/clarification at the Annual General Meeting.

7. Members are requested to bring their copies of Annual Reports to the Annual General Meeting of the Company.
8. The Ministry of Corporate Affairs, Government of India, has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the Companies and has issued Circulars allowing Companies to send official documents to their Shareholders electronically.
9. Information required to be furnished under clause 49 IV (G) of the Listing Agreement is given in the Corporate Governance Report which forms part of this Annual Report.
10. The Investors who have not yet encashed / claimed the Dividend, are requested to encash /claim the Dividend immediately. In terms of Section 205C of the Companies Act, 1956, the Company shall be required to transfer the unclaimed/unpaid Dividend of the Company on the expiry of seven years from the date it became due for payment to the "Investor Education and Protection Fund" and subsequently the shareholders shall not have any right to claim the said refund from the Company or from the said Fund.

The details of the un-encashed/unclaimed above-mentioned Dividend are as under:

Unclaimed/un-encashed Dividend as on March 31, 2013 (Amount in `)	Due date of transfer to Investor Education and Protection Fund
5748.50/-	15th October, 2019

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

ITEM NO. 5

Mr. Rajiva Kumar Srivastava was appointed as an Additional Director by the Board of Director w.e.f. April 24, 2013 in accordance with the provisions of Section 260 of the Companies Act, 1956 and Article 156 of Article of Association of the Company.

Pursuant to Section 260 of the Companies Act, 1956 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing proposing

his candidature for appointment as Director of the Company in accordance with the provisions of Section 257 and all other applicable provisions of the Companies Act, 1956.

The Board feels that presence of Mr. Rajiva Kumar Srivastava on the Board is desirable and would be beneficial to the company as he was a former Chairman of "Indian Electrical and Electronics Manufacturers Association's Committee" on Renewable Energy, Director of "SU-Kam Power Systems" (On grid and Off grid solar power generating

company) and served BHEL for almost 34 years. He has received Enertia Award 2011 for innovation in renewable energy and is/was a member of "FICCI Task Force on Solar Energy", "Capital Goods Committees of CII", CLGRA FRANCE (Forum of Large Electrical Systems) etc. Currently providing his expert advice on Solar projects at Sate Bank of India on retainer basis. Therefore Board recommends resolution No. 5 for adoption.

Your Board recommends the resolutions, as set out in Item No. 5 for your approval as an Ordinary Resolution.

None of the Directors, except Mr. Rajiva Kumar Srivastava is concerned or interested in this resolution.

ITEM NO. 6

Mr. Santosh Muchhal was appointed as an Additional Director by the Board of Director w.e.f. April 24, 2013 in accordance with the provisions of Section 260 of the Companies Act, 1956 and Article 156 of Article of Association of the Company.

Pursuant to Section 260 of the Companies Act, 1956 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing proposing his candidature for appointment as Director of the Company in accordance with the provisions of Section 257 and all other applicable provisions of the Companies Act, 1956.

The Board feels that presence of Mr. Santosh Muchhal on the Board is desirable and would be beneficial to the Company as he is a renowned member of ICAI with a wide experience in his field, he is currently serving as Non Executive Director in "MP Stock Exchange Ltd.", "Interconnected Stock Exchange of India Ltd.", "Sam Industries Ltd.," & "Malwa Apparel Park Ltd." He is also Vice president of "Indore Management Association", Hon. Sec. of "Indore Chartered Accountants' Society", "RPL Maheswari Commerce College", zone Chairperson of "Lions International" etc.

Your Board recommends the resolutions, as set out in Item No. 6 for your approval as an Ordinary Resolution.

None of the Directors, except Mr. Santosh Muchhal is concerned or interested in this resolution.

ITEM NO. 7

The Board feels that to reflect the main business activities of the Memorandum of Association that is our Brand '**UJASS**' activities relating to Solar Power Generation, it is proposed to change the name of the Company from "**M AND B SWITCHGEARS LIMITED**" to "**UJAAS ENERGY LIMITED**". The Directors feels that the new name will bring positive energy thereby helping the business to grow faster.

The Board informed that the change of name of the Company as aforesaid does not change the legal status or constitution of the Company, nor does it affect any rights or obligations of the Company.

He further informed that the Form 1A is approved by the Registrar of Companies, Madhya Pradesh and the proposed name is available for change.

Your Board recommends the resolution, as set out in Item No. 7 for your approval as a **Special Resolution**.

ITEM NO. 8

Shri S. S. Mundra is associated with Company since incorporation. He is appointed as a Director in year 1999. Thereafter he was re-appointed as a Managing Director of the company. He is successfully handling all the corporate matters as the Managing Director from since then. He is fully devoting his valuable time in handling all the matters relating to corporate affairs including taxation, finance, audit, accounting.

He also guides the company in various processes of Manufacturing and help to expand the business of the company in various other fields. During his tenure company had successfully established other manufacturing division.

The board of directors recommend shareholders to pass the resolution set forth as Item No. 8 relating to Variation of the terms of appointment of Mr. Shyam Sunder Gendalal Mundra, Managing Director of the Company as a **Special Resolution**.

None other than Shri S. S. Mundra (self), Shri Anurag Mundra (Son) & Shri Vikalp Mundra (Son) are interested in the resolution in Item No. 8

ITEM No. 9

Mr. Vikalp Mundra is associated with company since incorporation. He is appointed as a Director in year 1999. Since Incorporation he is devoting his full time in handling various activities of the company. He is handling all the corporate matters relating to Solar Activities and Ujaas Division.

He devotes his full time in research & development, testing of various new and upgraded technologies and to use them for expanding business activities. He looks after in Branding, Marketing of various products of Ujaas. During his tenure company had successfully established the new business of establishment of Solar Power Park and the company become the leaders in the state of Madhya Pradesh in Solar Power Generation resulted increased profits of the company.

Under the guidance of Mr. Vikalp Mundra, your Company day by day increasing its marketing area and interacting with various new clients for EPC.

The board of directors recommend shareholder to pass the resolution set forth as Item No. 9 for variation of terms of appointment of Mr. Vikalp Mundra as a Whole Time Director of the Company, as a Special Resolution.

None other than Shri Vikalp Mundra (Self) Shri S. S. Mundra (Father) & Shri Anurag Mundra (Brother) are interested in the resolution in Item No. 9.

ITEM No. 10

Mr. Anurag Mundra is associated with company since incorporation. He is appointed as a Director in year 1999. Since Incorporation he is devoting his full time in handling various activities of the company relating to Solar as well as Transformers. He is devoting his valuable time in handling all the matters relating to corporate affairs including Solar Activities as well as banking, taxation, finance, audit, financial management, budgeting and accounting.

He also handles the matter relating to private equity placement, funding, tendering etc. for company business.

The board of directors recommend shareholder to pass the resolution set forth as Item No. 10 for variation in terms of appointment of Mr. Anurag Mundra as a Whole Time Director of the company as a **Special Resolution**.

None other than Shri S. S. Mundra, Shri Anurag Mundra (Self), Shri S.S. Mundra (Father) & Shri Vikalp Mundra (Brother) are interested in the resolution in Item No. 10

ITEM No. 11

The Company made the Initial Public Offer ("IPO") of its Equity Shares in the month of September - October, 2011. It was stated under the head "Object of the Issue" in the "Prospectus" dated October 10, 2011 of the Company, that the net proceeds from the IPO would inter alia be utilized for Setting up of grid connected 4 MWp Solar Photovoltaic Power Plant. But looking to an appreciable decrease in the prices of the plant and machinery required for the solar power plant, the company increased the object from 4MWp Solar photovoltaic power plant to upto 20MWp Solar photovoltaic power plant in the Extraordinary General Meeting held on 29th March, 2012. It was also mentioned that the company will approach for the funds from any bank or financial institution for its increased object.

Further the Board hereby informs that two nationalised banks have sanctioned the loan for 12MW(7+5) and the erection of the same is proposed to be completed in month of July-August, 2013. Further for 3MW the in-principle sanction letter has been received from the Bank. However the final sanction letter is yet to be received. In case the acceptable final sanction letter is received in next couple of months, the Company will establish the 3MW Solar Power Plant otherwise will close on 12MW. The remaining balance of IPO proceeds will be used as working capital.

In terms of section 61 of the Companies Act, 1956 the

proposal of the Board of Directors of the Company to modify the object of the issue for purpose other than those specified in the Prospectus requires approval of Members of the Company.

The Board of Directors recommends the Resolution for approval of the members. None of the Directors of the Company is, in any way, concerned or interested in this resolution except to the extent of their respective shareholding in the Company. The resolution is required to be passed as a **Special Resolution**.

ITEM No. 12

Long Term resources are required to meet the capital expenditure to be incurred for capacity expansion and for upgrading product range, including expenditure on Research and Development, replacement programme and for investments required to be made in the next few years. In addition, the Company is also pursuing various inorganic growth opportunities through acquisitions (in India and overseas) as part of globalization initiatives requiring additional resources.

The Special Resolution contained in the business of the Notice under Sr. No. 12 relates to a resolution by the Company enabling the Board to create, issue, offer and allot Equity Shares, GDRs, ADRs, Foreign Currency Convertible Bonds (FCCBs), Convertible Bonds, Convertible Debentures and such other securities as stated in the resolution (the "Securities") at such price as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the issue, offer, and allotment shall be made considering the prevalent market conditions and other relevant factors and wherever necessary, in consultation with Merchant Bankers, inclusive of such premium, as may be determined by the Board in one or more tranche(s), subject to applicable laws, rules and regulations. The Board may issue Securities pursuant to this special resolution to meet long term working capital and capital expenditure requirements of the Company and its subsidiaries, joint ventures and affiliates, including Investment in subsidiaries, joint ventures and affiliates besides strengthening the Balance Sheet of the Company including repayment of debt, tap acquisition opportunities, usage for business ventures/projects and other general corporate purposes.

The special resolution also authorizes the Board of Directors of the Company to undertake a Qualified Institutions Placement with Qualified Institutional Buyers (QIBs) in the manner as prescribed under Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 for raising capital. The pricing of the Specified Securities to be issued to QIBs pursuant to the said SEBI Regulations shall be freely determined subject to such price not being less than the price calculated in accordance with the relevant provisions of the said SEBI Regulations.



The detailed terms and conditions for the offer will be determined by the Board in consultation with the Advisors, Merchant Bankers, Underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevalent market conditions from time to time and in accordance with the applicable provisions of law, rules and regulations and other relevant factors. The Equity Shares allotted or arising out of conversion of any Securities would be listed. The issue/ allotment/ conversion of Securities would be subject to the receipt of regulatory approvals, if any.

Further the conversion of Securities held by foreign investors, into Equity Shares would be subject to the permissible foreign shareholding limits/cap specified by Reserve Bank of India from time to time. Section 81(1A) of the Companies Act, 1956 ("the Act") and the relevant provisions of the Listing Agreement with the Stock Exchanges where the Equity Shares of the Company are presently listed provides, inter alia, that when it is proposed to increase the issued capital of a

company by allotment of further shares, such further shares shall be offered to the existing shareholders of such company in the manner laid down in Section 81 of the Act unless the shareholders in a general meeting decide otherwise. As the aforesaid resolution provide for or may result into issue of Equity Shares to persons other than the existing.

Your Board recommends the resolution, as set out in Item No. 12, for your approval as a **Special Resolution**.

None of the Directors of the Company are interested in the Resolution.

**By order of the Board
For M AND B SWITCHGEARS LIMITED**

**MONIKA CHOUKSE
COMPANY SECRETARY &
COMPLIANCE OFFICER**

Place: Indore

Date: 28th, May 2013

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

Name Of Directors	Mrs. Aarti Jhaveri	Mr. Rajiva Kumar Srivastava	Mr. Santosh Muchhal
Date of Birth	22.07.1971	03.03.1951	31.03.1964
Date of Appointment	19.11.2010	24.04.2013	24.03.2013
Qualification & Experience in Specific functional area	She is the Independent Director of our Company with effect from November 19, 2010. She holds a degree in Bachelor of Engineering (Electrical) from Jiwaji University, Gwalior. She is also associated with Samaj Paper Private Limited as a director since April 2001. Mrs. Jhaveri has over 11 years experience in handling corporate affairs and consultancy services.	He is an additional Director (Independent) of our company and was appointed as on 24 th April, 2013. He holds a degree of Engineering B Tech Electrical Engineering (AMU India), and also did MBA (University of Leeds UK) specialization in International Finance and Strategic Marketing. He has experience of 40years in the field of Power & Renewable Energy. He was a former Chairman of "Indian Electrical and Electronics Manufacturers Association's Committee" on Renewable Energy, director of "SU-Kam Power Systems" (On grid and Off grid solar power generating company) and also served BHEL for almost 34years.	He is an additional Director(Independent) of our company and was appointed as on 24 th April, 2013. He holds a degree of B.Com and a renowned member of ICAI with a wide experience in his field. He is currently serving as Non Executive Director in "Madhya Pradesh Stock Exchange Ltd.", "Interconnected Stock Exchange of India Ltd.", "Sam Industries Ltd.," & "Malwa Apparel Park Ltd." He is also Vice president of "Indore Management Association".
Directorships held in other Public Companies	-	-	4
Memberships / Chairmanships of Committee in other Public Companies	-	-	10
Shareholding, if any, in the Company	-	-	-

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Fourteenth Annual Report of your Company together with the Audited Accounts and the Auditors' Report of your Company for the financial year ended, 31st March, 2013. The summarized financial results for the financial year ended 31st March, 2013 are as under:

FINANCIAL RESULTS:

Particulars	` in Lacs	
	2012-13	2011-12
Sales (Including other income)	24801.88	3697.35
Profit before interest & depreciation	5081.53	341.59
Profit Before Tax	4386.12	201.51
Profit after Depreciation & Tax	2700.64	96.87
Prior Period Adjustment	0.00	4.92
Profit for the year	2700.64	91.95
Add: Balance brought forward from Previous Year	192.20	100.25
Less: Capitalized for Bonus Issue	0.00	0.00
Balance available for Appropriation	2892.83	192.20
Interim Dividend / Proposed Dividend	300.00	0.00
Tax on Equity Dividend	50.21	0.00
Balance transferred to General Reserve	135.50	0.00
Surplus carried to Balance Sheet	2407.12	192.20

REVIEW OF OPERATIONS:

Your Company has recently entered into new business sector viz. Solar Power Generation and Manufacturing, Sales & Services of Solar Power Systems which is been branded as "Ujaas". The company's profit raised almost 29 times as compared to last year in the very first year of its new divisions. The Company will try to maintain its performance in the coming years. The figure of Sales and other income marginally are also increased 6 times for the year under review at ` 24,801.88 Lacs as against that of ` 3697.35 Lacs in the previous year. The Company's Profit before interest, depreciation and tax is ` 5081.53 Lacs as compared to ` 341.59 Lacs in the previous year.

DIVIDEND:

During the year 2012-13 your Company demonstrated improved business and profitability performance and therefore the Board of Directors of your company had earlier approved the payment of an Interim Dividend @ 5% i.e. 0.50/- per share when the Face value of Shares were of ` 10/- per share amounting to ` 1.00 Cr., which was paid in the month of August, 2012. Further the Board has recommended the payment of Final Dividend @10% on equity shares of ` 1.00/- each (` 0.10/- per equity share) for the year 2012-13.

With this, the total dividend for the fiscal year 2012-13 is at 15% [5% on the equity shares of ` 10/- each (before subdivision) and 10% on the equity shares of ` 1/- each] total amounting to ` 3.00 Cr. on its paid up equity capital of ` 20.00 Cr.

AWARD AND RECOGNITION:

Your Directors are pleased to inform you that our Company's project for existing solar power project is under the stage of "Request for Registration" at the website of United Nations Framework Convention for Climate Change and will be soon get registered under Clean Development Mechanism(CDM) for the same. Our Company will start earning through Certified Emission Reduction (CER) credits, by trading them in the international market.

Further our company again in the process of registration of our new project of 15MWp Solar Power under CDM.

OPERATIONS AND BUSINESS PERFORMANCE HIGHLIGHTS:

Maintaining the continuity of the business growth and profitability performance, your Company again registered growth and higher profitability despite escalating input costs and economic recession. Some of the highlights are given in the following points:

- Agreement(s) (Letter of Commitment) with Govt. of M.P. to set up 99.25 MW Solar Power Plants at various locations in the State of Madhya Pradesh. These agreement(s) (Letter of Commitment) were signed on 29th Oct., 2012 in Global Investor Summit held at Indore.
- Installation of 20KW roof top grid tied solar PV system in the Shri Ram Chandra Mission's Ashram (SRCM) at Manapakkam, Chennai under our brand Ujaas.
- 2A grade rating by ICRA (Credit Rating Agency) and became the Official Channel Partner of "Ministry of New and Renewable Energy(MNRE) for Off Grid Solar applications".
- Solar RECs have been traded at ` 13400 (` 13.40



per unit) at the Indian Energy Exchange (IEX), trading session held on 28th March, 2013

- Successful commissioning of 27MWp (including 2MWp of M And B Switchgears Limited) Solar Power Plants under our Brand Ujaas as on 31st March, 2013.

The Company registered improved performance on all key parameters.

CORPORATE GOVERNANCE:

Your Company firmly believes and adopts the highest standard of practice under Corporate Governance. A separate section on Corporate Governance and a certificate from Auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the stock exchanges forms part of this Annual Report.

EQUITY SHARE CAPITAL:

During the year under review, the Company has increased its Authorised Share Capital from ` 25.00 Cr. (Rupees Twenty Five Crore only) to ` 30.00 Cr. (Rupees Thirty Crore only). However there is no change in the Paid-up capital of the company.

Subsequently, the Company has sub-divided its Equity Shares, including the Paid-up Shares, such that, each existing Equity Share of nominal value of ` 10/- (Rupees Ten only) was sub-divided into 10 (Ten) Equity Shares of nominal value ` 1/- (Rupee One only) each, and consequently, the Authorized Share Capital of ` 30,00,00,000/- (Rupees Thirty Crores only) comprises of 30,00,00,000 (Thirty Crore) Equity Shares of ` 1/- (Rupee One only) each.

DIRECTORS:

The Board consists of executive and non-executive directors including independent directors who have wide and varied experience in different disciplines of corporate functioning.

In terms of Articles of Association of the Company Mrs. Aarti Jhaveri, retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. Further, Mr. Santosh Muchhal and Mr. Rajiva Kumar Srivastava were appointed as Additional Independent Directors of the Company as on 24th April, 2013 and they hold office upto the date of the ensuing AGM and notices under Section 257 of the Act has been received from Members signifying their intention to propose Mr. Muchhal's & Mr. Srivastava's appointment as a Director.

Your Directors propose for the approval of the members at the forthcoming Annual General Meeting and recommends to pass necessary resolution to that effect as set out in the notice of the Annual General

Meeting.

COST ACCOUNTANT :

M/s. Vijay P. Joshi & Associates, Cost Accountants, Indore, were reappointed as your Cost Auditor for the Financial Year 2012-13. A certificate of Compliance of Cost Accounting Records shall be received till the month of September as the working for Cost Audit is under process, at the final stage of preparation and completion as on date. The Cost Auditor has issued a provisional Compliance Certificate to the Company for the year 2012-13.

DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of section of 217(2AA) of the Companies Act, 1956, your Directors state that:

- in the preparation of the Annual Accounts for the year ended March 31, 2013, the applicable accounting standards have been followed, along with Proper explanation relating to material departure, if any;
- accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the Company as at the end of financial year ended March 31, 2013 and the profit of the Company for the year ended on that date;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; and
- the annual accounts of the Company have been prepared on a going concern basis.

AUDITORS:

M/s. Ashok Khasgiwala & Co., Chartered Accountants, Indore (Firm Reg. No.0743C), the statutory Auditors of the company retire at the close of this Annual General Meeting and is eligible for re-appointment. The Company has received confirmation from the Auditors that their re-appointment will be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. The Audit Committee of the Board has recommended their re-appointment. The necessary resolution is being placed before the shareholders for approval.

AUDITORS' REPORT:

The report of the auditors of the Company and notes to the accounts are self explanatory and therefore do not call for any further comments and may be treated as adequate compliance of Section 217(3) of the Companies Act, 1956.

INSURANCE:

The Company has taken adequate insurance cover for all movable & immovable assets for various types of risks.

ELECTRONIC REGISTRAR:

Our registrar for electronic connectivity with NSDL and CDSL is M/s. Bigshare Services Pvt. Ltd., Mumbai.

FIXED DEPOSITS:

Your Company has not accepted any deposit within the meaning of provisions of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975, as amended.

INDUSTRIAL RELATIONS:

Company's Industrial relations continued to be healthy, cordial and harmonious during the period under review.

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

The particulars required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review. Further during the year under review, the Company has not earned foreign exchange and used foreign exchange worth ₹ 33.41 Cr.

PARTICULARS OF THE EMPLOYEES:

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of the Employees) Rules, 1975, the names and other particulars of the employees is set out in the annexure attached to the Director's Report.

GREEN INITIATIVE:

During the previous fiscal year we started a sustainability initiative with the aim of going green and minimizing our impact on the environment. Like, last year this year too we are mailing our Annual Report in soft copy to the all stakeholders whose email-id are registered with the depositories and the printed physical copy will be sent to only those shareholders whose email is bounced or not registered. We are requesting to all the shareholders that kindly update your email id with your DPs.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

Our company has initiated many efforts to provide the basic facilities to the Villages situated near to our various Solar Power Generating Site. Some of them

are installation of Solar Street Lights at the Villages and distribution of School Bags to the School Children etc.

For this year, our plan is to promote the education of village children, as the children are the future of our nation and school is the base to build nation's Future. So we will provide all the possible facilities to different schools situated near to our Solar Power Generation Sites.



ACKNOWLEDGEMENTS:

Your Directors place on record their gratitude to the Central Government, State Governments and Company's Bankers and to other Financial Institutions for the assistance, co-operation and encouragement they extended to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of Investors, Customers, Vendors and Employees in ensuring an excellent all around operational performance.

For & On Behalf of the Board

Place: INDORE
Dated: 28th May, 2013

S.S. MUNDRA
CHAIRMAN CUM
MANAGING DIRECTOR

ANNEXURE TO THE DIRECTORS' REPORT:

Information as per Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of the Employee's) Rules 1975 and Companies (Particulars of Employees) Amendment Rules, 2011 referred to in the Directors Reports for the year ended 31st March,2013 and forming part thereof showing Name's and other Particulars.

Sr. No	Name of the Employee	Designation	Age	Nature of Employment	Nature of Duties	Qualification/ Experience	Date of Commencement of Employment	Last Employment of the Employees	% of Equity Shares held by Employee in the Company	Remuneration recd during the year
1	Sumit Somani	Business Head Ujaas	33	Business Head	Business head-Ujaas, Park	B.E. Electronics, Executive program in applied finance (EPAF)-IIM-C	11th May, 2012	Worked with Suzlon for 7 years in Business development and headed DLF- renewable energy project of 225MW for 2 years.	0.000025	6804082

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:
A. Business Overview and Future Outlook:

Economy: According to the IMF, the Global economic prospects have improved but the road to recovery in the advanced economies will remain bumpy. World output growth is forecast to reach 3¼ percent in 2013 and 4 percent in 2014 compared to 3.2% in 2012. In advanced economies, activity is expected to gradually accelerate, starting in the second half of 2013. Private demand appears increasingly robust in the United States but still very sluggish in the euro area. In India the government is aiming at GDP growth rate of more than 6%. in FY2013-14. However in FY2012-13 the GDP growth rate was lowest in last six years. In FY2012-13, inflation was at average 7.6%, Growth in industrial production has fallen to less than 1 percent, however the most worrisome situation is at the external sector where current account deficit is touching a figure 5% of GDP. The tight monetary policy and high interest rates are taking its toll on the economy.

Power Sector : As of March 2013 India has total power generation capacity of 212 GW, power generation from thermal is 67%. The share of Renewable energy is 12%. The overall Electricity generation in the country has increased to 1048 BU with a energy deficit of 6.7% and peak deficit of 2.3%, however if we consider the transmission constrain the peak demand deficit is 6.2% compare to 10.6% last year, we can consider the reduction in peak demand deficit by more than 4.4%, as remarkable progress. Under XIIth five year plan (2012-2017) 100 GW of the capacity is been targeted by the government.

As per Indian Electrical and Electronics

Manufacturers' Association (IEEMA). Indian electrical equipment industry registered a negative growth of 8% in 2012-13, for the first time in ten years. Sluggish demand, higher imports and absence of protective policy resulted in this de-growth, As per annual data released by IEEMA, the industry had clocked a growth of 6.6% a year earlier, in 2011-12. The industry, data said, is also facing massive project execution delays due to state-run transmission and distribution companies and an unprecedented credit squeeze due to economic slowdown. The worst hit are the transformers which registered a de-growth of 26% in 2012-13 compared to a growth of 25% a year earlier. All, except the transmission sector, decelerated in the last fiscal year

Solar Sector : The solar power industry is pretty old, the very first development in the solar technology started in 1860s, which was driven by an expectation that coal would soon become scare. However this development stagnated in first half of 20th century because of the easy availability of coal and petroleum products. Oil embargo and energy crisis of 70's have brought renewed attention to the development of solar technologies. At present the leader in Solar is Germany having more than 33GW Capacity. The development of Solar in India is coincided with 2009 United Nations Climate Change Conference, commonly called as Copenhagen summit. In this summit, India has committed to reduce carbon emission intensity by 20-25% of 2005 level.

National Tariff policy mandates state discoms and others to have solar renewable purchase obligations (RPO) at 3% by year 2022. Thus a gradual increase

from 0.25% to 3% will bring the huge demand of solar power generation in the country. To meet the RPO of 3% by 2022, experts have estimated the demand of solar power generation in the range of 34000 MW to 45000 MW in the country.

The brand "Ujaas" of your company is getting good response from the market. "Ujaas" provide one stop solution to any prospective solar power producer. Now brand Ujaas has three verticals, (a) Ujaas Park (b) Ujaas Home (c) Ujaas My site. Though the "Ujaas Park" will be the top revenue earner for the company but it has been assumed that in times to come, the target market of the "Ujaas Home" will be a very big market.

Company's product quality, technological adaptation, product development activity, timely service and customer support has won the appreciation from many of its clients and has therefore helped in increase in business. Our products command premium and preference over other brands.

B. Industry Structure and Developments:

Your company deals in three segments, first is manufacturing of Electric transformers, Despite there is a negative growth of more than 25% in FY2012-13 in transformer segment, your company is not only able to hold market share but also able to give a moderate growth. Though the margins are under pressure but we are hopeful for growth to come back to this sector in next couple of years.

The second segment is the Solar Power Generation Plant, Your company is the market leader in this segment, Brand "Ujaas", which provide one stop solution for a prospective solar producer is well recognized and able to command a premium in the market, as of March 2013, 27 MW of Solar Power Plant has been erected, delivered and injecting power in the grid. This is a remarkable achievement by any standards, your company is getting accolades and appreciations for this significant achievement.

The third segment is the Solar Power Generation, Your company is the first company of India to have a Solar Power Plant under REC mechanism. This 2 MW grid connected Solar Power Plant has completed its first year in March 2013. The performance and power generation is satisfactory and better than the estimates. Your company is also in the process of erection of another 12 MW of Solar Power Plant at Barod (MP)

C. Quality Management System:

The company continued to be certified under ISO: 14001:2004 & 9001:2008 by British Standard Institution- BSI Environmental Management System for the Company's Quality System. The Quality Management System in the Company is well defined and is well in place. In the year 2012-13 the certificate

of ISO is renewed by the authority after proper inspection. Your company is under process of implementing of SAP Business Solution, which is expected to complete by September 2013. This will enable your company to meet the challenges related with Information systems, Controls, Planning and Quality.

D. Internal Control System:

The Company has adequate internal control system commensurate with its size and business. The internal control systems are supplemented by internal audits. The audit system carries on a continuous basis, the entire gamut of operations, business and functions. The reports of internal auditors are submitted to the audit committee, which further review the adequacy of the internal control system.

E. Risk and Concerns:

Since your company is catering the needs of almost all sector of Industries, if there is recession in any one sector, the other sector industry will continue to generate the revenue for the company. Apart from the normal risk, demand-supply conditions, raw material prices, changes in government regulations, tax regimes, economic developments within the country and globally, no major risks are foreseen.

F. Cautionary Statement:

Statement made in the management discussion and analysis report as regards the expectations or predictions are forward looking statements within the meaning of applicable Laws and Regulations. Actual performance may deviate from the explicit or implicit expectations.

G. Opportunities and Threats:

Opportunities: Your company has explored vast opportunities in these sectors, specially solar power generation. In today's era just imagine your world without power (electricity), each and every appliance whether its your smart-phones, microwave, air conditioning, laptop, tab, washing machine, cleaning devices etc. all are dependent on power. If there is fall in one industry the opportunities from other sectors are available as power is basic requirement to run any industry.

Further, Government of India has announced National Solar Mission under the National Action Plan for Climate change in 2010 This NSM is called as Jawaharlal Nehru Solar mission. In this mission country is expected to have 20,000 MW of solar power by 2020. In 2010 Central Electricity Regulatory Commission (CERC) has also announced REC - RPO regulations. Solar RPOs comprises of two technologies namely solar PV and Solar Thermal. As per guideline all the states have to reach a figure of 3% of Solar RPO's by 2022. In other words by 2022 out of

the total electricity generated in units i.e. KWH 3% should come from solar. At present RPO are applicable on three entities 1. The utility company 2. The Open access consumer (or the consumer who are purchasing the electricity from the open market) and 3. Captive power producers. If we run the extrapolation on the current electricity production in country, we can estimate that by 2022 the total demand of solar power will be in range of 34000 MW to 45000 MW and at present we have around 1600 MW capacity.

Threats: Though REC – RPO regulations are in but effective execution of there regulation is still a challenge. As of March 13 there are many entities who have defaulted on their renewable purchase obligation but the punitive actions from respective state regulator is still pending. Your Company is trying its best to spread awareness related with REC. RPO regulations amongst all the stake holders.

H. Discussion on financial performance with respect to operational performance.

This year the revenue generated from transformers segment is around ` 2951.66 lacs which have a slight rise as compared to last year. Your company earns typically 50-60% of its transformer revenue from State Electricity Board or utility companies spread across the country. Around 20-25% of revenue comes from subsidiary's of Coal India Ltd. Like SECL, WCL, BCCL MCL etc. and remaining comes from private industries. It may be fair to assume that our market base is spread across the country. Your management is working hard to improve the profits from transformer division.

Further from last year the revenue generated from

Solar Power Generation and Ujaas segment is aggregating ` 21305.47 lacs which shows huge hikes as compared to last year. The management worked hard looking to the opportunities of Solar industry which results in to the increased revenue. Your company has till March 2013 have done 27 MW of Solar power plant and this year having ambitious target. Typically major orders of solar power plant flows in second half where the client companies get some idea of their balance sheets.

I. Material developments in Human Resources / Industrial Relations front, including number of people employed.

Your company has provided huge job opportunities to the various job seekers in almost all fields as the new sites, new projects of the company has opened in the last year itself. Your company has appointed various people from all over the country and made its human power stronger.

Your company has very strong Board, first line management and 2nd line management, comprising of various Business Heads, GM and Vice president and below them we have effective teams of managers. Your company will have huge openings in the coming years as the company is growing day by day and will again need supporting hands for proper management.

For & On Behalf of the Board

Dated: 28th May, 2013
Place: INDORE

S.S. MUNDRA
CHAIRMAN CUM
MANAGING DIRECTOR

REPORT ON CORPORATE GOVERNANCE (Under Clause 49 of the Listing Agreement)

1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Effective Corporate Governance practices constitute the strong foundations on which successful commercial enterprises are built to last. These practices are categorized through principle based standards and not just through a framework enforced by regulation. It develops through adoption of ethical practices in all of its dealings with a wide group of stakeholders encompassing regulators, employees, shareholders, customers and vendors.

Our Corporate Governance policies recognize the accountability of the Board and the importance of its decisions to all our constituents, including customers, investors, employees and the regulatory authorities and to demonstrate that the shareholders are the cause of and ultimate beneficiaries of our economic activities. The functions of the Board and the Executive Management are well defined and are distinct from one another. We have taken a series of steps including the setting up of sub-committees of the Board to oversee the functions of Executive Management. These sub-committees of the Board, which mainly consists of Non-Executive Directors, meet regularly to discharge their objectives.

2) BOARD OF DIRECTORS AND THEIR MEETINGS:

a) As on March 31, 2013, the Company has Six Directors with an Executive Chairman and out of the Six

M AND B SWITCHGEARS LIMITED

Directors, three (i.e. 50.00%) are Executive Directors and three (i.e. 50.00%) are Non- Executive & Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreements entered into with the Stock Exchanges.

- b) None of the Directors on the Board, are Members of more than ten Committees or Chairman of more than five Committees across all the public companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2013 have been made by the Directors.
- c) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships/Memberships held by them in other companies are given herein below. Other directorships do not include alternate directorships, directorships of private limited companies, Section 25 companies and of companies incorporated outside India.
- d) Seven Board Meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the said Meetings were held are as follows:

23rd April, 2012; 30th May, 2012; 13th August, 2012; 09th November, 2012; 17th December, 2012; 17th January, 2013 and 08th February, 2013.

The composition of the Board of Directors and their attendance at the meetings during the financial year were as follows:

Name of the Directors	Category	Designation	No. of Board meetings during the financial Year 2012-13		Whether attended last AGM held on September 24, 2012	No. of other Director orship	No. of Committee Position Chairmanship/ Membership in other Companies
			Held	Attended			
Shri S.S. Mundra	Promoter & Executive Chairman	Chairman & Managing Director	7	7	Yes	2	Nil
Shri Vikalp Mundra	Promoter & Executive Director	Whole Time Director	7	4	Yes	2	Nil
Shri Anurag Mundra	Promoter & Executive Director	Whole Time Director	7	7	Yes	1	Nil
Shri Nilesh Rathi	Independent NED	Director	7	7	Yes	0	Nil
Shri Narendra Beli	Independent NED	Director	7	7	Yes	0	Nil
Smt. Aarti Jhaveri	Independent NED	Director	7	7	Yes	1	Nil

3) INFORMATION AVAILABLE TO THE BOARD:

The Board has unfettered and complete access to any information within the Company and from any of our employees. At meetings of the Board, it welcomes the presence of concerned employees who can provide additional insights into the items being discussed.

The information regularly supplied to the Board includes:

- a) Annual operating plans and updates.
- b) Periodical Financial Statements.
- c) Minutes of meetings of audit, compensation and investor grievance committee of the Company along with board minutes of the subsidiary companies.
- d) General notices of interest.
- e) Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and Company Secretary.
- f) Materially important litigations, show cause, demand, prosecution and penalty notices, if any.) Fatal or serious accidents or dangerous occurrences, any material effluent or pollution problems, if any.
- g) Any materially relevant default in financial obligations to and by us.
- h) Significant development on the human resources front.
- i) Sale of material which are not in the normal course of business.
- j) Non-compliance of any regulatory, statutory or listing requirements as well as shareholder services like delays in share transfer.

The Board also periodically reviews compliance reports of all laws applicable to the Company, prepared by the designated employees as well as steps taken to rectify instances of non-compliance.

Membership Term and Retirement Policy

According to the Articles of Association of your Company, at every Annual General Meeting, one-third of such of the Directors for the time being are liable to retire by rotation or, if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office.

The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment. However, as between persons who became Director on the same day and those who are to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-appointment.

4) CODE OF CONDUCT:

The Board of directors of the Company has laid down a Code of Conduct for all Board members and members of senior management of the company. The Board Members and Senior Management have affirmed compliance with the "Code of Conduct" for the financial year ended March 31, 2013.

5) AUDIT COMMITTEE:

As a measure of good Corporate Governance and to provide assistance to the Board of directors and to meet the requirement of section 292A of the Companies Act, 1956 and the Clause 49 of the Listing Agreement and in fulfilling the Board's overall responsibilities, an Audit Committee is functioning consisting of only independent directors.

a) The Audit Committee inter-alia has the following mandate in terms of the Clause 49 of the Listing Agreement:

- Overview of company's financial reporting process and the disclosure of the financial information in the annual accounts.
- To review and discuss with management, internal audit team and external auditors regarding any significant finding of material nature.
- To consider and review the adequacy of management control system and internal audit function and frequency of internal audit process.
- To review with Management the quarterly and annual financial statements before submission to the

Board focusing primarily on any change in accounting policies and compliance with accounting standards, requirements of stock exchanges and other legal compliance.

- To review Balance Sheet & Profit and Loss Accounts to be placed before the Board.
- To consider and review the financial and risk management policy of the Company.
- To consider and review the defaults, if any in payment to the creditors, financial institutions and reasons thereof.
- To consider the directors responsibility statement to be given by the Board in the Directors Report.
- To consider the matter relating to the recommendation for appointment of the external auditors and fixation of their audit fee and also approval for payment of any other services.
- To review statement of significant related-party transactions.

b) Composition of the Audit Committee:

The Audit Committee of the company comprises of the following Independent Directors and the details of meetings attended them are given below:

Name	Designation	Number of Meetings during the Financial Year 2012-13	
		Held	Attended
Shri Narendra Beli	Chairman	4	4
Shri Nilesh Rathi	Member	4	4
Smt. Aarti Jhaveri	Member	4	4

The Company Secretary of the Company is also functioning as the Secretary to the Committee.

c) Meetings of the Audit Committee:

During the financial year 2012-13 the Audit Committee met 4 (Four) times on the 30th May, 2012; 13th August, 2012; 09th November, 2012 and 08th February, 2013 under the Chairmanship of Shri. Narendra Beli, in which proper quorum was present.

The Committee considered the draft Annual Accounts for the financial year 2012-13. The Committee also reviews the financial and risk management policy of the Company and defaults, if any, in payment to the creditors, financial institutions and reasons thereof.

6) REMUNERATION COMMITTEE:

a) The broad terms of reference of the Remuneration Committee are as under:

- To approve the annual remuneration plan of the Company;
- To approve the remuneration and commission/incentive payable to the Managing Director for each financial year;
- To approve the remuneration and annual performance bonus payable to the Chief Financial Officer and the Executive Vice Presidents of the Company for each financial year;
- Such other matters as the Board may from time to time request the Remuneration Committee to examine and recommend/approve.

b) **Composition of the Remuneration Committee and the details of meetings attended by its members are given below:**

Name	Designation	Number of Meetings during the Financial Year 2012-13	
		Held	Attended
Smt. Aarti Jhaveri	Chairman	1	1
Shri Nilesh Rathi	Member	1	1
Shri Narendra Beli	Member	1	1

**c) Meeting and recommendation of the remuneration committee during the year:**

During the financial year 2012-13 the remuneration Committee met 1 (One) time on the 8th February, 2013; under the Chairmanship of Smt. Aarti Jhaveri, in which proper quorum was present.

d) Payment of non-executive directors and composition of the Committee:

The Company is not paying any remuneration to the non-executive/independent Directors except, sitting fees for the attending of the Board or the committee meetings.

e) Remuneration Policy:

The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process.

The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Managing Director and the Executive Directors. Annual increments are decided by the Remuneration Committee within the salary scale approved by the members and are effective April 1, each year. The Remuneration Committee decides on the commission payable if any to the Managing Director and the Executive Directors out of the profits for the financial year and within the ceilings prescribed under the Companies Act, 1956, based on the performance of the Company as well as that of the Managing Director and each Executive Director. During the financial year 2012-13, the Company paid sitting fees of Rupees One thousand per meeting to its Non-Executive Directors for attending meetings of the Board and meetings of Committees of the Board.

f) Remuneration paid to directors during the year:

S. No.	Name of Directors	Status	Sitting Fee (`)	Salary/remuneration (`)
1	Shri S.S. Mundra	Director/ CMD	Nil	36,00,000
2	Shri Vikalp Mundra	Director/ WTD	Nil	36,00,000
3	Shri Anurag Mundra	Director/WTD	Nil	36,00,000
4	Shri Nilesh Rathi	Director/NED	7,000	0
5	Shri Narendra Beli	Director/NED	7,000	0
6	Smt. Aarti Jhaveri	Director/NED	7,000	0

7) SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE:

The shareholders Grievances Committee facilitate prompt and effective redressal of the complaints of the shareholders and reporting the same to the Board periodically.

a) Composition of the Shareholders Grievance Committee and the details of meetings attended by its members are given below:

Name	Designation	Number of Meetings during the Financial Year 2012-13	
		Held	Attended
Shri Nilesh Rathi	Chairman	1	1
Smt. Aarti Jhaveri	Member	1	1
CANarendra Beli	Member	1	1

The Company Secretary of the Company is also functioning as the Secretary to the Committee.

b) Meetings of the Shareholders Grievance Committee:

During the financial year 2012-13 the Shareholders Grievance Committee met 1 (One) time on the 08th February, 2013 under the Chairmanship of Shri Nilesh Rathi, in which proper quorum was present.

c) Name and designation of Compliance Officer:

Ms. Monika Choukse

Company Secretary & Compliance Officer

d) Details of investor complaints received and redressed during the financial year 2012-13 are as follows:

Number of complaints received during the year	Number of complaints solved during the year	Number of complaints pending at the end of the year
0	0	0

The Securities and Exchange Board of India (SEBI) has commenced processing of investor complaints in a centralized web based complaints redressal system 'SCORES'. The salient features of this system are:

- Centralised database of all complaints,
- Online movement of complaints to the concerned listed companies,
- Online upload of Action Taken Reports (ATRs) by the concerned companies, and
- Online viewing by investors of actions taken on the complaint and its current status.

All complaints pertaining to companies will be electronically sent through SCORES at www.scores.gov.in. The companies are required to view the complaints pending against them and submit ATRs along with supporting documents electronically in SCORES. Failure on the part of the company to update the ATR in SCORES will be treated as non redressal of investor complaints by the company.

Your Company has registered itself on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit of the receipt of the complaint.

8) MANAGEMENT COMMITTEE:

- a) The Management Committee consists of all the three Executive Directors viz., Shri S.S. Mundra (Chairman), Shri Vikalp Mundra and Shri Anurag Mundra (Members) to execute the various day to day affairs of the Company .
- b) The Management Committees' role covers a detailed review of the following matters before these are presented to the Board:
- Business and strategy review;
 - Long-term financial projections and cash flows;
 - Capital and revenue budgets and capital expenditure programme;
 - Acquisitions, divestments and business restructuring proposals;
 - Senior management succession planning; Any other item as may be decided by the Board.

9) WHISTLE BLOWER POLICY:

Though there is no formal Whistle Blower Policy, the Company takes cognizance of the complaints made and suggestions given by the employees and others. Complaints are looked into and whenever necessary, suitable corrective steps are taken. No employee of the Company has been denied access to the Audit Committee of the Board of Directors of the Company.

10) VENUE AND TIME OF THE LAST THREE ANNUAL GENERAL MEETINGS:

Date of AGM	Venue	Time	Details of Special Resolution passed	No. of resolution passed by Postal Ballot.
30.09.2010	2- D/2, Sanwer Road, Sector – D, Industrial Estate, Indore	11.00 A.M.	Nil	Nil
21.09.2011	Survey No. 211/1, Opp. Sector –C & Metalman, Sanwer Road Industrial Area, Indore-452015	11.00 A.M.	Nil	Nil
24.09.2012	Survey No. 211/1, Opp. Sector –C & Metalman, Sanwer Road Industrial Area, Indore-452015	02.30 P.M.	a) Alteration of Articles of Association; and b) Fund raising through further issue of Securities of the Company, under Section 81(1A) of the Companies Act, 1956	Nil

The Resolutions were passed by show of hands with requisite majority. The venue of the AGM of the company has been chosen for its central location, prominence and capacity. One Extraordinary General Meeting of the Members was held during the year on 11th December, 2012 and approval of the members has been obtained towards sub-division of Equity shares of the company of Face Value of ₹ 10/- (Ten) per share in to 10(Ten) Equity Shares of face Value ₹ 1/- (one) per share and alteration of Memorandum of Association of the Company pursuant to change in Face value of Equity Shares of the company.

11) DISCLOSURES ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:

Full disclosure of related party transactions as per Accounting Standard – 18 issued by the Institute of Chartered Accountants of India are given under Note No.32 of Notes on Annual Accounts.

There has not been any non-compliance by the company and no penalties or strictures imposed on the company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

12) DETAILS OF NON-COMPLIANCE

There has been no non-compliance of any legal requirements nor have there been any strictures imposed by any Stock Exchange or SEBI or any statutory authority on any matter related to Capital Markets during the last three years.

13) USAGE OF ELECTRONIC PAYMENT MODES FOR MAKING CASH PAYMENTS TO THE INVESTORS:

SEBI, through its Circular No. CIR/MRD/DP/10/2013, dated March 21, 2013, has mandated the Company to use Reserve Bank of India (RBI) approved electronic payment modes, such as ECS [LECS (Local ECS) / RECS (Regional ECS) / NECS (National ECS)], NEFT and others to pay members in cash.

Recognising the spirit of the circular issued by the SEBI, Members whose shareholding is in the electronic mode are requested to promptly update change in bank details with the Depository through your Depository Participant for receiving dividends through electronic payment modes.

Members who hold shares in physical form are requested to promptly update change in bank details with the Company/ Registrar and Transfer Agents, M/s. Bigshare Services Pvt. Ltd. (Unit: M and B Switchgear Limited) for receiving dividends through electronic payment modes.

14) MEANS OF COMMUNICATION:

The company regularly intimates un-audited as well as audited financial results to the Stock Exchange

M AND B SWITCHGEARS LIMITED

immediately after these are taken on record by the Board. These financial results are normally published in the Free Press (English) and in Chautha Sansar (Hindi), the vernacular newspaper.

15) GENERAL INFORMATION TO SHAREHOLDERS' INFORMATION:

a) AGM:

- **Date** : **26th July, 2013**
- **Time** : **02.30. P.M.**
- **Venue** : Corporate Office: 701-A, NRK Business Park,
Block, B-1, PU-4, Sch.No. 74
Vijay Nagar Square, Indore. (M.P.)-452001

b) Financial Year

: 2012-2013

c) Dates of Book Closure

: From 24.07.2013 to 26.07.2013 (both days inclusive)

d) Board meeting for consideration of Annual Accounts

: 28th May, 2013

e) No. of Shares holders as on 31.03.2013

: 2076

f) Listing on Stock Exchanges

: National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (East), Mumbai 400 051
BSE Limited
P. J. Towers, Dalal Street
Mumbai 400 001

Your Company has paid the annual listing fee for the financial year 2012-13 to both the Stock Exchanges.

g) Symbol

: MBSWITCH

h) Scrip Code

: **533644**

i) Demat ISIN No. for CDSL & NSDL

: INE899L01022

j) Stock Market Data

:

High and low during of each month since Listing of Company in the financial year 2012-13

Month	National Stock Exchange of India Limited			Bombay Stock Exchange Limited		
	High (`)	Low (`)	Total Numbers of Shares	High (`)	Low (`)	Total Numbers of Shares
April, 2012	71.50	61.50	44279	71.85	60.00	39315
May, 2012	90.00	54.05	1541582	94.70	54.15	943898
June, 2012	135.00	72.00	3668196	135.50	72.00	2634173
July, 2012	126.25	97.00	196040	124.95	97.10	115503
Aug., 2012	147.40	96.05	561447	145.00	95.20	723630
Sept., 2012	145.90	122.10	550622	143.75	125.00	294276
Oct., 2012	179.80	131.00	558363	181.90	131.00	554286
Nov., 2012	220.90	166.00	742921	221.15	173.00	490806
Dec., 2012*	251.10	22.55	4613446	251.80	23.40	2378321
Jan., 2013	27.25	21.30	7388848	27.00	21.90	7569082
Feb., 2013	26.50	18.35	5302163	26.50	18.35	6406027
March, 2013	21.60	16.00	5885750	21.45	16.00	8532579

*Share split : Shares of the Company had been sub divided from face value of ` 10 to ` 1 as on 11.12.2012

k) Share Transfer System:

Shareholders/Investors' Grievance Committee also approves share transfers and meets at frequent intervals. The Company's Share Transfers Agent, Bigshare Services Pvt. Ltd. process these transfers. Share transfers are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects. In cases where shares are transferred after sending notice to the transferors, in compliance of applicable provisions, the period of transfer will be reckoned from the date of expiry of the notice.

l) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments in the past and hence as on March 31, 2013, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

m) Dematerialisation/Rematerialisation:

The shares of the company are traded in dematerialised form. As on 31st March, 2013, the Company's 19,87,02,780 shares are held by shareholders in dematerialised form, aggregating 99.35% of the Equity Share Capital.

No. of shares in physical, NSDL and CDSL as on 31st March, 2013:

- In physical Form : 12,97,220
- In CDSL : 8,28,41,208
- In NSDL : 11,58,61,572

n) Distribution of Share owning as on 31st March, 2013

Shareholding of Nominal Value of `	No. of Shareholders	% of Share holders	Share Amount (`)	% to Total
1 -5000	1794	86.4162	1307204	0.6536
5001 -10000	79	3.8054	629767	0.3149
10001-20000	38	1.8304	579971	0.2900
20001-30000	24	1.1561	617544	0.3088
30001-40000	8	0.3854	284274	0.1421
40001-50000	14	0.6744	659698	0.3298
50001-100000	33	1.5896	2504144	1.2521
100001-Above	86	4.1426	193417398	96.7087
Total	2076	100.00	200000000	100.00

o) Shareholders pattern as on 31st March, 2013

Sr.	Category	No. of Shares held	Percentage of Holding (%)
A	Shareholding of Promoter and Promoter Group		
1.	Promoters		
	Indian Promoters	14,13,87,960	70.69
	Foreign Promoters	0	0
2.	Persons Acting in Concert	0	0
	Sub Total	14,13,87,960	70.69
B	Non Promoters Holding		
3.	Intitutional investors		
(a)	Mutual Funds and UTI	0	0
(b)	Bank, financial Institutions, companies (Central/State Govt./Non- Govt. Institutions)	0	0
(c)	FIs	36,25,454	1.81
	Sub Total	36,25,454	1.81
4.	Others		
(a)	Private corporate Bodies	2,69,85,535	13.49
(b)	Individual	2,52,39,078	12.62
(c)	NRI/OCBs	22,087	.01
(d)	Any others – Clearing Members	27,39,886	1.37
	Sub Total	5,49,86,586	27.49
	TOTAL	2,00,00,000	100.00

M AND B SWITCHGEARS LIMITED

- p) Details of the promoter's shares under pledge : 50,00,000 Equity Shares held by Mr. S. S. Mundra, 68,75,000 Equity Shares held by Mr. Anurag Mundra and 68,75,000 Equity Shares held by Mr. Vikalp Mundra are under pledge as on March 31, 2013
- q) Details of shares credited in the suspense account : There were no instance for returning the undelivered shares therefore, no shares were credited in the escrow account as per Clause 5(a) of the Listing Agreement.
- r) Address for Communication : Shareholders should address their correspondence to the Company's Share Transfer agent "Bigshare Services Pvt. Ltd. E-2 and 3, Ansa Industrial Estate, Saki-Vihar Road, Sakinaka, Andheri (E), Mumbai-400 072
- s) Name and Designation of the Compliance Officer : Ms. Monika Choukse (Company Secretary)
- t) Plant Location, Head Office & Address for correspondence : Registered Office Address
Survey No. 211/1, Opp. Sector-C & Metalman, Sanwer Road Industrial Area, Indore-452015 (M.P.)
Phone No.: +91-731-2722388-89, 2721672, 4239173
Fax No.: +91-731-2721693
Email : info@mbswitch.com
Corporate office:
701-A, NRK Business Park, Block B-1, PU-4, Sc. No. 74, Vijay Nagar Square, Indore-452001(M.P.)

For & On Behalf of the Board

Place : INDORE
Date : 28th May, 2013

S.S. MUNDRA
CHAIRMAN CUM MANAGING DIRECTOR



MANAGEMENT RESPONSIBILITY STATEMENT

The Management of Company accepts responsibility for the integrity and objectivity of these financial statements, as well as, for estimates and judgments relating to matters not concluded by the year-end. The management believes that the financial statements reflect fairly the form and substance of transactions and reasonably presents the company's financial condition, and results of operations. To ensure this, the company has installed a system of internal controls, which is reviewed, evaluated and updated on an ongoing basis. Our internal auditors have conducted periodic audits to provide reasonable assurance those company's established policies and procedures have been followed. However, there are inherent limitations that should be recognized in weighing the assurances provided by any system of internal controls.

These financial statements have been audited by M/s. Ashok Khasgiwala & Co., Chartered Accountants, the Statutory Auditors of the Company.

For & On Behalf of the Board

Place : INDORE
Date : 28th May, 2013

S.S. MUNDRA
CHAIRMAN CUM MANAGING DIRECTOR

DECLARATION

This is to confirm that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of clause 49(1) (D) (ii) of the Listing Agreement entered into with the Stock Exchanges, for the year ended March 31, 2013.

For & On Behalf of the Board

Place : INDORE
Date : 28th May, 2013

S.S. MUNDRA
CHAIRMAN CUM MANAGING DIRECTOR

AUDITORS' CERTIFICATE ON COMPLIANCE WITH MANDATORY REQUIREMENTS OF CORPORATE GOVERNANCE TO THE MEMBERS OF M AND B SWITCHGEARS LIMITED

TO,
THE MEMBERS
M AND B SWITCHGEARS LIMITED

We have examined the compliance of conditions of Corporate Governance by **M AND B SWITCHGEARS LIMITED** ("the Company"), for the financial year ended March 31, 2013 as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring compliance with 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 further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For: ASHOK KHASGIWALA & CO.,
Chartered Accountants
(Firm Reg.No. 0743C)**

**Place: INDORE
Date: 28th May, 2013**

**CA AVINASH BAXI
(PARTNER)
M.No. : 79722**

CERTIFICATION OF CORPORATE GOVERNANCE COMPLIANCE

We, S. S. Mundra, Chairman cum Managing Director and Mr. Anurag Mundra, Chief Financial Officer of **M and B Switchgears Limited** hereby certify that:

- a. we have reviewed financial statements and cash flow statement for the year and that to best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to best of our knowledge and belief, no transactions entered into by M and B Switchgears Limited during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We are responsible for establishing and maintaining internal controls for financial reporting in M and B Switchgears Limited, and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take rectify these deficiencies.
- d. We further declare that all Board Members and senior management have affirmed compliance with the Company's code of conduct for the current Year.

For M AND B SWITCHGEARS LIMITED

**Place: Indore
Date: 28th, May 2013**

**S.S. MUNDRA
CHAIRMAN CUM MANAGING
DIRECTOR**

**ANURAG MUNDRA
CHIEF FINANCIAL
OFFICER**

Independent Auditors' Report

To
The Members of
M and B Switchgears Limited,

Report on the Financial Statements

We have audited the accompanying financial statements of M And B Switchgears Limited ("The Company") which comprises the Balance Sheet as at 31st March, 2013, and the Statement of Profit and Loss and the Cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depends on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of

accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- ii. in the case of the Statement of Profit and Loss, of the Profit 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.

Report on Other Legal and Regulatory Requirements

- i. As required by the Companies (Auditor's Report) Order 2003(as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraph 4 and 5 of the Order.
- ii. As required by section 227 (3) of the Act, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors, as on 31st March,

2013 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of Clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

For ASHOK KHASGIWALA & CO.
Chartered Accountants
(Firm Reg. No. 0743C)

Place: Indore
Date: 28th, May 2013

CA AVINASH BAXI
(Partner)
M.No : 79722

Annexure to Independent Auditor's Report

(Referred to in paragraph (1) under the heading of "Report on Other Legal and Regulatory Requirements" 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 fixed assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on such verification.
 - c. During the year under review, the Company has not disposed off a substantial part of fixed assets and we are of the opinion that the going concern status of the company is not affected.
- ii. In respect of its Inventories:
 - a. The management has conducted physical verification of inventory at reasonable intervals during the year under review. In our opinion, the frequency of verification is reasonable.
 - b. In our opinion and according to the information and explanation given to us,
 - c. the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. In our opinion and according to the information and explanation given to us, the Company has maintained proper records of inventory. As explained to us there were no discrepancies noticed on physical verification of inventory as compared to the book records.
 - iii. a. The Company has not granted any loan secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence the provisions of clauses iii(b), iii(c) and iii(d) of the Order are not applicable to the company.
 - b. The Company has not taken any loans secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence the provisions of clauses iii(f) and iii(g) of the Order are not applicable to the company.
 - iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and also for the sale of goods and services. During the course of our audit, we have not observed any major weakness in internal control system in respect of these areas.
 - v. In respect of transactions covered under section 301 of the Companies Act, 1956.
 - a. According to the information and explanations given to us, we are of the opinion that the particulars of contract or 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 does not exceed during the year, the value of ₹ 5,00,000 or more in respect of any party.
 - vi. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public to which the provisions of section 58A, 58AA or any other

relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 apply.

- vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules 2011 prescribed by the Central Government under Section 209 (1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- ix. a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, service tax, wealth tax, custom duty, excise duty, cess and other statutory dues applicable to it. There were no arrears, as at 31st March, 2013 for a period of more than six months from the date they became payable.
- b) According to the records of the company and information and explanation given to us the statutory dues which have not been deposited with appropriate authorities on account of any dispute are as under :

Name of Statute	Nature of the disputed dues	Amount Involved (In Lacs)	Period to which the disputed relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	109.80	2006-07	Income Tax Appellate Tribunal

- x. The Company does not have accumulated losses as at 31st March 2013 and it has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to Financial Institutions or Banks. The Company has not issued any debenture.

- xii. The Company has not granted any loans and advances 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, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor Report) Order, 2003 are not applicable to the Company.
- xv. According to the information and explanations given to us and the representations made by the management, the Company has given guarantee for loans taken by others from any Bank or financial institution. In our opinion the terms and conditions on which the company has given guarantee are not prejudicial to the interest of the company.
- xvi. 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 term loans have been applied for the purpose 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 no funds raised on short-term basis have been used for long-term investment.
- xviii. The Company has not made preferential allotment of shares to parties or Companies covered in the register maintained under section 301 of the Act during the year.
- xix. The Company has not issued any debentures.
- xx. The Company has not raised money by public issues during the year.
- xxi. During the course of our examination of the books of account and records of the Company, 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 material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For ASHOK KHASGIWALA & CO.
Chartered Accountants
(Firm Reg. No. 0743C)

CA AVINASH BAXI
(Partner)
M.No : 79722

Place: Indore
Date: 28th, May 2013

Balance Sheet as at 31st MARCH 2013

(Figures ` In Lacs)

Particulars	Note No.	As at 31st March 2013	As at 31st March 2012
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	2,000.00	2,000.00
(b) Reserves and Surplus	2	11,005.86	8,655.44
		13,005.86	10,655.44
(2) Non-Current Liabilities			
(a) Long-term borrowings	3	2,108.80	1,947.24
(b) Deferred tax liabilities (Net)	4	896.36	90.88
(c) Long term provisions	5	8.82	7.44
		3,013.98	2,045.56
(3) Current Liabilities			
(a) Short-term borrowings	6	4,675.52	653.91
(b) Trade payables	7	3,524.42	443.96
(c) Other current liabilities	8	917.19	509.01
(d) Short-term provisions	9	692.81	22.50
		9,809.94	1,629.38
Total		25,829.78	14,330.38
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	4,002.67	3,967.68
(ii) Intangible assets	10	2.22	2.93
(iii) Capital work-in-progress		1,213.81	-
(iv) Intangible assets under development		32.54	-
(b) Long term loans and advances	11	3,680.31	4,860.99
		8,931.55	8,831.60
(2) Current assets			
(a) Inventories	12	2,553.23	1,079.97
(b) Trade receivables	13	8,699.70	1,490.88
(c) Cash and Bank Balances	14	3,779.37	1,437.11
(d) Short-term loans and advances	15	1,748.30	1,444.89
(e) Other current assets	16	117.63	45.93
		16,898.23	5,498.78
Total		25,829.78	14,330.38

Notes forming integral part of the financial statements 1 to 42

**AS PER OUR REPORT OF EVEN DATE
FOR ASHOK KHASGIWALA & CO.
Chartered Accountants**
FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
**CA Avinash Baxi
(Partner)
M. No : 79722**
**Place : Indore
Date : 28th, May 2013**
**S.S. Mundra
Chairman Cum MD**
**Anurag Mundra
Whole Time Director**
**Vikalp Mundra
Whole Time Director**
**Monika Choukse
Company Secretary &
Compliance Officer**

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

(Figures ` In Lacs)

Particulars	Note No.	2012-13	2011-12
I. INCOME			
a. Revenue from operations	17	24580.69	3550.01
Less : Excise Duty		323.56	156.06
Revenue from operation (Net)		24257.13	3393.95
b. Other Income	18	544.76	303.40
Total Revenue		24801.89	3697.35
II. EXPENSES			
a. Cost of materials consumed	19	19304.96	2276.60
b. Purchases of Stock-in-Trade	20	0.00	1330.92
c. Changes in inventories of finished goods work-in-progress and Stock-in-Trade	21	-590.62	-559.02
d. Employee Benefits Expense	22	373.84	172.44
e. Finance costs	23	508.71	102.20
f. Depreciation and Amortization Expenses		186.69	38.07
g. Other Expenses	24	632.19	134.63
Total Expenses		20415.77	3495.84
III. Profit before exceptional and extraordinary items and tax (I-II)		4386.12	201.51
IV. Exceptional / Extraordinary Items		0.00	0.00
V. Profit before tax (III - IV)		4386.12	201.51
VI. Tax expense:			
Current tax		880.00	40.35
Deferred tax		805.48	64.29
Relating to earlier years		0.00	4.92
VII. Profit for the Year (V-VI)		2700.64	91.95
VIII. Earning per Equity share - Face Value ` 1 Basic and Diluted (in `)		1.35	0.05

Notes forming integral part of the financial statements 1 to 42

**AS PER OUR REPORT OF EVEN DATE
FOR ASHOK KHASGIWALA & CO.
Chartered Accountants**

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

CA Avinash Baxi
(Partner)
M. No : 79722

**S.S. Mundra
Chairman Cum MD**

**Vikalp Mundra
Whole Time Director**

Place : Indore
Date : 28th, May 2013

**Anurag Mundra
Whole Time Director**

**Monika Choukse
Company Secretary &
Compliance Officer**

NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST March 2013

NOTE 1. SHARE CAPITAL

(Figures ` In Lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Authorised		
30,00,00,000 Equity Shares of ` 1 each (Previous Year)		
2,50,00,000 equity shares of ` 10/- each)	<u>3000.00</u>	<u>2500.00</u>
Issued, Subscribed and Paid up		
20,00,00,000 Equity Shares of ` 1 each (Pre.year)		
2,00,00,000 Equity shares of ` 10/- Each) fully paid up.	<u>2000.00</u>	<u>2000.00</u>
	2000.00	2000.00

- 1.1 Of the above 9440970 equity shares were allotted in the preceding five years, as fully paid up Bonus shares by capitalisation of Share premium reserve and balance in profit and loss account.
- 1.2 The reconciliation of the number of shares and amount outstanding is set out below:

Particulars	As at 31 March 2013		As at 31 March 2012	
	No of Shares	Amount	No of Shares	Amount
Equity Shares at the beginning of the year*	200000000	2000	15000000	1500
Add : Issue of Bonus shares	0	0	0	0
Add : Shares issued during the year	0	0	5000000	500
Equity Shares at the year	200000000	2000	20000000	2000

* Face value of Equity Shares at the beginning of the previous year was ` 10 which is sub divided into equity share of ` 1 each during the year. The opening equity shares as at 31st March 2013 are shown at Face value of ` 1 each.

- 1.3 The company has only one class of equity shares having a par value of ` 1 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation the equity shareholders will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts in proportion of their shareholding.

- 1.4 The details of Shareholders holding more than 5% shares:

Name of the Shareholders	As at 31st March 2013		As at 31st March 2012	
	No of shares held	% Held	No of shares held	% Held
Shri Shyam Sundar Mundra	55515880	27.76	5551588.00	27.76
Shri Shyam Sunder Mundra (in the capacity of Trustee of SVA Family Trust)	52893880	26.45	5289388.00	26.45

(Figures ` In Lacs)

	2012-13	2011-12
NOTE 2 RESERVES AND SURPLUS		
A. Securities Premium Reserves		
Balance at the beginning of the year	8463.24	11.75
Add: Premium on shares issued during the year	0.00	8800.00
	8463.24	8811.75
Less: Utilised during the year for		
Shares Issue expenses written off	0.00	348.51
	0.00	348.51
Balance as at the end of the year	8463.24	8463.24
B. General Reserve		
Balance at the beginning of the year	0.00	0.00
Add : Transferred from Statement of Profit and Loss	135.50	0.00
Balance as at the end of the year	135.50	0.00
C. Surplus in Statement of Profit and Loss		
Balance at the beginning of the year	192.19	100.25
Add: Surplus for the year	2700.64	91.95
	2892.83	192.20
Less: Appropriations:		
Transferred to General Reserve	135.50	0.00
Proposed Dividend on Equity Shares	200.00	0.00
Interim Dividend	100.00	0.00
Tax on Dividend	50.21	0.00
	485.71	0.00
Balance as at the end of the year	2407.12	192.20
	11005.86	8655.44
NOTE 3 LONG TERM BORROWINGS		
Secured		
Term Loans from Banks	2467.03	2206.16
	2467.03	2206.16
Less : Current Maturity of Long Term Debts (Refer Note No. 8)	358.23	258.92
Total	2108.80	1947.24

NOTE :

- a) i. Term loan from SBI, sanctioned limit ` 500 lacs, outstanding as at the year end ` 236.59 lacs (Pre.Yr ` 289.18 lacs) is secured by first charge over entire fixed assets of the company by way of equitable mortgage of land building and other immovable assets situated at Survey no 211/1 village sukhlia sector D Sanwer Road Industrial Area Indore and second charge over the entire current assets of the company and personally guaranteed by promoter Directors of the Company.
- ii. Further secured by first pari-passu charge by way of EM of property situated at 191/1,191/2,191/3,191/4 Saket Nagar Indore owned by Smt Geeta Mundra Shri Anurag Mundra Shri Vikalp Mundra and Shri S.S. Mundra and flat no. 504 Varsha Apartment 10/1 South Tukoganj Indore in the name of Shri Shyam Sunder Mundra and lien STDR Face Value ` 24.03 lacs in the name of the company.
- The Term loan repayable in 28 quarterly Installments comprising of 27 equal quarterly installments of ` 17.86 lacs each starting from quarter ending June 2009 and last instalment of ` 17.78 lacs due in March 2016. Rate of interest 13.75% p.a. as at the year end (Previous year 13.50% p.a.)
- b) i. Term loan from BOB, sanctioned limit of ` 2250 lacs, Outstanding as at the year end ` 2043.85 lacs (Pre.Yr. ` 1916.98 lacs) for Solar Power Project is secured by exclusive first charge by way of EM of land and Building Situated at survey No. 13/1/1 of Khata No.18/2(56) vii Gagorni Tehsil & District Rajgarh and plant and machinery and other movable fixed assets of the company's proposed solar power unit both present and

future and secured by hypothecation of stores & spares, book debts and all other current assets of the company.

- ii. Term loan is further secured by lien on Fixed Deposits with bank of ₹ 50 Lacs and personally guaranteed by promoter directors.

The Term loan repayable in 48 quarterly Installment comprising of 47 equal quarterly installments of ₹ 46.87 lacs each starting from quarter ending June 2012 and last instalment of ₹ 47.11 lacs due in the quarter ending March 2024. Rate of interest 13.25% p.a. as at the year end (Previous year 15.25%).

- c) Term Loan from Union Bank of India, sanctioned limit of ₹ 5880.00 lacs outstanding as at the year end ₹ 25 lacs (Pre.Yr. Nil) is secured by EM of Land situated at survey No. 32,33,34,1235 and 1223/5, Dabla Soundhya, Jaisinghpura, BarodTehsil, Madhya Pradesh and first charge by way of mortgage of all immovable properties and assets of proposed 7MW project at barod and hypothecation of all movable assets including plant & machinery, vehicle and all other movable assets of the Project, present and future and book debts and all other current assets of the company and lien on fixed deposit with bank of ₹ 50 lacs and personally guaranteed by promoter directors.

The Term loan repayable in 48 equal quarterly Installment of ₹ 122.5 lacs each starting from April 2014 and last instalment due in January 2026. Rate of interest 12.50 % p.a. as at the year end (Previous year Nil.)

- d) Term Loan from Indian overseas Bank with sanctioned limit of ₹ 4325.00 lacs, Outstanding as at the year end ₹ 107.91 lacs (Pre.Yr. Nil) is secured by EM followed by registration of memorandum of free hold barren land and measuring 8 hectares to village Dabla, Barod Tehsil, Madhya Pradesh and exclusive charge by way of hypothecation of plant & machinery created for 5MW solar power plant and on Building / other fixed assets etc. to be created thereon where project is proposed to be erected and lien on fixed deposit with bank of ₹ 105 lacs and personally guaranteed by promoter directors.

The Term loan repayable in 48 quarterly Installment comprising of 47 equal quarterly installments of ₹ 90.10 lacs each starting from February 2014 and last instalment of ₹ 90.30 lacs due in November 2025. Rate of interest 14.75% p.a. as at the year end (Previous year Nil.)

- e) Term loans from Axis Bank, sanctioned limit ₹ 34.40 lacs, outstanding as at the year end ₹ 33.67 lacs (Pre. Yr. Nil) are secured by exclusive charge on assets purchased against the loans.

The Term loan repayable in 60 equal monthly Installment of ₹ 0.46 lacs each (including interest) starting from January 2013 and last instalment due in November 2017. Rate of interest 10.09% p.a. as at the year end (Previous year Nil.)

- f) Term loans from Axis Bank, sanctioned limit ₹ 21.85 lacs, outstanding as at the year end ₹ 19.99 lacs (Pre. Yr. Nil) are secured by exclusive charge on assets purchased against the loans.

The Term loan repayable in 60 equal monthly Installment of ₹ 0.72 lacs each (including interest) starting from April 2013 and last instalment due in February 2018. Rate of interest 10.00% p.a. as at the year end (Previous year Nil.)

NOTE 4 DEFERRED TAX LIABILITY (NET)

(Figures ₹ In Lacs)

	2012-13	2011-12
Deferred Tax Liability		
Depreciation difference on Fixed Assets	899.96	436.40
Deferred Tax Assets		
Disallowance under the Income Tax Act 1961	3.60	2.92
Unabsorbed Depreciation	0.00	342.60
Total	896.36	90.88
NOTE 5 LONG TERM PROVISIONS		
Provision for Employee Benefits (Refer Note No. 28)	8.82	7.44
Total	8.82	7.44

NOTE 6 SHORT TERM BORROWINGS

	2012-13	2011-12
Loans Repayable on Demand		
Secured		
From Banks		
Working Capital Loans (Refer note (a) below)	4673.93	644.85
Unsecured	1.59	9.06
From Financial Institution		
Total	4675.52	653.91

Note:

- a. (i) Working capital loans from bank is secured by first pari-passu charge by hypothecation of stocks of raw materials finished goods stock in process at the company's premises / godown or such other places as may be approved by the bank from time to time including goods in transit and shipment outstanding monies book-debts receivables and other current assets of the company and second pari-passu charge by way of equitable mortgage of factory land building and fixed assets of the company and personally guaranteed by promoter directors.
- (ii) Further secured by first pari-passu charge by way of EM of property situated at 191/1,191/2,191/3,191/4 Saket Nagar Indore owned by Smt Geeta Mundra Shri Anurag Mundra Shri Vikalp Mundra and Shri S.S. Mundra and flat no. 504 Varsha Apartment 10/1 South Tukoganj Indore in the name of Shri Shyam Sunder Mundra and lien STDR Face Value ` 25 lacs in the name of the company.

NOTE 7 TRADE PAYABLES

(Figures ` In Lacs)

	2012-13	2011-12
Due to Micro Small and Medium Enterprises	296.74	110.04
Due to others (Refer Note No. 27)	3227.68	333.92
Total	3524.42	443.96

NOTE 8 OTHER CURRENT LIABILITIES

Current Maturities of Long Term Debt (Refer Note No. 3)	358.23	258.92
Interest accrued and due on borrowing	0.00	29.45
Other Payables		
Statutory Remittances	33.73	2.31
Creditors for Capital Expenditure	4.62	90.68
Advances from Customers	418.81	73.77
Other Liabilities	101.80	53.88
Total	917.19	509.01

NOTE 9 SHORT TERM PROVISIONS

Provision for empolyee benefits (Refer Note No.28)	1.76	1.56
Proposed Dividend	200.00	0.00
Tax on Dividend	33.99	0.00
Provision for Taxation (Net of Advance tax ` 539.52 lacs)	425.26	0.00
Provision for excise duty on closing stock	31.80	20.94
Total	692.81	22.50

NOTE 10 FIXED ASSETS

Name of the Assets	GROSS BLOCK				DEPRECIATION AND AMORTISATION			NET BLOCK		
	As at 01.04.2012	Addition	Borrowing Cost	Deduction	As at 31.03.2013	Upto 31.03.2012	For the Year	Upto 31.03.2013	As at 31.03.2013	As at 31.03.2012
	i. Tangible Assets									
Land - Freehold	294.95	111.76	0.00	12.21	394.50	0.00	0.00	0.00	394.50	294.95
Buildings	294.70	0.00	0.00	0.00	294.70	32.57	9.84	42.41	252.29	262.13
Plant & Machinery	3425.35	2.18	0.00	0.73	3426.80	74.90	162.72	237.62	3189.18	3350.45
Vehicles	58.78	88.05	0.00	0.00	146.83	31.06	8.34	39.40	107.43	27.72
Furniture & Fixture	25.87	2.07	0.00	0.00	27.94	5.01	1.51	6.52	21.42	20.86
Office Equipment	20.89	29.85	0.00	0.00	50.74	9.32	3.57	12.89	37.85	11.57
Total :	4120.54	233.91	0.00	12.94	4341.51	152.86	185.98	338.84	4002.67	3967.68
Previous year :	1011.61	2978.06	135.67	4.80	4120.54	115.50	37.36	152.86	3967.68	

ii. Intangible assets

Software	3.64	0.00	0.00	0.00	3.64	0.71	0.71	1.42	2.22	2.93
Total	3.64	0.00	0.00	0.00	3.64	0.71	0.71	1.42	2.22	2.93
Previous year :	0.00	3.64	0.00	0.00	3.64	0.00	0.71	0.71	2.93	0.00

(Figures ` In Lacs)

	2012-13	2011-12
<u>NOTE 11 LONG TERM LOANS AND ADVANCES</u>		
Unsecured, considered good		
Capital Advances	3677.95	4813.08
Security Deposits	2.36	2.31
Advance income tax (net of provision Pre. Year ` 84.78 lacs)	0.00	45.60
Total	3680.31	4860.99
<u>NOTE 12 INVENTORIES</u>		
(As valued and certified by the management)		
Raw Materials	1134.81	164.64
Work in Progress	1146.88	709.13
Finishes Goods	271.54	206.20
Total	2553.23	1079.97
(Valued at lower of cost or net realisable value, except scrap at net realisable value)		
Details of Inventories		
Raw Materials		
Copper and Alluminium Wire/ Strip DPC	12.56	100.13
Iron & Steel	13.81	5.41
Tr. Laminations	37.76	32.94
Tr. Oil	15.08	26.16
Solar module 245WP	834.00	0.00
SP Munting Structure, Cables	88.58	0.00
33 KV HT Equipments, Structures, VCBS	27.03	0.00
Others	105.99	0.00
Total	1134.81	164.64
Work in Progress		
Transformers	465.50	709.13
Solar Power Plant	681.38	0.00
Total	1146.88	709.13
Finishes Goods		
Transformers	257.28	192.87
others	14.26	13.33
Total	271.54	206.20
<u>NOTE 13 TRADE RECEIVABLES</u>		
(unsecured, considered good)		
Due for more than Six Months from the date they are due for payment	398.52	479.52
Others	8301.18	1011.36
Total	8699.70	1490.88

	2012-13	2011-12
NOTE 14 CASH AND BANK BALANCES		
a. Cash and Cash Equivalents		
i. Balances with Banks		
in Current Accounts	57.68	9.37
in Deposit Accounts having maturity upto 3 months		
Earmarked for credit facilities given by bank	1030.82	0.00
Others	1559.00	1230.00
ii. Cash on hand	29.27	1.93
	2676.77	1241.30
b. Other Bank Balances		
In Deposit Account		
a. Having maturity more than 3 months upto 12 months		
Earmarked for credit facility given by bank	1083.85	0.00
Others	18.75	195.81
b. Having maturity more than 12 months		
Earmarked for credit facility given by bank	0.00	0.00
Others	0.00	0.00
Total	3779.37	1437.11
NOTE 15 SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Security Deposits	103.55	103.32
Loans and Advances to Employees	5.35	2.97
Balance with Government Authorities	91.16	115.73
Intercorporate Deposits	1276.48	1092.74
Others		
Advance to Suppliers	122.12	37.19
Other Advances recoverable in cash or in kind for value to be received	149.64	92.94
Total	1748.30	1444.89
NOTE 16 OTHER CURRENT ASSETS		
(Unsecured, considered good)		
Interest accrued on deposits	30.10	45.93
Other receivables	87.53	0.00
Total	117.63	45.93
NOTE 17 REVENUE FROM OPERATIONS		
Sale of Products	24278.83	3516.76
Sale of Services	301.86	33.25
Other Operating revenues	0.00	0.00
	24580.69	3550.01
Less:Excise Duty	323.56	156.06
Total	24257.13	3393.95

(Figures ` In Lacs)

	2012-13	2011-12
Details of Sales		
Transformer	3230.78	2977.83
Solar Power Generated	461.78	1.43
Solar Power Plant / Project	20586.27	537.50
	24278.83	3516.76
NOTE 18 OTHER INCOME		
Interest Income	526.65	293.59
Net gain on foreign currency translations and transactions	8.54	0.00
Other non-operating income		
Profit on sales of Fixed Assets	0.00	9.54
Misc Income	9.57	0.27
Total	544.76	303.40
NOTE 19 COST OF MATERIALS CONSUMED		
Raw Materials Consumed	19304.96	2276.60
	19304.96	2276.60

Imported and Indigenous Raw materials consumed:

Particulars	year ended 31st march 2013	% of consumption	year ended 31st march 2012	% of consumption
Imported	3341.54	17.31	0.00	0.00
Indigenous	15963.42	82.69	2276.60	100.00
Details of Raw Materials Consumed				
Ins. Aluminium and Copper Wire and strips			1250.09	794.23
Iron & Steel			113.07	199.46
Lamination			522.88	417.96
Transformer Oil			328.96	293.90
Insulation Materials			36.14	33.62
Solar Modules 245Wp			11778.04	0.00
SP Munting Structure, Cables, Inverter			2433.87	0.00
33 KV HT Equipments, Structures, VCBS			158.78	0.00
Other Items			2683.13	537.43
Total			19304.96	2276.60

	2012-13	2011-12
NOTE 20 PURCHASES OF STOCK IN TRADE		
Aluminium Ingot	0.00	1330.92
Total	0.00	1330.92

**NOTE 21 CHANGES IN INVENTORIES OF FINISHED GOODS
WORK-IN-PROGRESS AND STOCK-IN-TRADE**

(Figures ` In Lacs)

	2012-13	2011-12
Closing stock		
Finished Goods	359.07	206.20
Work in Progress	1146.88	709.12
	1505.95	915.32
Less : Opening Stocks		
Finished Goods	206.20	348.81
Work in Progress	709.13	7.49
	915.33	356.30
Changes in Inventories	590.62	559.02
<u>NOTE 22 EMPLOYEE BENEFITS EXPENSE</u>		
Salaries and Wages	356.23	156.85
Contribution to Provident and other funds	10.26	10.58
Staff Welfare Expenses	7.35	5.01
Total	373.84	172.44
<u>NOTE 23 FINANCE COSTS</u>		
Interest Expenses	440.56	69.64
Other Borrowing Cost	68.15	32.56
Total	508.71	102.20
<u>NOTE 24 OTHER EXPENSES</u>		
Power & Fuel	41.61	16.68
Rent	3.90	0.00
Repairs to Buildings	0.19	0.28
Repairs to Machinery	16.50	4.98
Repairs others	0.61	2.72
Rates and Taxes excluding taxes on Income	33.57	4.16
Insurance	14.50	1.89
Teavelling & Conveyance Expenses	63.19	10.48
Freight & cartage outward	35.28	30.15
Testing Charges	21.22	6.55
Legal and Professional	242.46	4.36
Increase/decrease of Excise duty on inventory	10.86	20.94
Miscellaneous Expenses	148.30	31.44
Total	632.19	134.63

25. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(Figures ` In Lacs)

	As at 31 March, 2013	As at 31 March, 2012
A. Contingent liabilities		
(a) Claims against the Company not acknowledged as debt	--	--
(b) Guarantees		
i. Outstanding Bank Guarantee	396.34	588.85
ii. Corporate Guarantee on behalf of Others	100.00	100.00
(c) Income Tax Demand disputed (Net of Tax Deposited)	11.27	46.27
B. Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	542.64	1844.00

26. DETAILS OF AMOUNTS UTILIZED OUT OF ISSUE OF SECURITIES MADE FOR SPECIFIC PURPOSE

- a. The Proceeds of ` 9300 lacs from the initial Public offer of equity shares have been utilized as per object stated in Prospectus and revised /modified in the Extra Ordinary General Meeting held on 29.03.2012, as on 31.03.2013 are as under:

Sr.No.	Particulars	Est. Amount as per Prospectus EGM dt 29.3.2012 (` In lacs)	Amount utilized (` In lacs)	*Revised amount of project as per (` In lacs)
1	Utilized to set up solar Photovoltaic Power Plant upto 20MW*	7136.28	4751.30	24650.00
2	General Corporate Purpose	1917.97	1879.97	1900.00
3	IPO Expenses	340.00	350.29	360.00
	Total	9394.25	6981.56	26910.00

*The object of IPO is modified from, to set up 4MW to 20 MW solar Photovoltaic power plant.

- b. Pending utilization ` 2318.44 lacs, (Pre. Yr ` 2409.71 lacs), being balance proceeds have been invested in Banks Fixed deposits ` 1559 lacs (Pre. Yr ` 1230 Lacs) and ` 759.44 lacs (Pre. Yr ` 946.21 Lacs) deposited to reduce the CC limit from the banks and Nil (Pre. Yr ` 233.50 lacs) in Transformer business.

27. DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006.

- a. Trade Payables includes ` 296.74 lacs (Previous Year ` 52.52 lacs) amount due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME).
- b. The details of amount outstanding to Micro, Small and Medium Enterprises are as under :

(Amount ` in lacs)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Principle amount due and remain unpaid	296.74	52.52
Interest due on above and unpaid interest	-	-
Interest paid - -	-	-
Payment made beyond appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest due and payable in succeeding years	-	-

- c. The information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

28. DISCLOSURE AS PER AS-15 -EMPLOYEE BENEFITS

The liability in respect of gratuity is determined using actuarial valuation of gratuity using Projected Unit Credit Method as required by Accounting Standard 15 "Employee Benefits" (Revised 2005) as at balance sheet date. Actuarial gain and losses are recognized in full in statement of Profit and Loss.

	2012-13	2011-12
	Gratuity	Gratuity
	Amount ` In lacs	Amount ` In lacs
I. Change in Benefit Obligation		
Liability at the beginning of the year	9.01	6.66
Interest Cost	.72	0.53
Current Service Cost	2.30	1.98
Past Service Cost	0	0
Benefit Paid	0	0
Actuarial (gain)/loss on obligations	(1.45)	(0.17)
Liability at the end of the year	10.58	9.01
II. Amount Recognised in the Balance Sheet		
Liability at the end of the year	10.58	9.01
Fair Value of Plan Assets at the end of the year	0	0
Difference	10.58	9.01
Past Service Cost	0	0
Transition Liability	0	0
Amount Recognised in the Balance Sheet	10.58	9.01
III. Expenses Recognised in Profit and Loss Account		
Current Service Cost	2.30	1.98
Interest Cost	.72	0.53
Expected Return on Plan Assets	0	0
Past Service Cost	0	0
Actuarial Gain or Loss	(1.45)	(0.17)
Expense Recognised in P&L	1.57	2.34
IV. Balance Sheet Reconciliation		
Opening Net Liability	9.00	6.66
Expense as above	1.57	2.34
Employers Contribution	0	0
Amount Recognised in Balance Sheet	10.58	9.01
V. Assumptions :		
Discount Rate Prev.	8%	8%
Salary Escalation Prev.	5%	5%
Discount Rate Current	8%	8%
Salary Escalation Current	5%	5%

29. DISCLOSURE RELATING TO CONSTRUCTION CONTRACT (REVISED) AS PER REQUIREMENT OF ACCOUNTING STANDARD 7 ARE AS FOLLOWS :

Particulars	Amount ` In Lacs	
	2012-13	2011-12
a. Contract revenue recognized for the year	20586.27	Nil
b. In respect of Contract in progress at the end of year		
i. Cost incurred and recognized profits (less recognized losses)	681.38	Nil
ii. Advance received from customers	343.12	Nil
iii. Amount of retentions	Nil	Nil

The estimates of total costs and total revenue in respect of construction contracts entered in accordance with AS - 7 (Revised) Construction Contracts are reviewed and up dated periodically to ascertain the percentage completion for revenue recognition. However, it is impracticable to quantify the impact of changes in estimates.

30. DISCLOSURES UNDER AS 16 - BORROWING COSTS

Borrowing Cost capitalised during the year on funds attributable to constuction/ set-up of Plant and Machinery at village Dabla, Tehsil Barod (M.P.) was Nil (previous year ` 135.67 lacs) and included under capital work in progress ` 1.25 lacs (Previous year Nil).

31. DISCLOSURES UNDER AS 18 - RELATED PARTY DISCLOSURES
List of Related Parties

Sr.No.	Name of the Directors	Relationship
1.	Mr. Shyam Sunder Mundra	Chairman cum Managing Director
2.	Mr. Vikalp Mundra	Whole Time Director
3.	Mr. Anurag Mundra	Whole Time Director

Sr. No.	Name of the Relative of Key Managerial Personnel	Relationship
1.	G J Mundra (HUF)	Relative of Director
2.	S G Mundra (HUF)	Relative of Director
3.	Vikalp S Mundra (HUF)	Relative of Director
4.	Anurag S Mundra (HUF)	Relative of Director
5.	Geeta Mundra	Relative of Director
6.	Sushiladevi Mundra	Relative of Director
7.	SVA Family Trust (Mr. Shyam Sunder Mundra act as trustee of this trust)	Relative of Director
8.	Shri Ramcharan Maharaj Trust (Mr. Vikalp Shyam Sunder Mundra is acting as trustee of the trust)	Relative of Director
9.	Pravagya Family Trust	Relative of Director
10.	Pratush Family Trust	Relative of Director
11.	Ayush Family Trust	Relative of Director
12.	Agartala Electricals	Relative of Director
13.	Vibrant Technologies	Relative of Director
14.	Sarita Mundra	Relative of Director

Sr. No.	Name of the Company	Relationship
1.	C S Steels Private Limited	Significant Influence
2.	Ambika Conductors Privete Limited	Significant Influence
3.	Geeta Electricals Indore Private Limited	Significant Influence (upto 01.02.2013)
4.	Indore Transformer Private Limited	Significant Influence

M AND B SWITCHGEARS LIMITED

Details of the transactions with Related Parties

Particulars	2012-13	2011-12
Job Work Expenses		
Geeta Electricals Indore Pvt Ltd	0	0.44
Job Work Income	0.33	0
Geeta Electricals Indore Pvt Ltd	0.33	0.00
Remuneration paid		
S.S. Mundra	36.00	18.00
Vikalp Mundra	36.00	18.00
Anurag Mundra	36.00	18.00
Repayment for expenses		
Indore Transformers Pvt Ltd	0.00	0.13
Outstanding Balance		
Payables		
Indore Transformers Pvt Ltd	0.09	0.09

32. DISCLOSURES UNDER AS 20 – EARNINGS PER SHARE

Particulars	2012-13	2011-2012
(a) Net Profit after tax	2700.63	91.95
(b) Weighted Average Number of Equity Shares	200000000	17342466
(c) Nominal value per share	1	10
(d) Basic & Diluted Earning Per Share (`)	1.35	0.53
(e) Basic & Diluted Earning Per Share –Restated (Pre. Yr at face value ` 1)	1.35	0.05

During the Year company has sub- divided existing shares of face value of ` 10 each into 10 equity shares of face value of ` 1 each and the record date was fixed 24.12.2012.Hence, previous year Basic and diluted earning per share has been restated accordingly.

33. DIVIDEND REMITTED IN FOREIGN CURRENCY TO NON RESIDENT SHAREHOLDERS

Particulars	2012-13
Equity Shares	
a. No. of Non Resident Equity Shareholders	09
b. Number of Equity Shares held by them	704673
c. (i) Amount of Dividend Paid (` in lacs)	3.52
(ii) Year to which dividend relates	2012-13

34. Earnings in foreign currency	Nil	Nil
35. Expenditure in foreign currency Travelling Expenses	13.96	Nil
36. Value of Import Calculated on C.I.F. basis Raw Materials	3341.54	Nil

37. PROPOSED DIVIDEND

(Amount ` in lacs)

Particulars	As at March 31, 2013	As at March 31, 2012
Equity Shares (Face value ` 1 per share)		
a. Amount of dividend proposed –Final Dividend	200.00	0.00
b. Dividend Per Equity Share (in `)	0.10	0.00



38 SEGMENT REPORTING AS PER AS -17

(Figures ` In Lacs)

A. Primary Segment - Business Segment

PARTICULARS	Transformer	Solar Power	Other	Unallocable	Total
Segment revenue	2,963.94	461.78	20,852.23	523.94	24,801.88
Previous Year	2,855.02	1.43	537.50	303.41	3,697.36
Segment result(PBIT)	95.85	304.92	4,179.49	314.57	4,894.82
Previous Year	91.38	(1.20)	3.71	209.63	303.52
Less : Interest	-	-	-	508.70	508.70
Previous Year	-	-	-	102.01	102.01
Profit before Exceptional/Extraordinary item	95.85	304.92	4,179.49	(194.13)	4,386.12
Previous Year	91.38	(1.20)	3.71	107.62	201.51
Exceptional/Extraordinary item	-	-	-	-	-
Previous Year	-	-	-	-	-
Profit (+) Loss(-) before tax	95.85	304.92	4,179.49	(194.13)	4,386.12
Previous Year	91.38	(1.20)	3.71	107.62	201.51
Less : Tax Expenses					
Current Tax	-	-	-	-	880.00
Previous Year	-	-	-	-	40.35
Deferred Tax	-	-	-	-	805.48
Previous Year	-	-	-	-	64.29
Relating to Earlier years	-	-	-	-	-
Previous Year	-	-	-	-	4.92
Profit after tax	-	-	-	-	2,700.64
Previous Year	-	-	-	-	91.94
Segment Assets	3,907.08	7,889.79	9,974.33	4,028.47	25,799.67
Previous Year	3,527.26	7,984.66	87.50	2,685.02	14,284.44
Segment Liabilities	533.96	0.21	3,591.60	659.24	4,785.01
Previous Year	552.09	90.79	-	51.66	694.54
Segment Depreciation	25.42	147.13	-	14.14	186.70
Previous Year	30.89	2.41	-	4.77	38.07

B. Secondary Segment - Geographical

The company's operating facilities are located in India.

Particulars

Domestic Revenue

Export Revenue

	2012-2013	2011-2012
Domestic Revenue	24,801.88	3,697.35
Export Revenue	-	-
Total	24,801.88	3,697.35

Note:

A. Unallocable segment assets exclude the following:

other current assets

Accrue Interest

	2012-2013	2011-2012
other current assets	-	-
Accrue Interest	30.10	45.93
Total	30.10	45.93

B. Unallocable segment liabilities exclude the following:

Secured Loans

Unsecured loans

Deferred Tax Liability

	2012-2013	2011-2012
Secured Loans	7,140.95	2,880.46
Unsecured loans	1.59	9.06
Deferred Tax Liability	896.36	90.88
Total	8,038.90	2,980.40

39. AUDITORS REMUNERATION

	2012-13	2011-12
For Audit Fees	2.81	0.83
For other services	0.50	0.27

40. The financial statements have been prepared in line with the requirements of Revised Schedule VI of Companies Act, 1956 as introduced by the Ministry of Corporate Affairs from the financial year ended on 31st March 2012. Accordingly, assets and liabilities are classified between current and non-current considering 12 month period as operating cycle.

41. Previous year's figures are regrouped or rearranged wherever considered necessary, to make them comparable with current year's figure.

42. Significant Accounting policies and practices adopted by the Company are disclosed in the statement annexed to these financial statements as Annexure I.

**AS PER OUR REPORT OF EVEN DATE
FOR ASHOK KHASGIWALA & CO.
Chartered Accountants**

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**CA Avinash Baxi
(Partner)
M. No : 79722**

**S.S. Mundra
Chairman Cum MD**

**Vikalp Mundra
Whole Time Director**

**Place : Indore
Date : 28th, May 2013**

**Monika Choukse
Company Secretary &
Compliance Officer**

**Anurag Mundra
Whole Time Director**

Annexure I

General company information and statement of significant accounting policies.

1. General Company Information

The Company is engaged primarily in manufacturing /servicing of transformer, Generation of solar power and manufacturing, sales and services of Solar Power Plants/Project. The Solar Park is situated at dist. Rajgarh (M.P.). The company is a Public Limited company and its shares are listed on Bombay Stock Exchange (BSE) and National Stock exchange (NSE).

2. Significant Accounting Policies**a. Basis Of Accounting**

The financial statements are prepared as a going concern under the historical cost convention on an accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP), Accounting Standards Issued by the Institute of Chartered Accountants of India, as applicable, and the relevant provisions of the Companies Act, 1956.

b. Use Of Estimates

The preparation and presentation of financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported period. The difference between actual results and estimates are recognized in the period in which the results are known / materialize.

c. Valuation Of Inventories

Inventories are valued at lower of cost or market value on FIFO basis except scrap valued at net realizable value. Cost of inventory of finished goods and work in progress is generally comprise of cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. The excise duty in respect of closing inventory of finished goods is included as cost of finished goods and goods in transit stated at cost.

d. Depreciation

Depreciation on fixed assets is being provided on straight line method as per the rates prescribed in schedule XIV of the companies Act, 1956.

Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the month of addition / disposal except in case of Solar Power plant it is provided with reference to date of addition/disposal.

Intangible assets software are amortized over a maximum period of five years or its useful life whichever is shorter. Premium on Lease hold land is amortized over the period of lease.

e. Revenue Recognition

The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis.

Sales revenue is recognised on transfer of the significant risks and rewards of ownership of the goods to the buyer and stated net of sales tax, VAT, trade discounts and rebates but includes excise duty.

Revenue from construction of Solar Power system (construction contract) activity is recognized in accordance with accounting standard-7 (Revised), construction contracts, issued by the institute of Chartered Accountants of India (the "ICAI"), contract revenue is recognized using fixed price contract basis, on percentage of completion method subject to such cost of work performed being 15% or more of total estimated cost. The percentage completion method is the proportion of cost of work performed till date to the total estimated contract cost.

Contract costs include costs that relate directly to the specific contract and costs that are attributable to contract activity and allocable to the contract costs that cannot be attributed to contract activity are expensed where incurred.

Interest income is recognised on time proportion basis.

Income from services is recognised as they are rendered (based on arrangement / agreement with the concern customers).

f. Fixed Assets

i. Fixed Assets

Fixed assets (Tangible and Intangible) are stated at cost of acquisition or construction or development , net of tax /duty credit availed if any, including any cost attributable for bringing the assets to its working condition for its intended use, less depreciation, amortization and impairments, if any.(except freehold land).

ii. Capital Expenditure

Assets under erection/installation are shown as "Capital work in progress", Expenditure during construction period are shown as "pre-operative expenses" to be capitalized on erection/installations of the assets.

g. Foreign Currency Transaction

i. All transactions in foreign currency are recorded at the rates of the exchange prevailing on the dates when the relevant transactions took place; any gain/ loss on account of the fluctuations in the rate of exchange is recognized in the statement of Profit and Loss.

ii. Monetary items in the form of loans, current assets and current liabilities in foreign currencies at the close of the year are converted in the Indian currency at the appropriate rate of exchange prevailing on the dates of the Balance Sheet. Resultant gain or loss on account of fluctuation in the rate of exchange is recognized in the statement of Profit and Loss.

iii. In respect of the Forward Exchange Contracts entered into to hedge foreign currency risks, the difference between the Forward Rate and Exchange Rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange difference arising on such contracts are recognized as income or expense along with the exchange difference on the underlying assets/ liabilities.

h. Employee Benefits

i. Post-employment benefit plans

a) Defined Contribution Plan - Contributions to provident fund and Family Pension Fund are accrued in accordance with applicable statute and deposited with appropriate authorities.

b) Defined Benefit Plan -The liability in respect of gratuity is determined using actuarial valuation of gratuity using Projected Unit Credit Method as required by Accounting Standard 15 "Employee Benefits" (Revised 2005) as at balance sheet date. Actuarial gain and losses are recognized in full in statement of Profit and Loss.

ii. Short term employment benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employees renders the services. These benefits include compensated absence also. The Company makes the provision for leave encashment at the year end as per the Factories Act 1948 , which is being paid in subsequent year.

i. Borrowing Cost

Borrowing costs attributable to acquisitions and construction of qualifying assets are capitalized as a part of the cost of such asset up to the date when such asset is ready for its intended use. Other borrowing costs are charged to Statement of Profit and Loss.

j. Segment Accounting Policies

1. The company has disclosed business segment as the primary segment. Segment have been identified taking into account the type of products, the differing risk return and the internal reporting system. The various segment identified by the company comprised as under :-

Name of Segment	Comprised of
Transformer	- Manufacturing and servicing of transformer
Solar Power Generation	- Generation and distribution of Power Units
Other	- Manufacturing, sales, Services of Solar power systems

2. Segment revenue, segment results, segment assets and segment liabilities include respective amounts directly identified with the segment and also an allocation on reasonable basis of amounts not directly identified. The expenses which are not directly relatable to the business segment are shown as unallocated corporate cost. Assets and liabilities that can not be allocated between the segments are shown as unallocable corporate assets and liabilities respectively.
3. The Company has identified geographical segments as the secondary segment. Secondary segments comprise of domestic and export markets. However, company has no export sales.

k. Taxes On Income

Current tax is the amount of tax payable on taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1956.

Deferred Tax is recognized on timing difference between taxable income and accounting income that originate in one period and are capable of reversal on one or more subsequent period.

Deferred Tax assets are recognized and carried forward to the extent that there is a virtual / reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

l. Impairment Of Assets

An asset is impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. An impairment loss recognized in prior period is reversed if there has been an indication that impairment loss recognised for an asset no longer exists or may have decreased.

m. Provision, Contingent Liabilities And Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

n. Cash Flow Statement

Cash flows are reported using indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.

M AND B SWITCHGEARS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

PARTICULARS	2012-2013	2011-2012
A. CASH FLOW OPERATING ACTIVITIES		
a) Net Profit before tax & Extraordinary Item	4386.12	201.51
Adjustments for:		
Depreciation	186.69	38.07
Interest Received	(526.65)	293.59
Financial Costs	508.71	102.20
Profit on sale of Fixed Asset	0.00	(9.54)
b) Operating Income before working capital changes	4554.87	38.65
Adjustments for:		
Trade & Other Receivables	(7583.98)	(6639.84)
Inventories	(1473.26)	(581.87)
Trade Payables & Provisions	3401.77	525.70
c) Cash Generated from Operations	(1100.60)	(6657.36)
Adjustments for:		
Direct Taxes (Net)	(409.15)	(59.00)
Net Cash Flow from Operating Activities	(1509.75)	(6716.36)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets & CWIP	(345.13)	(2981.07)
Sale of Fixed Assets	12.94	14.35
Interest Received	526.65	293.59
Fixed deposit pledged having maturity more than 3 months	(906.79)	(93.50)
Public issue expenses	0	(292.51)
Net Cash used for Investing Activities	(712.33)	(3,059.14)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	0	500.00
Proceeds from Receipt of Share Premium	0	8800.00
Proceeds from Borrowings	4289.95	1876.47
Repayment of Borrowings	(7.47)	(71.44)
Dividend Paid	(116.22)	0.00
Interest Paid	(508.71)	(102.20)
Net Cash Flow from Financing Activities	3657.55	11002.83
D. NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	1435.47	1227.33
Cash & Cash Equivalents at Beginning of the Year	1241.30	13.97
Cash & Cash Equivalents at End of the Year	2676.77	1241.30
Short-term bank deposits	1102.60	195.81
Cash and Bank balances at the end of the year	3779.37	1437.11

AS PER OUR REPORT OF EVEN DATE
FOR ASHOK KHASGIWALA & CO.
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

CA Avinash Baxi
(Partner)
M. No : 79722

Place : Indore
Date : 28th, May 2013

S.S. Mundra
Chairman Cum MD

Monika Choukse
Company Secretary &
Compliance Officer

Vikalp Mundra
Whole Time Director

Anurag Mundra
Whole Time Director



M AND B SWITCHGEARS LIMITED

Reg. Office: Survey No. 211/1, Opp. Sector C & Metalman, Sanwer Road Industrial Area, Indore-452015. Ph: +91-731-2722388-89, 2721672 Fax : +91-731-2721693
Email Id: info@mbswitch.com Website: www.mbswitch.com

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE REGISTERED OFFICE. ONLY MEMBERS OR THEIR PROXIES ARE ENTITLED TO BE PRESENT AT THE MEETING.

FOLIO NO./DP, CLIENT ID NAME AND ADDRESS

I hereby record my presence at the Annual General Meeting held at 701-A, NRK Business Park, Block B-1, PU-4, Sc. No. 74, Vijay Nagar Square, Indore. (M.P.), Indore-452015 on Friday, July 26, 2013 at 2.30 p.m.

NAME OF THE PROXY IN BLOCK LETTERS	SIGNATURE OF THE SHAREHOLDER/PROXY

M AND B SWITCHGEARS LIMITED

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FORM OF PROXY

I/We(Write full name) resident of.....(write full address) being a Member/Members of M AND B Switchgears Limited hereby appoint (write full name) resident of (write full address) as my/our proxy to attend and vote for me/us and on my/our behalf at the ANNUAL GENERAL MEETING of the company to be held on Friday, July 26, 2013 at 2.30 p.m. and at any adjournment thereof.

Dated this day of 2013.

Folio NoDPCLIENT ID

Signed by the said.....



Notes:

- The proxy need not be a Member.
- The proxy form shall be deposited at the Registered Office at least 48 hours before the scheduled time for the meeting.

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BOOK - POST

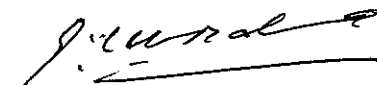
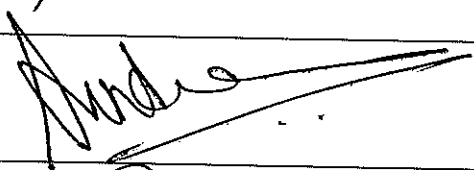

If undelivered, please return to:

M AND B SWITCHGEARS LIMITED

Survey No. 211/1,
Opp. Sector - C & Metalman,
Sanwer Road Industrial Area,
Indore - 452015 (M.P.)

FORM A

**Covering letter of the annual audit report to be filed with the
stock exchanges**

S.No.	PARTICULARS	DETAILS OF COMPANY
1.	Name of the Company:	M AND B SWITCHGEARS LIMITED
2.	Annual financial statements for the year ended	31 st March, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Repetitive since last year
5.	To be signed by-	
	<input type="checkbox"/> CEO/Managing Director MR. SHYAM SUNDER MUNDRA	
	<input type="checkbox"/> CFO (WTD) MR. ANURAG MUNDRA	
	<input type="checkbox"/> Auditor of the company MR. AVINASH BAXI	
	<input type="checkbox"/> Audit Committee Chairman MR. NARENDRA BELI	